

AGREEMENT CONTAINS A LIMIT OF LIABILITY AND ARBITRATION CLAUSE, PLEASE READ COMPLETELY

This contract is an agreement between the CLIENT listed below, and AHI Home & Building Inspection to perform an inspection of a home or building according to the "Standards of Practice" of ASHI and the NCHILB or SCLLR. These standards of practice inform CLIENT of what a home inspector should report, and what is not expected of the home inspector to report. **OUR home inspection is a single trip generalist observation that is visual in nature and not technically exhaustive. Additionally, it is to provide CLIENT with a better understanding of the property's condition as observed at the time of the inspection.** OUR inspection/report will meet the "Standards of Practice". It will include an inspection of: **Structural Components, Exterior, Roofing, Plumbing, Electrical, Heating, Central Air Conditioning, Interior, Insulation, Ventilation and built-in kitchen appliances.** WE agree to email or mail the CLIENT a report within three business days of the inspection, receipt of signed agreement, and completion of payment arrangements

THIS AGREEMENT is made and entered into this _____ day of _____, 2010 by and between AHI Home & Building Inspection Services (herein "Inspector") and _____ (herein "Client"). For the subject property below:

Location: _____

Scheduled Date: _____ Estimated Start Time: _____ Approx Total Sq. Ft.: _____

Fee: _____

Email Address: _____

CLIENT'S Current Address: _____ Phone: _____

Credit Card (**circle one**): Visa, MasterCard

Card Number _____ Expiration Mo/Yr _____

3 digit security code _____ (last 3) ** Credit Card Processing fee is 3% with a \$15.00 Minimum.

Closing Date, Attorney, & Phone: _____

Fees / Payment: CLIENT is responsible for payment in full of all of our fees. The cost of the home inspection is based upon the age, total square feet (heated & unheated), and condition of the home to be inspected and is subject to correction. Homes in distress, cluttered, foreclosed, "short sales", for sale by owner, investment, and rental properties may be charged an additional fee, must be paid in full before the report is released. Failure to notify US of such a property at the time of scheduling may result in the inspection being aborted and the CLIENT will be responsible for payment in full.

Payment must be made at time of inspection. Cancellations with less than 48 hours notice will be billed in full. If payment is not received within 30 days of the inspection, CLIENT authorizes AHI Home & Building Inspection to charge the credit card listed above.

Please be advised that when services are rendered payment to AHI Home & Building Inspection in full is due whether CLIENT decides to purchase the home or not. Failure to make payment within 30 days of the inspection or at closing, whichever comes first, may result in collection activity and the CLIENT understands that CLIENT will be liable for interest from the date of the inspection, collection costs, court costs, and or attorney fees.

OUR inspection does not include Excluded from this Home Inspection is any system, structure, or component of the home which is inaccessible, concealed from view, or cannot be inspected due to circumstances beyond the control of the Inspector, or which Client has agreed is not to be inspected.

The following are excluded from the scope of this Home Inspection unless specifically agreed otherwise between Inspector and Client:

The Inspector is not required to move furniture, personal items, equipment, insulation, or enter un-floored attic areas, evaluate the condition or presence of storm windows / doors / screens / storm shutters, awnings or any other seasonal accessories, or determine their functional efficiency. Certain factors relating to any systems, structures, or components of the building, including, but not limited to: adequacy, efficiency, durability or remaining useful life, costs to repair, replace or operate, fair market value, marketability, quality, or advisability of purchase. The operational capacity, quality, or suitability for a particular use of the items inspected as well as design problems and adequacies are not within the scope of this inspection report. Intercoms, security systems, built-in vacuums, lawn sprinklers, internal furnace combustion systems, fuel/oil tanks and water conditioning equipment are not inspected or evaluated. No destructive or disruptive testing procedures are performed by the Inspector.

