



HOME SEAL SERVICES, INC.

Professional Property Inspections

11042 Nicholas Lane, Suite B201
Ocean Pines, MD 21811
(410) 208-4900
Toll free (888) 723-5334
Fax (410) 208-4883

INSPECTION AGREEMENT

Date: _____

Client: _____

Property Address: _____

Property City, State, Zip: _____

PLEASE READ THIS AGREEMENT BEFORE SIGNING. BY SIGNING THIS AGREEMENT YOU ACKNOWLEDGE THAT YOU HAVE READ, UNDERSTAND AND AGREE TO ALL THE TERMS CONTAINED HEREIN.

SCOPE OF WORK TO BE PERFORMED: Client hereby engages Home Seal Services, Inc., herein after known as "the Company" to perform a basic home inspection of the property located at above property address.

A basic inspection is intended to help educate the Client in the evaluation of the overall condition of a building. It is based on observation of the visible and apparent condition of the building and its components on the date of the inspection. The results of this work are not intended to make any representation regarding latent or concealed defects that may exist and no warranty or guaranty is expressed or implied. If the person conducting the inspection is not a licensed structural engineer or other professional whose license and/or specialized training authorizes the rendering of an opinion as to structural integrity, safety, or serviceability of a building or its other component parts, you are advised to seek a professional opinion as to any defects or concerns mentioned in the report.

Clients who wish more extensive or intensive inspections, or reporting beyond that provided by the basic inspection and which requires more time (i.e. a more exhaustive listing of minor items, check all windows, etc.), or specialized talent or skill should arrange for those services independently, or may subcontract for those services via the Company. Such efforts may find additional or more extensive problems or render opinions that differ from those rendered via a basic inspection.

The third page of this contract contains a non-exhaustive list of limitations inherent in the standard home inspection. Clients who wish to have a more comprehensive home inspection performed or for increased liability of the Company must contract separately for those services.

PRE-SETTLEMENT: Client accepts the possibility that damages, mechanical failures, symptoms, clues, etc. may appear after this work is performed and before the legal acceptance of the property. Client waives any right to make a claim against Company if Client has not diligently performed a pre-settlement inspection or has not initiated a more extensive investigation and follow through with a specialist on any problems noted including confirmation of any cost approximations.

RIGHT OF ENTRY: I warrant that, I or my agent, have made all necessary arrangements with the selling party for the Company to enter and inspect the property described in this agreement.

CLIENT PARTICIPATION AND INSPECTION: Client is encouraged to participate in the inspection but Client does so at his/her own risk. The Company shall have no liability for personal injury, property damage, or any other damages resulting from Client's participation in the inspection.

THIRD PARTIES: Client agrees that the report and information from this work is exclusively for its own benefit as it relates to this transaction only and in all other cases is the property of the Company. Client specifically warrants that there are no third parties who are intended beneficiaries of this contract. CLIENT HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS THE COMPANY FOR ANY DAMAGES AND/OR EXPENSES, INCLUDING ATTORNEY'S FEES,

INVOLVED IN DEFENDING ANY CLAIM MADE BY A THIRD PARTY AS A RESULT OF THE SERVICES PERFORMED UNDER THIS CONTRACT.

DISCLOSURE: Client authorizes Company to disclose information to real estate agents, sellers, lenders, or other parties intimate to this particular transaction for clarification, facilitation of repairs, etc.

LEGAL FEES/OTHER EXPENSES: IF EITHER PARTY MAKES A CLAIM AGAINST THE OTHER FOR ANY ERROR, OMISSION OR OTHER ACTION ARISING OUT OF THE WORK PERFORMED UNDER THIS CONTRACT AND FAILS TO PROVE ALL ASPECTS OF SUCH CLAIM, THE PARTY MAKING THE CLAIM WILL PAY ALL ATTORNEY/SOLICITOR FEES, ARBITRATOR FEES, EXPENSES AND COSTS INCURRED IN THE DEFENSE OF THE CLAIM. CLIENT AGREES TO PAY ALL OF COMPANY'S COSTS, LEGAL FEES, AND EXPENSES INCURRED IN COLLECTING UNPAID FEES AND FOR ANY RETURNED CHECKS TENDERED BY CLIENT OR ANY DENIED CREDIT CARD CHARGES.

LIMITATION OF LIABILITY: CLIENT AGREES THAT COMPANY'S LIABILITY FOR BREACH OF CONTRACT AND/OR THE NEGLIGENT PERFORMANCE OR NON-PERFORMANCE OF ANY OF ITS OBLIGATIONS UNDER THIS CONTRACT SHALL BE LIMITED TO THE FEE PAID BY THE CLIENT FOR THIS INSPECTION.

SEVERABILITY: If any tribunal determines that any portion of this contract is unenforceable, that tribunal shall enforce the remainder of the contract as though the unenforceable portion did not exist.

NON-EXHAUSTIVE LIMITATIONS ON STANDARD HOME INSPECTIONS: The basic inspection looks for defects or irregularities which are "exposed to view" which require repairs or are a real and present danger to occupants. It is limited to the readily accessible and visible major systems, components and equipment of the primary home of the property. **Certain items will be randomly sampled; however hidden damages, conditions, public records, codes, engineering tests and environmental checks are not included as part of the basic home inspection.**

No area which poses a threat to the inspector's safety will be inspected, including steep, slippery, or brittle roofs, attics with insulation that prevent safe footing, or any electrical or mechanical equipment which appear potentially hazardous. CERTAIN ITEMS ARE RANDOMLY SAMPLED OR CHECKED, BUT NOT ALL SUCH ITEMS WILL BE INDIVIDUALLY INSPECTED. These items include, but are not limited to: Windows, doors, hardware and screens; electric outlets, switches and lights; cabinet/countertop mounts and functions; insulation type and depth; mortar, masonry, paint and caulking integrity; and roof covering materials.

