

“This is an Agreement between you, the undersigned Client, and us, the Inspector, pertaining to our inspection of the Property at: \_\_\_\_\_. The terms below govern this Agreement.

1. The fee for our inspection is \$\_\_\_\_\_, payable before the appointment.

2. **Permission to Enter Property:** The CLIENT is responsible for ensuring that the INSPECTOR has permission to enter the Inspected Property to perform the home inspection on the date scheduled. The INSPECTOR is not responsible for any disruption in the inspection process caused by construction, renovations, painting, cleaning, or any other activity occurring at the Inspected Property at the time of the inspection.

3. **Assumption of Risk of Injury:** The INSPECTOR has no knowledge or information concerning the conditions of the Inspected Property and will not see any conditions until the time of the home inspection. The CLIENT is encouraged to attend the home inspection but assumes all risks and responsibility for any injury (including, but not limited to, personal injury, bodily injury, disability, and death), illness, damage, loss, claim, liability, or expense of any kind, that CLIENT may experience or incur in connection with attending the home inspection. CLIENT releases, discharges, and holds harmless INSPECTOR, its employees, agents, and representatives, of and from any such claims, including all liabilities, claims, actions, damages, costs, or expenses of any kind arising out of or relating to attending the home inspection.

4. **Scope of Services:** The INSPECTOR agrees to provide professional home inspection services to the CLIENT in conformance with the standards, limitations, exceptions, and exclusions as contained in The Rules of the Texas Real Estate Commission, 22 TAC §535.201, et seq., ("TREC Standards"), and this Agreement. Although the INSPECTOR agrees to follow the TREC Standards, CLIENT understands that these Standards contain limitations, exceptions, and exclusions. CLIENT understands that InterNACHI is not a party to this Agreement and has no control over the INSPECTOR or representations made by the INSPECTOR and does not supervise the INSPECTOR. The inspection is a non-invasive, limited visual survey and basic performance evaluation of the systems and components of a building using normal controls that provides information regarding the general condition of a residence at the time of inspection. The inspection is based on the observations made on the date of the inspection, and not a prediction of future conditions. The inspection will include the following systems and components of the Inspected Property, if present, visible and accessible: structural; heating, ventilation and air conditioning; plumbing; electrical; and appliances.

5. **Home Inspection Report:** The CLIENT and the INSPECTOR agree that the INSPECTOR will prepare a Home Inspection Report that shall note observed deficiencies and other items required to be reported. The Home Inspection Report shall include: (a) the name and license number of each inspector who participated in performing the inspection, as well as the name(s) and license number(s) of any supervising real estate inspector(s) and sponsoring professional inspector(s), if applicable; (b) the address or other unique description of the Inspected Property on each page of the Report; and (c) the CLIENT'S name. The Home Inspection Report will be in the form approved by the Texas Real Estate Commission, or will be written in accordance with 22 TAC §535.223.

