

COUNTYWIDE PROPERTY INSPECTIONS

9320 Willowgrove Avenue, Suite D • Santee, California 92071 • (619) 448-2874 • (888) 862-6464 • Fax (619) 448-2994

Client _____ Inspection ID#: _____

Inspection Address _____

INSPECTION AGREEMENT

_____/ Countywide Property Inspections (collectively referred as "COUNTYWIDE") and the "Client" enter into a contract ("Inspection Agreement") for a limited visual inspection of the structure at the above address for Client's sole use and benefit. Client agrees to read this Inspection Agreement carefully and understands that Client is bound by all of the terms and conditions of this Inspection Agreement and the attached Addendum. Client further agrees that prior to close of escrow, Client will read the entire Inspection Report upon receipt and promptly call COUNTYWIDE with any questions or concerns Client may have. This contract applies to any additional inspections or re-inspections of the property after the date of the original inspection.

SCOPE OF INSPECTION: The scope of the inspection shall be governed solely by the Standards of Practice of the California Real Estate Inspection Association (CREIA), available at www.countywideinspection.com, as modified by the terms set forth in this Inspection Agreement and our Narrative Inspection Report. It is a limited visual inspection of accessible systems and components suffering from a significant defect; it is not a guarantee or warranty that all defects have been discovered and/or disclosed.

OUTSIDE THE SCOPE OF THE INSPECTION

- Performing a code compliance inspection (i.e., zoning or code violations).
- Making any determination or finding related to permit status of improvements.
- Geological stability, soils conditions, or site drainage.
- Structural stability from an engineering standpoint.
- Retaining walls greater than 6 feet in height.
- Pests (rodents, insects), termites or other wood destroying organisms.
- Environmental hazards, e.g. asbestos, radon, lead, water quality.
- Fountains; waterfalls, ponds & their components.
- Private water or private sewage (e.g. septic) systems.
- Solar heating systems (Pool/Wtr heater); Solar electrical systems.
- Water softener & purifier systems (including secondary water dispensers).
- Operation of any: main water valve, water supply valve or gas supply valve.
- Cracked heat exchanger & draft inducer assembly; propane tanks/components.
- Washers, dryers, refrigerators, portable appliances; saunas/steam baths.
- Security alarms; intercoms; fire suppression systems.
- Adequacy / efficiency of heating - air conditioning and electrical systems.
- An item's life expectancy; items subject of recalls or class action lawsuits.
- Irrigation systems & components; landscape lighting & their components.
- Condition of detached bldgs/accessory structures (storage sheds, barns, etc).
- Lifting of roof tiles or shingles; performing a slope analysis of the roof.
- Removing access panels other than HVAC & electrical service panels.
- Attic fans; sump pumps; sewer ejection pumps.
- How well or efficient an appliance, component or system operates.
- Moving personal property (e.g., furniture, rugs, storage, boxes, clothing, drapes, blinds)

THERMAL IMAGING – SCOPE AND LIMITATIONS: Client and Countywide agree that Countywide shall perform a limited thermal imaging scan ("scan") of the interior of the structure on the following terms and conditions: (i) the scan shall be for the purpose of helping the inspector identify areas where, based upon Inspector's experience, water intrusion can occur; (ii) the scan is not a guarantee that any and all abnormal moisture conditions will be located; (iii) the thermal-imaging scan will be limited in scope by the scanning equipment and conditions existing at the time of the inspection; (iv) no scan shall be made of areas that are not readily inaccessible; and (v) the scan will not predict leaks nor flag prior leaks, nor does it act as a moisture meter.

FINALITY OF REPORT'S WRITTEN FINDINGS: Client agrees and acknowledges that the contents of the Inspection Report shall be deemed the final and exclusive findings regarding any flagged deficiency (indicated by the words "Needs Attention" or "Not Inspected"). Client further understands and agrees that as to verbal statements made by the Inspector regarding the inspection results, (i) the Inspection Report's written findings shall govern and supersede over any alleged conflicting verbal statements made by the Inspector, and (ii) Client will not rely on any such verbal statements in any decision made by Client to forego obtaining further evaluation of a flagged deficiency.

CHOOSING WHAT RECOMMENDATIONS TO FOLLOW: Client acknowledges that the inspector does not assign special significance to nor prioritize any of the reported deficiencies. Each client's budget is different; and the inspector cannot know what defects will be considered significant by each client. For these reasons, *Client should consider all defects "significant" and take appropriate steps prior to lapse of any contingency period or close of escrow to obtain repair evaluations and quotes.*

REPAIR RECOMMENDATIONS: Should COUNTYWIDE suggest a way to remedy a flagged deficiency, Client understands that any such suggestion is not intended to be an exclusive remedy; nor does it eliminate or supersede the Inspection Report's written recommendation for further evaluation of the deficiency by a third party specialist, which Client is urged to follow in any case.

