

Home Spec of NC, INC
P.O. Box 2263
Elizabeth City, NC 27906
Inspection Agreement

THIS IS A LEGALLY BINDING CONTRACT AND CONTAINS AN ARBITRATION CLAUSE.

Client: _____

Property Address: _____

Inspection Date: _____

Inspection Fee: \$ _____ Total Fee: \$ _____

This Inspection Agreement contains the terms and conditions of your (the Client) contract with **Home Spec of NC, INC.** (the Company) for an Inspection of the Property at the above address. This Inspection Agreement contains limitations on the scope of the inspection, remedies and liability. Please read it carefully. By signing below, the Client represents and warrants that Client has secured all approvals necessary for the Company to conduct the inspection of the property. Client also warrants they will read the entire Inspection Report when received and shall promptly call with any questions or concerns client may have regarding the Inspection or Inspection Report. This Inspection is being performed for the exclusive use and benefit of the client, and the Inspection, including the written Report, is not to be transferred to, utilized or relied upon by any other person or entity without the prior written permission of the Company. This Home Inspection is in accordance with the Standards of Practice of the NCHILB.

-Any appointment cancellation or change made with less than 24 hours notice is subject to a \$50.00 fee at the discretion of the inspection company.

-The North Carolina Standards of Practice for Licensed Home Inspectors allows 72 business hours for the delivery of the written Home Inspection Report. Home Spec will make every attempt to deliver the report sooner than the 72 business hour standard.

1. INSPECTION AND DUTIES

The company agrees to perform a limited visual Inspection of the systems and the components included in the inspection as they exist at the time of the inspection and for which the Client agrees to pay a fee. The Inspection will be performed in accordance with the Standards of Practice for **NORTH CAROLINA LICENSED HOME INSPECTORS**, which are attached, and is limited by the limitations, exceptions and exclusions so stated in the Standards of Practice and this Agreement. You agree that if the Company recommends further evaluation of a condition noted in the Inspection Report that you will do so before the end of any Inspection contingency and prior to closing.

2. DISCLAIMER OF WARRANTY

Client understands that the Inspection and Inspection Report do not, in any way, constitute a/an: (1) guarantee, (2) warranty of merchantability or fitness for a particular purpose, (3) express or implied warranty, or (4) insurance policy. Additionally, neither the Inspection nor Inspection Report are substitutes for any real estate transfer disclosures, which may be required by state law.

3. NOTICES AND STATUTE OF LIMITATIONS

Client agrees that any claim, for negligence, breach of contract or otherwise, be made in writing and reported to the company within ten (10) business days of discovery. Client further agrees to allow Inspector the opportunity to re-inspect the claimed discrepancy, with the exception of emergency conditions, before Client or Client's agents, employees or independent contractors repairs, replaces, alters or modifies the claimed discrepancy. Client understands and agrees that any failure to notify Inspector as stated above should constitute a waiver of any and all claims Client may have against Inspector. Any legal action must be brought within one (1) year from the date of the Inspection, failure to bring said action within one (1) year of the date of the inspection is a full and complete waiver of any right, actions or causes of actions that may have arisen therefrom. Time is expressly of the essence herein. This period may be shorter than otherwise provided for by law.

4. LIQUIDATED DAMAGES - LIMITED LIABILITY CLAUSE

Due to the nature of the services we are providing, it is difficult to foresee or determine (at the time this Agreement is formed) potential damages in the event of negligence or breach of this Agreement by us. Thus, if we fail to perform the Services as provided herein or are careless or negligent in the performance of the Services and/or preparing the Report, our liability for any and all claims related thereto is limited to the fee paid for the Services (unless contrary to state law), and you release us from any and all additional liability, whether based on contract, tort, or any other legal theory. There will be no recovery for consequential damages. You understand that the performance of the Services without this limitation of liability would be more technically exhaustive, likely require specialties and would cost substantially more than the fee paid for this limited visual inspection. You understand that you are free to consult with another professional if you do not agree to this provision.

X

By signing here, the Client agrees to be bound by the provisions of this limitation of liability provision.

5. ENVIRONMENTAL AND HEALTH ISSUES

The client specifically acknowledges that a Property Inspection is NOT an Environmental Survey and is not intended to detect, identify, disclose or report on the presence of any actual or potential environmental concerns or hazards in the air, water, soil or building materials. Such environmental concerns and hazards include but are not limited to asbestos; lead; urea formaldehyde; mold; mildew; fungus; odors; noise; toxic or flammable chemicals; water or air quality; PCB's or other toxins; electro-magnetic fields; underground storage tanks; proximity to toxic waste sites; carbon monoxide. You agree to hold the Company and Inspector harmless for any injury, health risk or damage caused or contributed to by these conditions.

6. HIDDEN DAMAGE AND CONDITIONS: The Inspection and Report cannot identify problems or conditions that are out of view of a Visual Inspection, nor can it identify things that have been hidden or purposely covered up. No destructive or disruptive testing or assessments will be performed. The Inspection does not include: the lifting of carpets or rugs; removing ceiling panels, insulation, or vapor barriers; moving furniture, appliances, personal belongings, clothing, delicate items, or debris.

