

STANDARD FIREPLACE/CHIMNEY INSPECTION AGREEMENT

THIS IS A LEGALLY BINDING CONTRACT. PLEASE READ IT CAREFULLY.

SCOPE OF THE INSPECTION: The fireplace, appliance, vent and/or chimney inspection to be performed for Client is a non-invasive physical examination, performed for the fee set forth below, designed to identify material defects in the systems as they exist at the time of the inspection. A material defect is a condition that significantly affects the safe use of the fireplace, appliance, vent and/or chimney.

The inspection will be performed in accordance with the National Fire Protection Association 211 Standards, Chapter 14, in effect at the time of this inspection. A copy of those Standards is available upon request. The level of inspection and the use of a chimney camera shall be determined solely by Client. The inspection shall be limited to those specific components that are present and visually accessible. The inspection is not intended to be technically exhaustive. Client acknowledges that his/her decision based on the level or type of inspection may reduce the ability to detect conditions and/or applications that can only be viewed by means of a Level II camera inspection. Client releases Inspector of all liability related to these undetected conditions and/or applications due to his/her decision.

Inspector shall prepare a written inspection report for the sole use and benefit of Client. The inspection report shall describe and identify the inspected systems and components and shall identify material defects in those systems and components observed during the inspection. Client agrees to read the entire inspection report when it is received *and* shall promptly call the Inspector with any questions or concerns client may have regarding the inspection or the inspection report.

ENVIRONMENTAL CONCERNS: Client acknowledges what is being contracted for is a fireplace, appliance, vent and/or chimney inspection and not an environmental evaluation and the inspection is not intended to; detect, identify or disclose any health or environmental concerns regarding the inspected systems and components including, but not limited to, the presence of asbestos, lead, urea-formaldehyde, fungi, mold, mildew, bio-organic growth, PCBs, or any other toxic materials, substances, building materials or products.

LIMITATIONS, EXCEPTIONS AND EXCLUSIONS: Excluded from this fireplace, appliance, vent and/or chimney inspection is any system, or component which is inaccessible, concealed from view, or cannot be inspected due to circumstances beyond the control of Inspector, or which Client has agreed is not to be inspected. Client understands that Inspector may be required to walk on the roof to gain access to the chimney and adjacent areas. Inspector will use reasonable care to avoid damage to the roof; however, damage to the roof may occur. Inspector will not be responsible for any damage or repair whatsoever to the roof as a result of this inspection. The following are excluded from the scope of this inspection unless specifically agreed otherwise between Inspector and Client:

- A. Determining compliance with building codes, ordinances, regulations, covenants, or other restrictions, including local interpretations thereof.
- B. Obtaining or reviewing information from any third-parties including, but not limited to: government agencies (such as permits), component or system manufacturers (including product defects, recalls or similar notices), contractors, managers, sellers, occupants, neighbors, *consultants*, homeowner or similar associations, attorneys, agents or brokers.
- C. Examination of conditions related to animals, rodents, insects, wood-destroying insects, organisms, mold, and mildew or the damage caused thereby.
- D. Certain factors relating to any system or component, including, but not limited to: adequacy, efficiency, durability or remaining useful life, costs to repair, replace or operate, fair market value, marketability, or quality.
- E. Environmental hazards or conditions, including, but not limited to, toxic, reactive, combustible or corrosive contaminants.
- F. Perform any intrusive or destructive examination, test or analysis.

CONTRACT CONTINUES ON PAGE 2

CONTRACT CONTINUED FROM PAGE 1

G. Systems or components which are not permanently installed.

H. Systems or components not specifically identified in the written inspection report.

I. Common areas, or systems, structures, or components *thereof*, including, but not limited to, those of a common interest development as defined in California Civil Code section 1351, et seq.

The inspection may include recommendations for forensic evaluation and/or any consultation that may be deemed necessary in a related or contributing industry. Client agrees to do so at their own expense.

CONFIDENTIAL REPORT: When this inspection is performed in the course of a property transfer it is further agreed the inspection report to be prepared for Client is solely and exclusively for Client's own information and may not be relied upon by any other person. Client agrees to maintain the confidentiality of the inspection report and agrees not to disclose any part of it to any other person. Client may distribute copies of the inspection report to the seller and the real estate agents directly involved in this transaction, but Client and Inspector do not in any way intend to benefit said seller or the real estate agents directly or indirectly through this Agreement or the inspection report, CLIENT AGREES TO INDEMNIFY, DEFEND AND HOLD INSPECTOR HARMLESS FROM ANY THIRD PARTY CLAIMS ARISING OUT OF CLIENT'S UNAUTHORIZED DISTRIBUTION OF THE INSPECTION REPORT.