Soil conditions, geological stability, infestation inspections, cosmetics, or engineering analysis are beyond the scope and purpose of this inspection. The inspection is not a compliance inspection or certificate for past or present government or local codes or regulations, or the suitability of the property for any specialized use. Determining the presence or absence of radon gas, carbon monoxide, safety glass, lead paint or any suspected hazardous substance, including but not limited to toxins, carcinogens, molds, mildew, fungi, noise, contaminants in soil, well, and air are beyond the scope of this inspection. Determining compliance with installation guidelines, manufacturer's specifications, building codes, ordinances, regulations, covenants, or other restrictions, including local interpretations thereof.

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.

Dismantling of any system, structure, or component, or perform any intrusive or destructive examination, test or analysis. Examining or evaluating fire-restrictive qualities of any system, structure or component of the building.

Examining or evaluating the acoustical or other nuisance characteristics of any system, structure, or component of a building, complex, adjoining properties, or neighborhood.

Services for inspecting or evaluating the excluded items listed above may be available from the inspector for an additional fee or from specialists qualified to inspect or evaluate a particular category or item. Inspector is Home Inspection generalists and is not acting as an expert in any craft or trade. The inspection report may contain recommendations for further evaluation by an individual other than Inspector herein who is qualified as an expert or specialists. If Inspector recommends consulting other specialized experts, Client agrees to do so at their own expense. It is Client's duty and obligation to exercise care to protect himself or herself regarding the condition of the subject property, including those facts which are known or within the diligent attention and observation of Client.

Additional Inspection Options: (by not initialing desire for any additional services listed below client declines any additional services)

Radon Test: For an additional fee of \$150.00 we will conduct an EPA approved short term radon test at the listed property. The Environmental Protection Agency (EPA) believes "Radon is a cancer-causing natural radioactive gas that you can't see, smell or taste. Radon is the leading cause of lung cancer among non-smokers. Radon is the second leading cause of lung cancer in America and claims about 20,000 lives annually."

Initial here _____ if CLIENT(S) wishes to have a Radon Test.

Irrigation Inspection: For an additional \$75.00 we will perform a limited visual inspection of the properties irrigation system. Initial here _____ if CLIENT(S) wishes to have a limited visual irrigation inspection.

Limited Visual Mold Inspection: I agree and understand that we may report on suspicious stains or mold-like substances, that the inspector is not an environmental hygienist and is not providing the service of a "mold inspector" under this agreement. Call us for more information regarding mold inspections.

PEST INSPECTIONS: If wishes to have a WDIR inspection (\$75.00 with home inspection only) Initial here _____ if CLIENT(S) wishes to have a pest inspection

WATER TESTING: (Includes chloroform and E. coli bacteria tests) starting at \$155.00 Initial here _____ if CLIENT(S) wishes to have the water tested.

Delayed Payment: Payment is due at the time of the inspection. For an additional \$25.00 we will allow payment to be made within 45 days or at the close of escrow (whichever is first), not available for distressed sales. A valid credit card, closing date, attorney info is required for delayed billing. All payments must be made within 45 days of the inspection regardless of closing status. Initial here _____ if you would like the delayed payment option.

CLIENT obligations: CLIENT has made an on-site personal examination of the property prior to the inspection and agrees to notify US of any issues or concerns they have and any disclosure issues or no representation issues by the seller. CLIENT has preexisting concerns with the following components, systems, etc. (please list if any) _____. CLIENT has obtained a right of entry to perform this inspection from the seller or seller's representative and has made arrangements for the home to be open during the inspection. CLIENT agrees to retain appropriate licensed contractor(s) to further inspect and repair all concerns and issues before the close of escrow. CLIENT is urged to call US before they close on the home to review or ask any questions CLIENT may have regarding this inspection / report. CLIENT is responsible for payment in full of all of our fees whether or not CLIENT purchases the property and will inform us in advance if the home or neighborhood is distressed.

CLIENT(S) INITIALS: _____

Attendance / Opinion: The home inspection report represents OUR "opinion" of the property at the time of the inspection. OUR interpretation of what is good or fair may be different than CLIENT. CLIENT is strongly encouraged to be present at the time of the inspection so WE will have a better understanding of each other's perceptions.