7. LIMITATIONS, EXCEPTIONS AND EXCLUSIONS: The Inspection only includes those systems and components expressly and specifically identified in the Inspection Report. The Inspection limitations, exceptions and exclusions in the Standards of Practice are incorporated herein. In addition, any area which is not exposed to view, is concealed, is inaccessible because of soil, walls, floors, carpets, ceilings, furnishing or in any other fashion is excluded.

The Inspection does not include any destructive testing or dismantling. The following systems and components and areas are among those **NOT** included in the Inspection or Inspection Report unless otherwise discussed and contracted between Client and Company:

- Latent or concealed defects, compliance with code or zoning ordinances or permit research or system or component installation or recalls.
- Structural, geological, soil, wave action or hydrological stability, survey, engineering, analysis or testing.
- Termites or other wood destroying insects and or organisms, rodents or other pests, dry rot or fungus; or damage from or relating to the preceding.
- Private water, water softeners or purifiers, radiant heat systems or solar heating systems.
- A sewage system is not included unless contracted between the Client and Company for an additional fee.
- Pools, spas, hot tubs, saunas, steam baths, fountains or other types of or related systems and components.
- Repair cost estimates or building value appraisal.
- Thermostatic or time clock controls, radio controlled devices, automatic gates or elevators, lifts, dumbwaiters.
- Free standing appliances and gas appliances such as fire pits, barbecues, heaters and lamps. Main gas shut off valve. Any gas leaks. Furnace heat exchangers.
- Seismic safety, security or fire safety systems or security bars and/or safety equipment.
- Any adverse condition that may affect the desirability of the property including but not limited to proximity to railroad tracks or airplane routes, boundaries, easements or rights of way, adjoining properties or neighborhood.
- Unique/technically complex systems or components, systems or component life expectancy or adequacy or efficiency or any system or component.
- Compliance with past or present governmental codes or regulations is not examined.

8. LIMITATIONS DUE TO WEATHER

Extreme weather conditions can limit the scope of the Inspection. Snow covered landscaping, driveway and walks, grading, and roofs cannot be fully accessed. Rainy weather can make it easier to identify leaks, however it may prevent access onto, and inspection of, the roof surface. Dry periods will limit the ability to identify moisture problems, leakage and seepage, and flooding conditions in and around the premises. Heating equipment may not be able to be fully tested during warm weather. Air conditioning will not be tested when the temperature has been below sixty (60) degrees for the previous twenty-four (24) hours. Subsequent re-inspection of items excluded because of weather limitations is not within the scope of this Inspection, but can be performed for an additional fee.

9. GOVERNING LAW AND SEVERABILITY

North Carolina law shall govern this Agreement. If any portion of this agreement is found to be invalid or unenforceable by any court or arbitrator the remaining terms shall remain in force between the parties.

10. RECEIPT OF REPORT

The company's agreement to perform the Inspection is contingent on the Client's agreement to the provisions, terms, conditions and limitations of this Agreement. If this Agreement is not signed by the Client prior to or at the time the written Inspection Report is provided to the Client and the Client objects to any of the terms of this Agreement, Client shall return the written Inspection Report to the Company within seven (7) days and any fee that has been paid will be refunded to the client. Failure to return the written Inspection Report and any payment of the fee shall constitute the full acceptance of all the terms of this Agreement by the Client.

11. PRE-SETTLEMENT RESPONSIBILITIES

It is the Clients responsibility to further investigate any and all problems noted in the Report, with the appropriate specialists and technicians, in order to determine the proper course of action and actual repair and update costs. The Client also recognizes that this Inspection is not a substitute for the Pre-Settlement Inspection to be performed by the Client just prior to legal acceptance of the property, as conditions can change, damage can occur, equipment can fail, and symptoms, signs and clues can appear between the time of the Inspection and settlement. The Client waives all claims against the Company if the Client fails to further investigate problems noted in the Report, including confirmation of cost estimates, or if the Client fails to diligently perform his or her Pre-Settlement Inspection of the property.

12. OTHER SERVICES

It is understood and agreed to by the parties hereto that all the provisions, limitations, exceptions and exclusions of this agreement shall apply to any optional services entered into by the parties.

13. ENTIRE AGREEMENT, MODIFICATION AND 3RD PARTIES

This agreement represents the entire agreement between the parties. No oral agreements, understandings or representations shall change, modify or amend any part of this Agreement. No change or modification shall be enforceable against any party unless such changes or modification is in writing and signed by the parties and supported by valid consideration. This Agreement shall be binding upon and inure to the parties hereto and their spouses, heirs executors, administrators, successors, assigns and representatives of any kind whatsoever.

14. DISPUTE RESOLUTION - ARBITRATION CLAUSE

Any dispute, controversy, interpretation or claim including claims for, but not limited to, breach of contract, consumer fraud, any form of negligence, fraud or misrepresentation or any other theory of liability arising out of, from or related to this contract or arising out of, from or related to the Inspection or Inspection Report shall be submitted to final and binding arbitration under the rules and procedures of the Expedited Arbitration of Home Inspection Disputes of Construction Arbitration Services, Inc. The decision of the arbitrator appointed thereunder shall be final and binding and judgment on the award may be entered in any court of competent jurisdiction.

CLIENT INITIALS X _____

I have read, understand and agree to all the terms and conditions of this Agreement and to pay the fee shown above.

Dated _____ Signature of Client _____

(One signature binds all)

Dated _____ Signature of Company _____