INSPECTION AGREEMENT

Milepost Home Inspection inspector@mileposthome.com 832-986-1942

Address of Property Inspected:

Client Name(s): Sample Client

Client Email(s):

Client Phone:

Date and Time of Inspection:

Inspector: Timothy Howell TX License #24309

Inspection Fee, for services as indicated in this Agreement:

Туре	Service	Amount
Primary Service	Buyers Inspection	\times
Age of Property Fees		$\times\!\!\times$
Discount		\times
Subtotal		$\times\!\!\times$
Total		\times

This Agreement is made by and between the Client(s) (referred to herein as "Client") and Milepost Home Inspection ("Inspector") who understand and voluntarily agree as follows:

- 1. FEE: In exchange for the Inspection Fee noted above paid by Client, the Inspector will conduct a limited visual inspection of the Property and provide a written report. The amount shall be paid in full prior to the delivery of the written inspection report.
- 2. SCOPE OF INSPECTION: The inspection will be performed in accordance with the Texas Standards of Practice of the Texas Real Estate Commission (TREC). Inspector will attempt to identify major defects and problems with the Property. **However, Client acknowledges that the Inspection Report may not identify all deficiencies, defects, or problems.**

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- 1. The inspection is a 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. This inspection is not intended to be a comprehensive investigation or exploratory probe to determine the cause or effect of deficiencies noted by the Inspector. Not all conditions may be apparent on the inspection date due to weather conditions, inoperable systems, inaccessibility of areas of the property, or other factors.
- 2. The Inspector agrees to:
 - 1. inspect items, parts, systems, components and conditions which are present and visible at the time of the inspection, but the Inspector is not required to determine or estimate the remaining life expectancy or future performance of any inspected item, part, system or component;
 - 2. operate mechanical and electrical equipment, systems, and appliances during an inspection in normal modes and operating range at the time of the Inspection.
- 3. The inspection is limited to those items which can be seen, easily accessed and/or operated by the Inspector at the time of inspection as set out in the Inspection Report. The Inspector will not remove walls, floors, wall coverings, floor coverings, furniture, and other obstructions in order to inspect concealed items. Systems and conditions which are not specifically addressed in the Inspection Report are excluded.
- 4. The Inspection Report will be provided on the current Property Report Form promulgated by TREC. This Form and the Standards of Practice stipulate the requirements and limitations of real estate inspections. It is recommended that the Client review this information prior to signing this Agreement. This Form and the Standards of Practice are available upon request from the Inspector, or at www.trec.texas.gov.
- 5. Unless specifically stated, the report will not include and should not be read to indicate opinions as to the environmental conditions, presence of toxic or hazardous waste or substances, presence of termites or other wood-destroying organisms, or compliance with codes, ordinances, statutes or restrictions or the insurability, efficiency, quality, durability, future life or future performance of any item or system inspected.
- 6. The Inspection Report is not a substitute for disclosures by sellers and real estate agents. Said disclosure statements should be carefully read for any material facts that may influence or affect the desirability and/or market value of the Property.
- 3. LICENSED INSPECTOR: Inspector is a licensed Professional Inspector by the Texas Real Estate Commission. Client understands that the Inspector is a generalist, knowledgeable in a variety of areas, but does not hold himself as an expert in any field. The Inspection Report may state that further evaluation of certain items is needed by an expert in the field of the item inspected. By signing this Agreement, Client acknowledges that qualified experts may be needed to further evaluate such items as structural systems, foundations, grading, drainage, roofing, plumbing, electrical systems, HVAC, appliances, landscape irrigation systems, fire/smoke detection systems, and other observable items as noted in the report.
- 4. **LIMITED WARRANTY:** CLIENT ACKNOWLEDGES THAT THE INSPECTOR WARRANTS ONLY THAT THE INSPECTION WILL BE PERFORMED IN ACCORDANCE WITH THE

