

INSPECTION AGREEMENT
THIS IS A LEGALLY BINDING CONTRACT
AND CONTAINS AN ARBITRATION CLAUSE
PLEASE READ IT CAREFULLY

Client: _____ Client Contact Info: _____ Property Address: _____
 Inspection Date: _____

Inspection Fee: \$ _____
 Radon Measurement Fee: \$ _____
 Well Water Testing Fee: \$ _____

Total Fee: _____

Please indicate your responses at



This Inspection Agreement contains the terms and conditions of the contract with (the Client) and **Swing & Associates, Inc. dba The Home Inspector** (the Company) for a Home Inspection of the Property at the above address. This Inspection Agreement contains limitations on the scope of the Inspection, remedies and liability. Please read it carefully. By signing below, the Client represents and warrants that the Client has secured all approvals necessary for the Company to conduct the Inspection of the Property. The Client also warrants they will read the entire Inspection Report when received and shall promptly call with any questions or concerns the Client may have regarding the Inspection or Inspection Report. This Inspection is being performed for the exclusive use and benefit of the Client, and the Inspection, including the written Report, is not to be transferred to, utilized, or relied upon by any other person or entity without prior written permission of the Company.

1. INSPECTION AND DUTIES

The Company agrees to perform a limited visual Inspection of the systems and components included in the inspection as they exist at the time of the Inspection and for which the Client agrees to pay a fee. The Inspection will be performed in accordance with the North Carolina Home Inspection Licensing Board Standards of Practice (NCHILBSOP), which can be reviewed at http://www.ncdoi.com/OSFM/Engineering_and_Codes/Documents/HILT_Documents/Standards%20of%20Practice%20eff%202014-2-1%20SECTION%208.1100%20excerpt.pdf and is limited by the limitations, exceptions, and exclusions so stated in the NCHILBSOP and this Agreement. The Company shall provide the Client with an understanding of the Property's condition as observed at the time of the Home Inspection. This Home Inspection will be performed to the best of the Company's ability; however, this does not imply a warranty or a guarantee that the Property, the Home

Inspection, or the Home Inspection Report will be without flaw. The Company makes every effort to correctly identify or describe systems and or components where required by reporting standards, however, the Company does not assume any liability for incorrect description such as listing of incorrect materials or system type. The Company does not guarantee that all defects will be located, recognized, identified, or reported. The Company assumes no liability for problems or concerns arising from incorrect system/component descriptions, the cost of repair, or replacement of unreported defects or deficiencies either current or arising in the future. The Client acknowledges that the following is a brief list of items that are beyond the scope of the Home Inspection, and acknowledges that an additional list is available for review within the NCHILBSOP: building code verification, load bearing alignments, heating and air conditioning sizing, energy efficiency, suitability for intended use, detached building, wood burning insert stoves, water softening systems, wells, septic systems, floor /wall coverings, conditions of materials covered during remodeling or upgrades, cosmetic defects, paint conditions, pet odors, mold, mildew, asbestos, rodents, bats, insects, wildlife, sanitary conditions, abandoned wells, abandoned fuel storage, failed hermetic window seals, window air conditioning units, central vacuum systems, spas, saunas, playground equipment, sprinkler systems, underground utilities such as electrical and plumbing, antennae, tool sheds, phone lines, cable lines, irrigation systems, portable heating or cooling equipment, chimney flue liners, washing machine drains, tub/sink overflow drains, refrigeration appliances, building components behind refrigeration and laundry appliances, intercom systems, alarm systems, mineral deposits/surface chips/scratches to plumbing fixtures, and driveway surfaces.

The Client acknowledges that the Company cannot identify problems or conditions that are out of view or have been purposefully covered up. The Home Inspection does not include lifting carpets, looking behind vinyl or other siding materials, removing ceiling panels, removing insulation, removing vapor barriers, moving furniture, moving personal items, moving refrigerators, moving laundry appliances, or disassembling HVAC systems for inspection of heat exchangers, coils, fans, or interior duct surfaces. The Company is not required to report on the following: life expectancy of any component or system; the causes of the need for a repair; the extent of the defect, methods, materials, and costs of corrections; the suitability of the property for any specialized use; identification of water and or sewer as private or public; compliance or non-compliance with codes, ordinances, statutes, regulatory requirements or restrictions; the market value of the property or its marketability; the advisability or inadvisability of purchase of the property; any component or system that was not inspected, the presence or absence of pests such as wood damaging organisms, rodents, insects, or wildlife; or items not permanently installed.

