

## INSPECTION AGREEMENT

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

PLEASE READ IT CAREFULLY

Client: \_\_\_\_\_ Report #: \_\_\_\_\_

Property Address: \_\_\_\_\_

Date of Inspection: \_\_\_\_\_

This is an Agreement between you, the undersigned Client, and us, the Inspector, pertaining to our inspection of the Property listed above. The terms below govern this Agreement.

1. The fee for our inspection is \$\_\_\_\_\_, payable in full at a time [before / after] the appointment.
2. We will perform a visual inspection of the home/building and provide you with a written report identifying the defects that we (1) observed and (2) deemed material. The report is only supplementary to the seller's disclosure.
3. Unless otherwise noted in this Agreement or not possible, we will perform the inspection in accordance with the current Standards of Practice (SOP) of the International Association of Certified Home Inspectors ("InterNACHI"), posted at [www.nachi.org/sop](http://www.nachi.org/sop). If your jurisdiction has adopted mandatory standards that differ from InterNACHI's SOP, we will perform the inspection in accordance with your jurisdiction's standards. You understand that InterNACHI's SOP contains limitations, exceptions, and exclusions. You understand that InterNACHI is not a party to this Agreement, has no control over us, and does not employ or supervise us.
4. Unless otherwise indicated in writing, we will NOT test for the presence of radon, a harmful gas. Unless otherwise indicated in writing, we will not test for mold. Unless otherwise indicated in writing, we will not test for compliance with applicable building codes or for the presence of or for any potential dangers arising from the presence of asbestos, lead paint, soil contamination, or other environmental hazards or violations. If any structure you want us to inspect is a log structure or includes log construction, you understand that such structures have unique characteristics that may make it impossible for us to inspect and evaluate them. Therefore, the scope of our inspection will not include decay of the interior of logs in log walls, log foundations or roofs, or similar defects.
5. Our inspection and report are for your use only. You give us permission to discuss our observations with real estate agents, owners, repair persons, or other interested parties. You will be the sole owner of the report and all rights to it. We are not responsible for use or misinterpretation by third parties, and third parties who rely on it in any way do so at their own risk and release us (including employees and business entities) from any liability whatsoever. If you or any person acting on your behalf provide the report to a third party who then sues you and/or us, you release us from any liability and agree to pay our costs and legal fees in defending any action naming us. Our inspection and report are in no way a guarantee or warranty, express or implied, regarding the future use, operability, habitability or suitability of the home/building or its components. We disclaim all warranties, express or implied, to the fullest extent allowed by law.

#### 6. 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.

7. We do not perform engineering, architectural, plumbing, or any other job function requiring an occupational license in the jurisdiction where the property is located. If we hold a valid occupational license, we may inform you of this and you may hire us to perform additional functions. Any agreement for such additional services shall be in a separate writing.

8. If you believe you have a claim against us, you agree to provide us with the following: (1) written notification of your claim within seven days of discovery, in sufficient detail and with sufficient supporting documents that we can evaluate it; and (2) immediate access to the premises. Failure to comply with these conditions releases us from liability.

9. You agree that the exclusive venue for any litigation arising out of this Agreement shall be in the county where we have our principal place of business. If you fail to prove any claim against us, you agree to pay all our legal costs, expenses and attorney's fees incurred in defending that claim. You agree that the exclusive venue for any legal action against InterNACHI itself, allegedly arising out of this Agreement or our membership in InterNACHI, will be in Boulder County, Colorado. Before bringing any such action, you must provide InterNACHI with 30 days' written notice of the nature of the claim, in sufficient detail and with sufficient supporting documents that InterNACHI can evaluate it. In any action against us or InterNACHI, you waive trial by jury.

10. If a court declares any provision of this Agreement invalid, the remaining provisions remain in effect. This Agreement represents our entire agreement; there are no terms other than those set forth herein. All prior discussions are merged into this Agreement. No statement or promise by us shall be binding unless reduced to writing and signed by one of our authorized officers. Any modification of this Agreement must be in writing and signed by you and by one of our authorized officers. This Agreement shall be binding upon and enforceable by the parties and their heirs, executors, administrators, successors and assignees. You will have no cause of action against us after one year from the date of the inspection.

11. Past-due fees for your inspection shall accrue interest at 8% per year. You agree to pay all costs and attorney's fees we incur in collecting the fees owed to us. If the Client is a corporation, LLC, or similar entity, you personally guarantee payment of the fee.

#### 12. Dispute Resolution – Arbitration Clause

Any dispute, controversy, interpretation or claim including claims for, but not limited to, breach of contract, any form of negligence, fraud or misinterpretation 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 first to a Non-Binding Mediation conference and absent a voluntary settlement through Non-Binding Mediation to be followed by final and Binding Arbitration, if necessary, as conducted by Construction Dispute Resolution Services, LLC or Resolute Systems, Inc. utilizing their respective Rules and Procedures. If you would like to utilize the Mediation and Arbitration services of another dispute resolution provider other than one of those so stated please submit your recommendation to us for our consideration. If the dispute is submitted to Binding Arbitration, the decision of the arbitrator appointed there under shall be final and binding and the enforcement of the Arbitration Award may be entered in any court or administrative tribunal having jurisdiction thereof.

**NOTICE: YOU AND WE WOULD HAVE A RIGHT OR OPPORTUNITY TO LITIGATE DISPUTES THROUGH A COURT AND HAVE A JUDGE OR JURY DECIDE THE DISPUTES BUT HAVE AGREED INSTEAD TO RESOLVE DISPUTES THROUGH MEDIATION AND BINDING ARBITRATION.**

Client initials \_\_\_\_\_

13. If you request a re-inspection, the re-inspection is subject to the terms of this Agreement.

14. You may not assign this Agreement.

15. If a court finds any term of this Agreement ambiguous or requiring judicial interpretation, the court shall not construe that term against us by reason of the rule that any ambiguity in a document is construed against the party drafting it. You had the opportunity to consult qualified counsel before signing this.

16. If there is more than one Client, you are signing on behalf of all of them, and you represent that you are authorized to do so.

**17. If you would like a large print version of this Agreement before signing it, you may request one by emailing us.**

I HAVE CAREFULLY READ THIS AGREEMENT. I AGREE TO IT AND ACKNOWLEDGE RECEIVING A COPY OF IT.

\_\_\_\_\_  
CLIENT

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
CLIENT

\_\_\_\_\_  
(Date)