SCOPE HEREIN, THE INSPECTION REPORT, AND THE STANDARDS OF PRACTICE OF THE TEXAS REAL ESTATE COMMISSION. This is a limited and non-transferable warranty and is the only warranty given by the Inspector. Inspector makes and client receives no other warranty, express or implied. ALL OTHER WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY EXCLUDED AND WAIVED BY CLIENT. This stated express limited warranty is in lieu of all liabilities or obligations of Inspector for damages arising out of or in connection with the performance of the inspection and any delivery and use of and reliance on the report. Client waives any claim for consequential, exemplary or incidental damages. The Inspector makes no guarantee or warranty, of any kind, express or implied, including but not limited to the following:

- 1. That all defects have been found or that the Inspector will pay for repair of undisclosed defects;
- 2. That any of the items inspected are designed or constructed in a good and workmanlike manner;
- 3. That any of the items inspected will continue to perform in the future as they are performing at the time of the inspection; and
- 4. That any of the items inspected are merchantable or fit for any particular purpose.
- 5. CONFIDENTIALITY OF REPORT: The report is confidential and is for the sole and exclusive private use of the client. Use of all information contained in the report is specifically restricted to the transaction for which the inspection was performed. Use of or reliance upon the report by other parties, or for other transactions, is strictly prohibited. No third party shall have any rights arising from this contract or the report and may not rely on the report. Client gives permission for the Inspector to discuss report findings with real estate agents, specialists, or repair persons for the sake of clarification.
- 6. **NOTICE/WAIVER:** In the event a dispute arises regarding an inspection that has been performed under this Agreement, the Client agrees to notify the Inspector, in writing, within ten (10) days of the date the Client discovers the basis for the dispute so as to give the Inspector a reasonable opportunity to reinspect the property. Client agrees to allow re-inspection before any corrective action is taken. Client agrees not to disturb or repair or have repaired anything which might constitute evidence relating to a complaint against the Inspector. Such removal or repair would substantially inhibit Inspector's ability to defend himself/herself in a dispute. Client further agrees that the Inspector can either conduct the reinspection himself or can employ others (at Inspector's expense) to reinspect the property, or both. *If Client fails to give* proper written notice hereunder, all of Client's potential claims for damages arising out of such complaint are expressly waived, including negligence of the Inspector. The waiver contained herein is intended to be enforceable against the parties in accordance with the express terms and scope thereof notwithstanding any express negligence rule or similar directive that would prohibit or otherwise limit indemnities because of the negligence or gross negligence (whether sole, joint or concurrent or active or passive) or other fault or strict liability of any of the indemnified parties.
- 7. DISPUTE RESOLUTION: In the event a dispute or claim arises from this Agreement, the

Inspection and/or the report, and if the dispute cannot be settled by direct discussion, the Client and Inspector agree that such dispute or claim shall be resolved by final, binding, non-appealable arbitration conducted in Harris County, Texas, in accordance with the rules of the American Arbitration Association, except that the parties shall mutually agree upon an arbitrator who is familiar with the real estate inspection industry and the TREC Standards of Practice. At the arbitration, the parties may adjudicate all claims and issues as provided for or limited herein, that could have been raised before a court of law, including but not limited to lawful attorney fees and costs, where provided by statute. The decision of the arbitrator shall be final and binding. The parties shall share equally the costs of the arbitrator. Either party may demand arbitration by written notice of the other. Such demand for arbitration must be made less than one (1) year after the date of the inspection.