Individuals performing inspections will not generally: Perform destructive or disruptive testing or assessments; lift floor covering, remove ceiling panels, insulation, or vapor barriers; move appliances, clothing, furniture, and heavy, delicate or personal items; or check mechanical equipment during inappropriate weather.

The ages of equipment are approximated based on visual appearance. Installations are not checked against manufacturers recommendations. Only those utilities actually listed on the inspection report are presumed to exist. The following items are not included in the standard home inspection: Swimming pools and spas; smoke alarms without accessible test buttons; solar, security, intercom, antenna and telephone systems and roofs not readily & safely accessible from a 13 foot ladder.

The basic home inspection will not reveal/report the following: Intermittent occurrences, the inner-workings of mechanical devices, the integrity of underground or hidden piping, the accuracy of timers or thermostats over a range, small cracks or breaks in chimney flue liners, leakage or seepage occurring intermittently or under unusual weather conditions, the integrity of wire connections in unexposed locations, the presence of pests or chemicals, adequate performance of mechanical systems during extreme weather conditions, or concealed defects.

The inspection concerns exclusively the on-site primary home. No inspection is made with respect to public records, traffic density, noise, odors, building value appraisal, zoning ordinance conformance, or warranty or transfer disclosure. **NO CHECK IS MADE FOR BUILDING OR HOUSING CODE CONFORMANCE.** Additionally, no engineering, or architectural or other such licensed work will be performed, including geological or structural hazard site or engineering analysis. Similarly, the inspection will not reveal problems with environmental hazards, asbestos, water quality, air quality, lead paint or toxic or allergenic substances. Moreover, the standard home inspection will not reveal problems with pests and/or wood destroying organisms, or mold. Finally, the weather conditions existing on the day of the inspection will vary the scope of the work to be performed by the Company.

Certain equipment in the home may not be inspected depending on the weather conditions. For instance, very cold weather allows operation of heating systems, but prevents operation of air conditioning equipment. Conversely, hot weather permits operation of cooling equipment but prevents the assessment of the heating equipment. Further, the weather conditions may prevent the Company from performing an inspection of certain areas of the house. For example, rainy weather may prevent the inspector from walking on the roof and snow may prevent the observation of the roof, driveway, and other exterior parts of the house. The Company will NOT return to check the property during inclement weather without an additional charge.

ARBITRATION: Client and Company agree to submit all disputes related in any way to the company's performance and/or the parties obligations arising under this contract to binding arbitration with the American Arbitration Association, in accordance with the "Standards of Practice" of the American Society of Home Inspectors as the standard of evaluating the claim. The Requirements for submitting and limitations on claims to arbitration or other agreed dispute resolution body are in the following paragraph.

REQUIREMENTS FOR SUBMITTING CLAIM THE TO ARBITRATION: Client waives any right to make a claim against the Company for damages up to the cost of the inspection. The Company's obligations contained in this contract, including any claim for any alleged defect in the home inspection report, unless:

1. Client notifies Company in writing within **six (6) months** of the date of this contract of the nature and extent of Client's claim; and,
2. No repairs or replacements of allegedly defective components or systems have been performed prior to the notification to the Company required above and without permitting the Company an opportunity to inspect the items before repairs or replacement takes place.

**THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION,
WHICH MAY BE ENFORCED BY THE PARTIES.**

INSPECTOR CREDENTIALS: Mark Stearns has a varied background in general construction. His work experiences include framing houses, drywall, and heating and air.

He also has general knowledge in plumbing and electrical gained through the remodeling of his own home and another apartment building, both of which he completely gutted and rebuilt. He also constructed a new garage apartment building. Remodeling older buildings and new construct building has given him the opportunity to work with the Town of Ocean City and Worcester County in complying with strict building requirements. Mark is now an ASHI full member. Mark has completed over 1200 inspections and after extensive training and testing, is a Member of ASHI, the American Society of Home Inspectors. Also licensed with the State of Maryland per the state's requirement beginning January 1, 2008.

BASIC INSPECTION: I HEREBY REQUEST A BASIC VISUAL INSPECTION OF THE PRIMARY HOME AND GARAGE/CARPORT ON THE PROPERTY AT THE ABOVE ADDRESS. I HAVE READ EACH PAGE OF THIS CONTRACT AND HAVE FREELY NEGOTIATED THE TERMS CONTAINED HEREIN. I UNDERSTAND THE CONTENT AND AGREE TO BE BOUND BY THE TERMS OF THIS CONTRACT. I AM AWARE OF THE LIMITATION OF LIABILITY AND HAVE AGREED TO BE BOUND BY THIS LIMITATION, AND ALL OTHER PROVISIONS HEREIN. SPECIFICALLY, I UNDERSTAND AND AGREE THAT THE COMPANY'S LIABILITY IS LIMITED TO THE FEE PAID FOR THIS INSPECTION, AND THAT THIS LIMITATION SERVES AS THE SOLE REMEDY FOR THE CLIENT FOR ANY CLAIM OR CAUSE FOR ACTION AGAINST THE COMPANY.

I acknowledge that the above Inspector's credentials have been disclosed to me. I agree to pay the charge as specified below.

CLIENT SIGNATURE: _____ **DATE:** _____ **FEE: \$** _____
One signature binds all joint owners.

Home Seal Services, Inc: _____