6. **General Exclusions:** An inspection **IS NOT** technically exhaustive. An inspection **WILL NOT** identify concealed or latent defects, or deal with aesthetic concerns or what could be deemed matters of taste, cosmetic defects, etc. An inspection **DOES NOT** include items not permanently installed. The inspection services **DO NOT INCLUDE** any action, system or component specifically excluded from the scope of work in any provision of the TREC Standards. The INSPECTOR **IS NOT REQUIRED TO INSPECT:** (a) items other than those listed within the TREC Standards; (b) elevators;(c) detached buildings, decks, docks, fences, waterfront structures, or related equipment; (d) anything buried, hidden, latent, or concealed; (e) sub-surface drainage systems; (f) automated or programmable control systems, automatic shut-off, photoelectric sensors, timers, clocks, metering devices, signal lights, lightning arrestor system, remote controls, security or data distribution systems, solar panels or smart home automation components; or (g) concrete flatwork such as driveways, sidewalks, walkways, paving stones or patios. The INSPECTOR **IS NOT REQUIRED TO REPORT:** (a) past repairs that appear to be effective and workmanlike except as specifically required by the TREC Standards; (b) cosmetic or aesthetic conditions; or (c) wear and tear from ordinary use. The INSPECTOR **IS NOT REQUIRED TO DETERMINE:** (a) the presence or absence of pests, termites, or other wood-destroying insects or organisms; (b) the presence, absence, or risk of: (i) asbestos; (ii) lead-based paint; (iii) mold, mildew; (iv) corrosive or contaminated drywall; or (v) any other environmental hazard, environmental pathogen, carcinogen, toxin, mycotoxin, pollutant, fungal presence or activity, or poison; (c) types of wood or preservative treatment and fastener compatibility; (d) the cause or source of a condition; (e) the cause or effect of deficiencies; (f) any of the following issues concerning a system or component: (i) insurability or warrantability; (ii) suitability, adequacy, compatibility, capacity, reliability, marketability, or operating costs; (iii) recalls, counterfeit products, or product lawsuits; (iv) life expectancy or age; (v) energy efficiency, vapor barriers, or thermostatic performance; (vi) compliance with any code, listing, testing or protocol authority; (vii) utility sources; or (viii) manufacturer or regulatory requirements, except as specifically required by the TREC Standards. The INSPECTOR **IS NOT REQUIRED TO ANTICIPATE FUTURE EVENTS OR CONDITIONS, INCLUDING, BUT NOT LIMITED TO:** (a) decay, deterioration, or damage that may occur after the inspection; (b) deficiencies from abuse, misuse or lack of use; (c) changes in performance of any component or system due to changes in use or occupancy; (d) the consequences of the inspection or its effects on current or future buyers and sellers; (e) common household accidents, personal injury, or death; (f) the presence of water penetrations; or (g) future performance of any item. The INSPECTOR **IS NOT REQUIRED TO:** (a) operate shut-off, safety, stop, pressure or pressure-regulating valves or items requiring the use of codes, keys, combinations, or similar devices; (b) designate conditions as safe; (c) recommend or provide engineering, architectural, appraisal, mitigation, physical surveying, realty, or other specialist services; (d) review historical records, installation instructions, repair plans, cost estimates, disclosure documents, or other reports; (e) verify sizing, efficiency, or adequacy of the ground surface drainage system; (f) verify sizing, efficiency, or adequacy of the gutter and downspout system; (g) operate recirculation or sump pumps; (h) remedy conditions preventing inspection of any item; (i) apply open flame or light a pilot to operate any appliance; (j) turn on decommissioned equipment, systems or utility services; or (k) provide repair cost estimates, recommendations, or re-inspection services. The INSPECTOR **IS NOT REQUIRED TO DETERMINE:** whether any system or component of the Inspected Property has been affected

by the illegal manufacture, distribution, storage, possession or sale of any illicit drugs, products, or by-products, including, but not limited to, methamphetamines, and including all chemicals, tools, household fixtures or appliances used to facilitate such illegal activities. The CLIENT and the INSPECTOR agree that the scope of the inspection to be performed pursuant to this Agreement **DOES NOT INCLUDE** decay of the interior of logs in log walls, log foundations or roofs, or similar defects in log homes, log structures or similar log construction. The CLIENT and the INSPECTOR agree that the INSPECTOR **IS NOT REQUIRED TO PERFORM** any action or task specifically excluded from the scope of a home inspection as contained in the TREC Standards, whether or not specifically identified herein.

7. **No Liability for Third-Party Service Providers:** The INSPECTOR may, where appropriate, recommend third-party service providers to supply goods and/or services to CLIENT in accordance with the home inspection services. CLIENT understands and agrees that the INSPECTOR bears no legal or contractual responsibility to the CLIENT for any actions or inactions of any such third-party service provider. No third-party service provider shall have the authority to incur or create any liability or obligation in the name of the INSPECTOR, or for which the INSPECTOR shall be liable to another.

8. **No Liability for Third-Party Reliance on Inspection Report:** The inspection and home inspection report are for the use of CLIENT only. INSPECTOR may also provide a copy of the home inspection report to the CLIENT'S real estate agent or attorney. INSPECTOR has permission to discuss observations with real estate agents, owners, repairpersons, and other interested parties only with written consent of CLIENT. CLIENT shall be the sole owner of the report and all rights to it. INSPECTOR accepts no responsibility for use or misinterpretation of the content of the report by third parties, and third parties who rely on it in any way do so at their own risk and release INSPECTOR from any liability whatsoever.

10. **Inspection Fee & Additional Fees:** The Inspection Fee identified above is due prior to or immediately upon completion of the physical inspection of the Inspected Property. If the Inspection Fee is not paid as required herein, the INSPECTOR has no obligation to release the home inspection report, or any other information concerning the inspection or the Inspected Property, until the Inspection Fee is paid in full. All expenses incurred in collecting any overdue payments or returned checks are the responsibility of the CLIENT. There is a \$50.00 service charge for returned checks. A finance charge of one and one-half percent (1.5%) per month, eighteen percent (18%) per year, will apply to all obligations not paid pursuant to the terms contained herein. CLIENT agrees that in addition to any service charges or interest, the CLIENT shall be responsible for all legal fees and costs incurred by the INSPECTOR to collect the fees due under this Agreement. The CLIENT agrees that the provisions of Paragraph 11 of this Agreement do not apply to any legal fees and costs incurred by the INSPECTOR to collect the fees due.