The Client acknowledges that the Company will not: enter any area or perform any procedure that may damage the Property or its components or be dangerous to or adversely affect the health or safety of the Company or other persons; operate any system or component that is shut down or otherwise inoperable; operate any system or component that does not respond to normal operating controls; move personal items, panels, furniture, equipment, plant life, soil, snow, ice, or debris that obstructs access or visibility; determine the effectiveness of any system installed to control or remove suspected hazardous substances such as radon, air pollution, and or mold; predict future condition, including failure of components; project operating costs of components; inspect special equipment or accessories that are not listed as components to be inspected in the NCHILBSOP; disturb insulation, except as required in Rule .1114 of the NCHILBSOP when hazardous conditions are not present.

The Client acknowledges that certain items are randomly sampled. These components include but are not limited to: window and door operation hardware and screens; electric receptacles, wiring, switches, lights, venting fans; cabinet and countertop mounts and functions; insulation depth and integrity; roof covering materials or the undersides of roof sheathing / framing.

You agree that if the Company recommends further evaluation of a condition noted in the Inspection Report that you will do so before the end of any inspection contingency and prior to closing.

2. DISCLAIMER OF WARRANTY

The Client understands that the Inspection and Inspection Report do not, in any way, constitute a/an: (1) guarantee, (2) warranty of merchantability or fitness for a particular purpose, (3) express or implied warranty, or (4) insurance policy. Additionally, neither the Inspection nor Inspection

Report are substitutes for any real estate transfer disclosures which may be required by law.

3. REPAIRS AND RE-INSPECTIONS

The Client is advised to have all repairs performed by a licensed or otherwise qualified professional and that all repairs be outlined in a detailed letter / statement or invoice. The Client understands that the Company is not obligated to 1) make subsequent inspections related to repairs or adverse weather conditions are present on the day of the inspection unless a separate re-inspection is requested for an additional fee, and 2) consult with the seller, seller's agent, or contractor/workman regarding how repairs should be performed. The Client agrees that the Company will not be held liable for the quality of repairs or the performance of other contractors.

4. NOTICE AND STATUTE OF LIMITATIONS

Client agrees that any claim for negligence, breach of contract or otherwise, be made in writing and reported to Company within ten (10) business days of discovery. Client further agrees to allow the Company the opportunity to re-inspect the claimed discrepancy, with the exception of emergency conditions, before Client or Client's agents, employees, or independent contractor(s) repairs, replaces, alters, or modifies the claimed discrepancy. Client understands and agrees that any failure to notify the Company as stated above shall constitute a waiver of any and all claims the Client may have against the Company. Any legal action must be brought within one (1) year from the date of the Inspection. Failure to bring said action within one (1) year of the date of the Inspection is a full and complete waiver of any rights, actions, or causes of actions that may have arisen therefrom. Time is expressly of the essence herein. This time period may be shorter than otherwise provided for by law.

5. ENVIRONMENTAL AND HEALTH ISSUES

The Client specifically acknowledges that a Home Inspection is NOT an Environmental Survey and is not intended to detect, identify, disclose or report on the presence of any actual or potential environmental concerns or hazards in the air, water, soil or building materials. Such environmental concerns and hazards include but are not limited to asbestos; "Chinese Drywall"; radon; lead; urea formaldehyde; mold; mildew; fungus; odors; noise; toxic or flammable chemicals; water or air quality; PCB's or other toxins; electro-magnetic fields; underground storage tanks; proximity to toxic waste sites; carbon monoxide. You agree to hold the Company and the Inspector harmless for any injury, health risk or damage caused or contributed to by these conditions.

