

## Property Inspection Agreement

## CB Property Inspections

The address of the property is:

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between **CB Property Inspections** (hereinafter INSPECTOR) and the undersigned (hereinafter CLIENT), collectively referred to here as "the parties." The Parties Understand and Voluntarily Agree as follows:

1. INSPECTOR agrees to perform a visual inspection of the home/building and to provide CLIENT with a written inspection report identifying the defects that INSPECTOR both observed and deemed material. INSPECTOR may offer comments as a courtesy, but these comments will not comprise the bargained-for report. The report is only supplementary to the Transfer Disclosure Statement, which sellers are required to provide by civil code.

2. Unless otherwise inconsistent with this Agreement or not possible, INSPECTOR agrees to perform the inspection in accordance to the current Standards of Practice of the California Real Estate Inspection Association posted at <http://www.creia.org/>. Although INSPECTOR agrees to follow the California Real Estate Inspection Association (CREIA) Standards of Practice, CLIENT Understands that these standards contain certain limitations, exceptions, and exclusions. CLIENT understands that INSPECTOR will NOT be testing for the presence of Radon - a colorless, odorless, radioactive gas that may be harmful to humans. CLIENT understands that INSPECTOR will NOT be testing for mold. CLIENT understands that INSPECTOR will NOT test for compliance with applicable building codes or for the presence of potential dangers arising from asbestos, lead paint, formaldehyde, molds, soil contamination, and other environmental hazards or violations. INSPECTOR does NOT inspect for termites or other wood destroying organisms. There are state licensed specialists who CLIENT should hire for this service.

In accordance with CREIA standards, CB Property Inspections does NOT evaluate any concealed areas or components, such as subterranean ducts, pipes, or conduits within walls, floors, or ceilings, obstructed switches and outlets, the slab beneath carpets, the interior of heat exchangers, air conditioning coils and supply ducts, significant portions of chimney flues, and the waterproof membrane beneath roofs, balconies or shower pans. Also, INSPECTOR does NOT evaluate the following specific components: computerized systems, radio or remotely controlled components, central vacuum systems, alarm, telephone, cable, or intercom systems, private sewage systems, private water supply systems, water softeners, water circulating devices; water filtration or purification devices, the hermetic seal of dual-glazed windows or skylights, solar systems, fire-sprinkler systems, shut-off valves that are not in daily use, elevators, saunas, steam showers, humidifiers, electronic air cleaners, in-line duct motors or dampers, washers, dryers, and their valves or drain pipes, condensate pumps, thermostats, timers, clocks, rotisseries, refrigerators, portable or free-standing appliances, retaining walls, landscaping or landscape items, including decorative and low-voltage lighting, fountains and ponds, barbecues, fire-pits, pool sweep assemblies, in-line chlorinators, or similar devices dispensing bromine or ozone, and the coatings on pools, spas, countertops, fixtures, appliances, decks and walkways. INSPECTOR does NOT guarantee the integrity of any structure or component that was built or installed without permit, which could include latent defects, or any item that may have been subject to a manufacturer's recall.

What CB Property Inspections DOES provide is a conscientious but essentially visual inspection, recommendations for appropriate specialist service, and any consultation that may be necessary.

3. The inspection and report are performed and prepared for the use of CLIENT, who gives INSPECTOR permission to discuss observations with real estate agents, owners, repair persons, and other interested parties. INSPECTOR accepts no responsibility for use or misinterpretation by third parties. INSPECTOR'S inspection of the property and the accompanying report are in no way intended to be a guarantee or warranty, express or implied, regarding the future use, operability, habitability or suitability of the home/building or its components. Any and all warranties, express or implied, including warranties of merchantability and fitness for a particular purpose, are expressly excluded by this Agreement to the fullest extent allowed by law.

4. CLIENT acknowledges that the liability of INSPECTOR, its agents, employees, for claims or damages, costs of defense or suit, attorney's fees and expenses and payments arising out of or related to the INSPECTOR'S negligence or breach of any obligation under this Agreement, including errors and omissions in the inspection or the report, shall be limited to liquidated damages in an amount equal to 4X's the fee paid to the INSPECTOR, and this liability shall be exclusive. CLIENT waives any claim for consequential, exemplary, special or incident damages or for the loss of the use of the home/building even if the CLIENT has been advised of the possibility of such damages. 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 among the INSPECTOR and CLIENT; and (iii) to enable the INSPECTOR to perform the inspection at the stated fee.

5. In the event of a claim against INSPECTOR, CLIENT agrees to supply INSPECTOR with the following: (1) Written notification of adverse conditions within 14 days of discovery, and (2) Access to the premises to re-inspect, document and

photograph the alleged defect in its unchanged condition prior to any repair, alteration, or replacement, except in case of a water emergency. Failure to comply with this provision is a material breach of this contract and shall constitute a full waiver of any claim presented. Failure to comply with the above conditions will release INSPECTOR and its agents from any and all obligations or liability of any kind.

6. Furthermore, CLIENT agrees that CLIENT will first attempt to resolve any dispute informally. Should such an attempt fail, CLIENT agrees to submit the dispute to binding arbitration under the rules and procedures of the Expedited Arbitration of Home Inspection Disputes of Construction Arbitration Services Incorporated, and that the decision of the appointed arbitrator shall be honored and entered in any Court of competent jurisdiction as being legal and binding on both parties. CLIENT agrees that should either arbitration or a court action be initiated without first attempting mediation that CLIENT shall not be entitled to recover attorney's fees and costs that might otherwise be awarded through arbitration or court action.

7. If any court declares any provision of this Agreement invalid or unenforceable, the remaining provisions will remain in effect. This Agreement represents the entire agreement between the parties. All prior communications are merged into this Agreement, and there are no terms or conditions other than those set forth herein. No statement or promise of INSPECTOR or its agents shall be binding unless reduced to writing and signed by INSPECTOR. No change or modification shall be enforceable against any party unless such change or modification is in writing and signed by the parties. This Agreement shall be binding upon and enforceable by the parties and their heirs, executors, administrators, successors and assignees. CLIENT shall have no cause of action against INSPECTOR after one year from the date of the inspection, even if the CLIENT does not discover a defect until after that time. This limit may be shorter than the law allows.

8. Payment of the fee to INSPECTOR is due upon completion of the on-site inspection. The CLIENT agrees to pay all legal and time expenses incurred in collecting due payments, including attorney's fees, if any. If CLIENT is a corporation, or similar entity, the person signing this Agreement on behalf of such entity does personally guarantee payment of the fee by the entity.

9. If CLIENT requests a re-inspection, the re-inspection is also subject to all the terms and conditions set forth in this agreement. In our report we recommend that qualified, licensed personnel perform all of the desired repairs. Home Inspectors are not licensed contractors in the State of California. As such, we are not qualified to pass judgment on licensed personnel's repairs. If CB Property Inspections does a re-inspection of a licensed person's work, it is only done as a courtesy to our clients.

10. This Agreement is not transferable or assignable.

11. An agent for the CLIENT is deemed to have the authority to sign for the CLIENT unless expressly denied in writing and acknowledged by INSPECTOR.

**CLIENT HAS CAREFULLY READ THE FOREGOING, AGREES TO IT, AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT.**

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INSPECTOR

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CLIENT/REPRESENTATIVE

REV: 8/6/16