- 8. ATTORNEY'S FEES: The Inspector and the Client agree that in the event any dispute or controversy arises as a result of this Agreement, and the services provided hereunder, and the Client fails to prevail on all causes of action alleged, the Inspector shall be entitled to recover all of the reasonable and necessary attorney's fees, costs, and expenses, including expert expenses, incurred by the Inspector.
- 9. INDEMNIFICATION: IN THE EVENT THAT ANY PERSON, NOT A PARTY TO THIS AGREEMENT, MAKES ANY CLAIM AGAINST INSPECTOR, ITS EMPLOYEES OR AGENTS, ARISING OUT OF THE SERVICES PERFORMED BY INSPECTOR UNDER THIS AGREEMENT, THE CLIENT AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS INSPECTOR FROM ANY AND ALL DAMAGES, EXPENSES, COSTS, AND ATTORNEY'S FEES ARISING FROM SUCH A CLAIM.
- 10. SEVERABILITY: If any portion of this Agreement is found to be invalid or unenforceable by any court or arbitrator, the remaining terms shall remain in force and effect between the parties to the fullest extent possible.
- 11. CHOICE OF LAW AND VENUE: This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, and venue shall be in Harris County, Texas.
- 12. STATUTE OF LIMITATIONS: The parties agree that no claim, demand, or action may be brought to recover damages against the Inspector, or any of its officers, agents, or employees, MORE THAN ONE (1) YEAR AFTER THE DATE OF INSPECTION, except for a claim for breach of contract. No breach of contract claims may be brought against the Inspector more than two (2) years from the date the cause of action accrues. Time is of the essence herein. Client understands that the time periods discussed herein may be shorter than otherwise provided by law.
- 13. ACCEPTANCE OF THIS AGREEMENT: This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors, assigns, agents, and representatives of any kind whatsoever. If client is married, client represents that this obligation is a family obligation incurred in the interest of the family. With regard to words used herein, the singular shall include the plural and the plural shall include the singular where appropriate. This Agreement constitutes the entire integrated agreement between the parties pertaining to the subject matter hereof and may be modified only by a written agreement signed by all of the parties. This Agreement supersedes any and all representations or discussions, whether oral

- or written, if any, among the parties relating to the subject matter of this agreement. No oral agreements, understandings, or representations shall change, modify, or amend any part of this Agreement.
- 14. RELIANCE: Client, by accepting Inspector's report and relying on it in any way, expressly agrees to all clauses, limitations and disclaimers included herein. Client further understands and agrees that no verbal statements made by the Inspector are to be considered a part of the inspection or the report. Therefore, Client will not and does not rely on any verbal statements made by the Inspector and no verbal statement made by the Inspector can be the basis for any claim against the Inspector, including claims based on misrepresentation or fraud.
- 15. RE-INSPECTION: In the event Client and Inspector agree in writing for items to be reinspected, the subsequent inspection and report are not to be considered as substitutes for the original completed TREC inspection and are considered as supplemental to the previously completed inspection and report, and is limited only to the items re-inspected. Client agrees the terms and conditions of this original inspection agreement apply to the reinspection, and this agreement is binding upon/for any re-inspection, without the need to sign an additional inspection agreement.
- 16. RELATED INSPECTIONS: Inspector may, at Client's request, schedule other specialty inspections or consultations for the property. This is done as a courtesy to Client, and the Inspector takes no responsibility nor liability for the actions or inactions of these other inspectors or consultants.
- 17. SERVICES INCLUDED: The major systems which will be inspected include all of the following, if present at property, unless otherwise noted:
 - 1. Structural, including: Foundations; Grading and Drainage; Roof Covering Materials; Roof Structures and Attics; Walls; Ceilings and Floors; Doors; Windows; Stairways; Fireplaces and Chimneys; Porches, Balconies, Decks, and Carports.
 - 2. Electrical
 - 3. Heating, Ventilation and Air Conditioning
 - 4. Plumbing
 - 5. Appliances
 - 6. Landscape Irrigation (Sprinkler) Systems
 - 7. Unless otherwise noted, the following will **not** be inspected: pools, spas, hot tubs and related equipment; private water wells; septic systems; outbuildings other than detached garages.

LIMITATION OF LIABILITY:

Client acknowledges that the Inspection Fee paid to the Inspector is nominal given the risk of liability associated with performing home inspections if liability could not be limited. Client acknowledges that without the ability to limit liability, the Inspector would be forced to charge Client much more than the Inspection Fee for the Inspector's services. Client acknowledges being given the opportunity to have this agreement reviewed by counsel of his or her own choosing and further acknowledges the opportunity to hire a different Inspector to perform

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the inspection.

By signing this Agreement, Client agrees to liability being limited to the amount of the Inspection Fee paid by the Client.

I / We have read, understand, and agree to all of the above terms and conditions:

Sample Client

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Inspector:

Timothy Howell, TX License #24309

Milepost Real Estate LLC, dba Milepost Home Inspection 14027 Memorial Dr #375 Houston, TX 77079 inspector@mileposthome.com 832-986-1942