11. **Responsibility for Return Inspections:** The CLIENT understands that if any systems and/or components of the Inspected Property cannot be inspected due to unforeseen circumstances during the inspection, it is the CLIENT'S duty to contact the INSPECTOR should the CLIENT want the INSPECTOR to return to the Inspected Property later to inspect those systems and/or components. Any systems and/or components not inspected due to unforeseen circumstances will

be identified in the report.

12. **Severability:** If any portion of this Agreement is found to be invalid or unenforceable by any court, the remaining terms shall remain in force between the Parties. The indemnities and assumptions of liabilities and obligations herein shall continue in full force and effect after and notwithstanding the termination of this Agreement.

13. **LIQUIDATED DAMAGES & LIMITATION OF LIABILITY:** INSPECTOR assumes no liability for the cost of repair or replacement of unreported defects or deficiencies either current or arising in the future. CLIENT acknowledges that the liability of INSPECTOR, its agents and/or employees, for any claims against the INSPECTOR, including claims for, but not limited to, breach of contract, negligence, fraud or misrepresentation, and/or any violation of any law, statute, regulation, ordinance, or any other theory of liability arising out of, from or related to this Agreement or arising out of, from or related to the inspection or the home inspection report, shall be limited to liquidated damages in an amount equal to the fee paid to the INSPECTOR, and this liability shall be exclusive. CLIENT waives any claim for consequential, exemplary, special, or incidental damages or for the loss of the use of any portion of the Inspected Property. The Parties acknowledge that the liquidated damages are not intended as a penalty but are intended (i) to reflect the fact that actual damages may be difficult and impractical to ascertain; (ii) to allocate risk between the INSPECTOR and CLIENT; and (iii) to enable the INSPECTOR to perform the inspection at the stated fee. The CLIENT understands that he/she/they is/are free to consult with another professional if the Client does not agree to this provision.

14. **Disclaimer of Warranties:** Unless specified in this Agreement, all express or implied conditions, representations, and warranties, including any implied warranty of merchantability, fitness for a particular purpose or non-infringement are disclaimed, except to the extent that these disclaimers are held to be legally invalid.

15. **Notice of Claims:** The CLIENT agrees that any claim for failure of the INSPECTOR to fulfill its obligations under this Agreement shall be made in writing to the INSPECTOR upon discovery. The CLIENT also agrees to allow the INSPECTOR ten (10) days to come to the Inspected Property to observe, photograph, inspect and evaluate any condition complained of by the CLIENT to the INSPECTOR and not to make, or allow others to make, any alteration to the claimed condition until the INSPECTOR has had the opportunity to inspect and evaluate the claimed condition.

16. **Governing Law & Jurisdiction:** All issues and questions concerning the construction, validity, enforcement, and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the state where the Inspected Property is situated, without giving effect to any choice of law or conflict of law rules or provisions that would cause the application of the laws of any jurisdiction other than the state where the Inspected Property is located. The parties agree that any litigation arising out of this Agreement, or any services provided by the INSPECTOR shall be filed only in the court having jurisdiction in the county in which the INSPECTOR has its principal place of business.

17. **LIMITATION ON TIME TO INITIATE ANY LEGAL ACTION:** Any legal action, dispute, controversy, interpretation, or claim, including claims for, but not limited to, breach of contract, any form of negligence, fraud or misrepresentation, and/or any violation of any law, statute, regulation, ordinance, or any other theory of liability arising out of, from or related to this Agreement or arising out of, from or related to the inspection or the home inspection report must be initiated within one (1) year from the date of the delivery of the home inspection report to the CLIENT, regardless of when the CLIENT first discovers the facts supporting such possible claims as identified herein. Failure to initiate said action within one (1) year of the date of services shall be a complete bar to any such action a full and complete waiver of any rights, actions or causes of actions that may have arisen thereon. This period may be shorter than otherwise provided by state law.

18. **No Assignments Permitted:** CLIENT may not assign all or any portion of his/her/their rights or obligations under this Agreement. Subject to the preceding, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties hereto and their respective heirs, legal representatives, successors, and assigns. This Agreement does not create and shall not be construed or deemed to create any rights or benefits enforceable by or for the benefit of any person or entity other than the Parties hereto and their respective heirs, legal representatives, successors, and assigns.

19. **Entire Agreement:** 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 change 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.

20. **Acceptance of Terms:** CLIENT agrees that he/she/I/they have read, understand, and agree to all the terms and conditions on all pages of this Agreement, including the limitations and exclusions, and agree(s) to pay the fee shown according to the terms stated herein. The CLIENT can consult with legal counsel, or any other person or entity, before signing this Agreement. CLIENT acknowledges that if CLIENT does not agree with any of the terms of this Agreement, CLIENT has the option to retain another inspection company.”