OUR purpose is to determine whether or not a system (electrical, heating, etc) is working properly. WE are not responsible to determine all that may be wrong with that system, just whether or not a second opinion is needed, such as a licensed electrician or HVAC contractor. They determine what steps are necessary to correct. Their troubleshooting may reveal additional items not mentioned in this report. WE are not responsible for items mentioned or not mentioned in this report.

Warranty / Claims / Limitations: **This inspection is to reduce the risk of finding a potential problem, not to eliminate them. WE do not guarantee that all defects will be located, reported, identified or recognized. CLIENT agrees that OUR limit of liability shall not exceed the amount paid for the inspection.** By retaining OUR services CLIENT acknowledges, understands, and agrees to the statements and terms contained herein, and will hold US harmless to any claims made. If the CLIENT believes WE have made an error or omitted an item the CLIENT feels should have been inspected the CLIENT agrees to notify US in writing of the alleged error or omission immediately upon discovery of the item(s) and agrees to allow US a reasonable opportunity to re-inspect, address, and repair the alleged error or omission prior to any repairs being performed. Failure on behalf of the CLIENT to notify US in writing and grant US a reasonable opportunity to re-inspect, address, and repair the alleged item(s) is admission by the CLIENT that the condition did not exist at the time of the inspection and shall constitute a remise, full release, and forever discharge US from all, and all manner of, actions, causes of action, suits, proceedings, debts, dues, judgments, damages, claims, administrative claims, and demands whatsoever in law or equity. If CLIENT makes a claim against US for an alleged error, omission, or other act arising out of this inspection report and fails to prove such claim, CLIENT agrees to pay all attorneys' fees, arbitrator's fees, legal expenses, and costs incurred by US in defense of the claim. In the event of a refund of inspection fee or portion thereof, or any other sum, such refund shall be a full and final settlement of all present and future claims, administrative claims, and causes of actions, complaints, etc. and WE shall be thereupon generally and fully released. This inspection is not for third party use; CLIENT requests this inspection/report for their confidential use only. WE will not release this report to any third party without client approval. If CLIENT decides to release this report to others CLIENT agrees to defend, indemnify, and hold US harmless for any damages claimed by others. CLIENT agrees that WE will only be named as an fact witness in litigation issues and CLIENT agrees to execute our litigation agreement prior to naming us an fact witness. Should any buyer or entity disclaim authority of contract signer to act as an agent of any or all buyers, then the signer of the contract herein indemnifies us for all costs, damages, judgments, and expenses incurred by us, including attorney's fees, regarding any claims against us made by buyer or entity that relies on report or other representation or conduct of us or agents thereof.

Arbitration Clause: Any dispute concerning the interpretation of this agreement or arising from the Inspection and Report (unless based on payment of fee) shall be resolved by binding, non-appeal able arbitration conducted by Construction Arbitration Mediation Services www.buildingdisputes.net. Any legal act arising from the Inspection and report must be commenced within 1 yr from the date of the inspection. If any portion of the agreement, inspection, and/or report is struck down, then all other clauses will remain valid and in force.

Additional Trips / Re-Inspections: If CLIENT requests an additional trip to complete the inspection (i.e. utilities were not turned on, inaccessible areas, etc) CLIENT agrees to pay a \$125.00 per hour (or part of) additional trip fee. Re-inspections of repairs will be considered on a case by case basis and are billed at \$200.00 for the first hour (or part of) \$100.00 per additional hour (or part of). **Fees include travel time and report writing time.**

Does the CLIENT give US the authorization to release the original, and/or a copy of the inspection report to the Client's Realtor or real estate agency, solely for the purpose to aid the CLIENT who is to pay for this inspection? Yes / No (circle one) by signing below CLIENT understands and agrees to all terms and conditions including the limit of liability and arbitration clause.

Client Signature _____

Inspector Signature Daniel A. Johnson NCHIL # 2565