LIMITATION OF LIABILITY: As to any of the Inspection Report's recommendation for further evaluation of a flagged deficiency by a specialty contractor, termite inspector, or by an engineer. Client agrees to obtain such further third party evaluation prior to expiration of Client's contingency period and/or close of escrow. Client's failure to obtain such further evaluation shall absolve COUNTYWIDE from liability from all claims involving the deficient system or component, *including undisclosed defects of the system or component which would be detected in connection with the specialty contractor's or engineer's evaluation.*

CLAIM FILING DEADLINES: No legal action or proceeding may be brought against COUNTYWIDE or its officers, agents, or employees more than one year from the date Client discovers, or through exercise of reasonable diligence should have discovered, the cause of action or deficiency. In no event shall the time for commencement of a legal action exceed two years from the date of the subject inspection. This time period is shorter than otherwise provided by law.

NOTIFICATION REQUIRED PRIOR TO MAKING REPAIRS: Should Client later discover that a component or system requires repair or replacement and Client questions the competency of the inspection, Client shall, prior to repair or replacement: (i) promptly notify COUNTYWIDE in writing of this and (ii) allow COUNTYWIDE to reinspect the component or system in question. Should Client repair or replace the component or system before such notification and reinspection, Client hereby agrees that COUNTYWIDE is thereby released and absolved of all liability or responsibility as relates to said component or system. Without such prior notice, photographs taken prior to repairs shall not eliminate Countywide's exoneration of liability.

ARBITRATION: As the exclusive means of resolving any dispute or claim arising out of the property inspection, the dispute shall be submitted first to non-binding mediation. Absent a settlement such dispute shall be resolved by arbitration administered by Construction Dispute Resolution Services, LLC, Resolute Systems, or other mutually agreeable, comparable entity. Full discovery rights and any discovery disputes shall be in accordance with CCP Section 1283.05.

MISCELLANEOUS PROVISIONS: (i) This Inspection Agreement shall be binding upon and be for the benefit of the parties, their heirs, successors, assigns, and agents of whatever kind; (ii) should a court determine that any portion of this contract is void, voidable or unenforceable, the remaining portions thereof shall remain in full force and effect; (iii) this Inspection Agreement constitutes the entire agreement between the parties regarding the matters set forth herein – no oral agreement, modification, or amendment shall be valid or binding unless it is in writing and signed by both parties. (iv) Notice to Third Parties: The Inspection Report is for the sole benefit and reliance of Client, and is neither transferable nor may it be relied upon by any party other than Client.

Escrow _____ CC _____

Inspection Fee \$ _____ Check _____ Cash _____

Unless COUNTYWIDE is otherwise instructed by Client, Client hereby authorizes COUNTYWIDE to make the Inspection Report available to (i) the Client's R.E. Agent (ii) the Seller and (iii) the Seller's R.E. Agent.

TO CLIENT WHOSE R.E. AGENT OR OTHER PERSON HAS SIGNED THIS CONTRACT ON YOUR BEHALF: By making payment of the inspection fee and/or by your receipt of the Inspection Report, you thereby confirm and acknowledge to COUNTYWIDE that such person signing on your behalf had your permission to sign this Agreement and to bind you to the terms of this Agreement.
TO R.E. AGENT OR OTHER INDIVIDUAL SIGNING THIS AGREEMENT: In signing this Agreement, you warrant and represent to COUNTYWIDE that you have the authority and Client's express permission and consent to sign this Agreement on Client's behalf and to proceed with the inspection.
TO ESCROW: Client hereby authorizes you to release any billing or status information to COUNTYWIDE.

Client understands and accepts the terms of this Inspection Agreement (even if signed subsequent to the inspection).

Signed: _____

Date: _____

ACCEPTED: _____

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ADDENDUM

TERMS AND CONDITIONS OF COUNTYWIDE'S MOLD INSPECTION (Incorporates by reference the terms of our INSPECTION AGREEMENT)

LIMITED SCOPE: Your inspector will perform a limited visual inspection of the interior of the home for purposes of flagging the presence of OBSERVABLE mold growth. Areas to be inspected are the same, readily accessible areas that are inspected by COUNTYWIDE'S Inspector in the course of performing his physical inspection of the premises. Limitations applicable to our mold inspection are recited herein and in our INSPECTION AGREEMENT under the caption "Outside the Scope of the Inspection." The following are some of the exclusions that apply to our mold inspection:

a) Inspection of HVAC ducting, vents, and A/C evaporator coil/pan area; removal of wall or component access panels, doors or hatches except the following readily accessible service panels: the electrical main/sub panels, the HVAC/ service panel; bathroom hydro spa panel.

b) Inaccessible area examples: behind walls & ceilings; under floor coverings (carpeting, etc.); areas visually obstructed by furniture, appliances, wall coverings, stored items in: rooms, garages, attics, under sinks, in closets & cabinets; areas visually obstructed or made inaccessible by framing, insulation, HVAC components (e.g., ducting), cramped spaces, insulation, temporary construction; areas of limited lighting conditions.