6. LIMITATIONS, EXCEPTIONS AND EXCLUSIONS

The Inspection only includes those systems and components expressly and specifically identified in the Inspection Report. The Inspection limitations, exceptions, and exclusions in the Standards of Practice are incorporated herein. In addition, any area which is not exposed to view, is concealed, is inaccessible because of soil, walls, floors, carpets, ceilings, furnishings, or in any other fashion is

excluded. The Inspection does not include any destructive testing or dismantling. The following systems and components and areas are among those NOT included in the Inspection or Inspection Report:

- Latent or concealed defects, compliance with code or zoning ordinances, or permit research or system or component installation or recalls.
- Structural, geological, soil, wave action, or hydrological stability, survey, engineering, analysis or testing.
- Termites or other wood destroying insects and / or organisms, rodents or other pests, dry-rot or fungus; or damage from or relating to the Preceding.
- Private water, sewage systems, water softeners or purifiers, radiant heat systems, or solar heating systems.
- Pools, spas, hot tubs, saunas, steam baths, fountains, or other types of or related systems and components.
- Repair cost estimates or building value appraisal.
- Thermostatic or time clock controls, radio controlled devices, automatic gates or elevators, lifts, dumbwaiters.
- Free standing appliances and gas appliances such as fire pits, barbecues, heaters, and lamps. Main gas shut off valve. Any gas leaks. Furnace heat exchangers.
- Seismic safety, security or fire safety systems, or security bars and/or safety equipment.
- Any adverse condition that may affect the desirability of the property including but not limited to proximity to railroad tracks or airplane routes, noise, flood zones, traffic density, boundaries, building value, appraisal, zoning ordinances, easements or rights of way, adjoining properties, neighborhood, conformation, warranty or transfer disclosure, contracts, etc.
- Unique/technically complex systems or components, system or component life expectancy, or adequacy or efficiency of any system or component.
- Compliance with any government codes or other regulations, including but not limited to building, sewer, electrical, mechanical, or zoning.

7. GOVERNING LAW & SEVERABILITY

This Agreement shall be governed by North Carolina law. 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 between the parties.

8. RECEIPT OF REPORT

The Company's agreement to perform the Inspection is contingent on the Client's agreement to the provisions,

13. 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 or 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

terms, conditions and limitations of this Agreement. If this Agreement is not signed by the Client prior to or at the time the Inspection Report is provided to the Client and the Client objects to any of the terms of this Agreement, the Client shall return the Inspection Report, and maintain no copies, to the Company within seven (7) days and any fee that has been paid will be refunded to the Client. Failure to return the Inspection Report and payment of the fee shall constitute the full acceptance of all of the terms of this Agreement by the Client.

9. HOLD HARMLESS AND DISCLOSURE

The signatory of this agreement hereby certifies that they are legally empowered to sign and bind all interested parties to this agreement and shall hold the Company and its agents harmless in the event of any disputes with any other parties to this action. Unless initialed, the Client authorizes and directs the Company to disclose the information within the Home Inspection Report to their agent(s).

10. OTHER SERVICES

It is understood and agreed to by the parties hereto that all the provisions, limitations, exceptions and exclusions of this agreement shall apply to any optional services entered into by the parties.

11. ENTIRE AGREEMENT, MODIFICATION & 3rd PARTIES

This Agreement represents the entire agreement between the parties. No oral agreements, understandings or representations shall change, modify, or amend any part of this Agreement. No change or modification shall be enforceable against any party unless such changes or modification is in writing and signed by the parties and supported by valid consideration. This Agreement shall be binding upon and inure to the parties hereto and their spouses, heirs, executors, administrators, successors, assigns and representatives of any kind whatsoever.

12. CANCELLATION

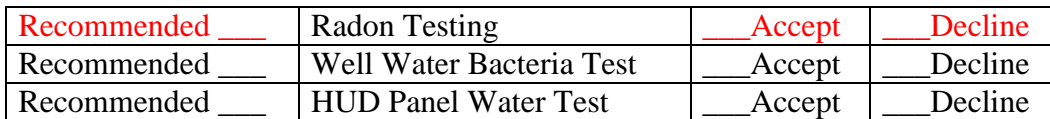
The Company is entitled to a Cancellation Fee of \$100.00 if The Inspection is canceled on the day of the appointment.

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.



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.

By signing here, the Client agrees to be bound by the provisions of this limitation of liability provision.



I have read, understand, and agree to all the terms and conditions of this Agreement and to pay the fee shown above.



Home Inspection Report Disclosure Not Allowed per item 9 above _____ (if initialed)

James Swing