SEVERABILITY: Should any provision of this contract be held by a court of competent jurisdiction to be either invalid or unenforceable, the remaining provisions of this contract shall remain in full force and effect, unimpaired by the courts' holding.

ARBITRATION: Any dispute concerning the interpretation of this Agreement or arising from this inspection and report, except one for inspection fee payment, shall be resolved between the parties by BINDING ARBITRATION conducted in accordance with the rules of the American Arbitration Association except that the parties shall select an arbitrator who is familiar with the home inspection industry or Expedited Arbitration of Home Inspection Disputes.

The parties hereto shall be entitled to all discovery rights and legal motions as provided in the California Code of Civil Procedure. The arbitrator shall apply the substantive and procedural laws of the State of California to all issues submitted in the arbitration proceeding. The award of the arbitrator shall be final, and a judgment may be entered on it by any court having jurisdiction.

GENERAL PROVISIONS: This inspection contract, the inspection, and the inspection report do not constitute a warranty, guarantee, or insurance policy of any kind whatsoever. The inspection and inspection report are not a substitute disclosure for real estate transactions which may be required by law. No legal action or proceeding of any kind, including those sounding in tort or contract, can be commenced against Inspector/Inspection Company, or its officers, agents or employees more than one year from the date the Client discovers, or through the exercise of reasonable diligence should have discovered, the cause of action. In no event shall the time for commencement of legal action exceed two years from the date of the subject inspection. THIS TIME PERIOD IS SHORTER THAN OTHERWISE PROVIDED BY LAW.

In the event Client discovers a material defect or other deficiency that was not identified and reported by Inspector, Client shall so notify Inspector in writing and allow Inspector and/or Inspector's *designated* representative to re-inspect and document the condition(s) of the material defect or deficiency prior to making any repair, alteration or replacement to said material defect or deficiency.

The written report to be prepared by Inspector shall be considered the final and exclusive findings of the Inspector regarding the inspection of the property. Client shall not rely on any oral statements made by the Inspector prior to issuance of the written report.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, successors and assigns.

CONTRACT CONTINUES ON PAGE 3

CONTRACT CONTINUED FROM PAGE 2

LIQUIDATED DAMAGES: IT IS UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES HERETO THAT THE INSPECTOR/INSPECTION COMPANY IS NOT AN INSURER, THAT THE PAYMENT FOR THE SUBJECT INSPECTION IS BASED SOLELY ON THE VALUE OF THE SERVICES PROVIDED BY INSPECTOR/INSPECTION COMPANY IN THE PERFORMANCE OF THE INSPECTION AND PRODUCTION OF THE INSPECTION REPORT AS DESCRIBED HEREIN, THAT IT IS IMPRACTICABLE AND EXTREMELY DIFFICULT TO FIX THE ACTUAL DAMAGES, IF ANY, WHICH MAY RESULT FROM A FAILURE TO PERFORM SUCH SERVICES, AND IN CASE OF FAILURE TO PERFORM SUCH SERVICES AND A RESULTING LOSS, CLIENT'S DAMAGES HEREIN SHALL BE LIQUIDATED AND FIXED IN AN AMOUNT EQUAL TO THE INSPECTION FEE PAID MULTIPLIED BY ONE HUNDRED TWENTY-FIVE PERCENT (125%) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND THIS REMEDY SHALL BE EXCLUSIVE.

This agreement constitutes the entire integrated agreement between the parties hereto pertaining to the subject matter hereof and may be modified *only* by a written agreement signed by all of the *parties* hereto. No oral agreements, understandings, or representations shall change, modify, or amend any part of this agreement.

Each party signing this Agreement warrants and represents that he/she has the full capacity and authority to execute this Agreement on behalf of the named party. If this Agreement is executed on behalf of Client by any third party, the person executing this Agreement expressly represents to Inspector that he/she has the full and complete authority to execute this Agreement on Client's behalf and to fully and completely bind Client to all of the terms, conditions, limitations, exceptions and exclusions of this Agreement.

Client:

Inspection address: , ,

Description:

Date and time of inspection: , @ Inspection fee: \$.00

Client acknowledges that he/she has read and understood all the terms, conditions and limitations of this contract and voluntarily agrees to be bound thereby and agrees to pay the fee listed above.

Client: _____ Date: _____

Client: _____ Date: _____

Inspector: _____ Date: _____