APPLICABLE STANDARDS OF PRACTICE: The mold inspection shall be performed in accordance with Section 3.0 of the *IAC2 Mold Inspection Standards or Practice*, as modified by the provisions herein and our Inspection Agreement. Please refer to <http://iac2.org/sop/> for a copy of these Standards of Practice.

NO GUARANTEE OR WARRANTY STRUCTURE MOLD FREE: Mold can exist in visually obstructed or inaccessible areas; and conditions conducive to mold growth can vary greatly over time - i.e., such conditions can arise in a short time frame after our inspection. In view of these factors, the results of our inspection is not a guaranty or warranty that mold is not present.

ASSUMPTION OF RISK - SUBSEQUENT DISCOVERY OF MOLD: Client acknowledges that deficiencies that arise after our inspection or which were visually inaccessible at our inspection can hide and/or create mold conditions. Client assumes and accepts the risk that after our inspection, mold conditions may arise and/or be discovered in areas flagged as inaccessible, or flagged as being an actual or potential moisture intrusion issue or deficiency.

MOLD REMEDIATION NOT INCLUDED: COUNTYWIDE shall not provide any mold remediation (removal) advice or service. If mold is flagged by Inspector, Client agrees he/she will rely exclusively upon the recommendations Client obtains from a mold remediation specialist.

MOLD SAMPLES COLLECTED BY COUNTYWIDE: Should suspected mold growth be visually observed and flagged by the Inspector, Client may request - *at the time of the inspection* - that the inspector collect a mold sample to be sent to a lab for analysis.

(Client's Initials): Client instructs COUNTYWIDE to obtain _____ Mold Samples of suspected mold. The mold specimen(s) will be sent by COUNTYWIDE to a lab for identification of the mold. Client shall receive the lab's written results from COUNTYWIDE within 5 calendar days. Client agrees to pay COUNTYWIDE **\$75.00** for each tape lift sample, *payable prior to receiving the mold test results.*

CONDUCTING AIR SAMPLING: Client may request COUNTYWIDE to collect air samples to test for air borne mold spores. In some cases, air sampling by COUNTYWIDE will be performed subsequent to the date of the home inspection, and subject to the premises being made available to COUNTYWIDE.

(Client's Initials): Client instructs COUNTYWIDE to collect **2 Indoor Air Samples and 1 Outdoor Baseline Air Sample.** COUNTYWIDE shall submit the samples to a lab for identification of type and quantities of mold spores. Client shall receive the lab's written analysis from COUNTYWIDE within 5-7 calendar days. Client agrees to pay COUNTYWIDE **\$195.00** for this service, payable in advance of Client receiving the written test results. (**\$50** each add'l air sample).

AIR/MOLD SAMPLING - CLIENT TO DECIDE: COUNTYWIDE shall not be responsible for deciding whether sampling should or should not be conducted; accordingly, no liability shall arise or be imputed to COUNTYWIDE if sampling is not conducted or recommended by COUNTYWIDE.

TIME TO INVESTIGATE: Client agrees that COUNTYWIDE shall have no liability for any claim if conditions have been disturbed, altered, repaired, replaced or otherwise changed before we have had a reasonable period of time to investigate any claim of an improper inspection. Pictures of the conditions taken by Client or third parties shall not eliminate the aforesaid required prior notice.

MISCELLANEOUS TERMS AND CONDITIONS: (i) This Addendum incorporates the terms of the Inspection Agreement; (ii) If any portion of this Addendum is found to be invalid or unenforceable by a court or arbitrator, the remaining terms shall remain in force between the parties; (iii) This Addendum represents the entire agreement between the PARTIES regarding our mold inspection. No oral statement made by COUNTYWIDE or its inspector shall act to alter or amend the terms of this Addendum; (iv) The results of the inspection are non-transferable and are for the exclusive use and reliance by Client only; no third party beneficiary is created nor intended.

LIMIT OF LIABILITY: The liability of COUNTYWIDE arising out of this Mold Inspection and Report, for any cause of action whatsoever, whether in contract or in negligence, is limited to a sum equal to five (5) times the total inspection fee paid by Client to COUNTYWIDE. Client understands that without this limitation on liability, the performance of the mold inspections services would be more technically exhaustive, likely require specialists and consequently, would cost substantially more than the fee paid for this limited visual mold inspection.

In signing this Addendum, Client acknowledges having read, understood and accepted the terms of this contract, including the above stated Limit of Liability terms.

Client(s) / Authorized Agent Signature

Accepted by Countywide