



21st Century Home Inspections INSPECTION AGREEMENT

THIS CONTRACT CONTAINS A MEDIATION/ARBITRATION CLAUSE
PLEASE READ CAREFULLY

Client: _____ Inspection Report #: _____

Property Address: _____

Inspection Date: _____ Release Report to: seller / buyer / REALTOR (circle one)

Inspection Fees: \$ _____ Additional Services Fee (radon or other): \$ _____ Total Fee: \$ _____

This Inspection Agreement details the scope of the Client's Inspection conducted by 21st Century Home Inspections (the Company) for an Inspection of the Property at the above address. This Agreement also contains limitations on the scope of the Inspection, remedies and liability. By signing below, Client agrees all approvals necessary for the Company to conduct the Inspection of the Property have been secured. 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, used by or shared with any other person or entity without prior written permission of the Company.

1. INSPECTION, DUTIES AND WARRANTY DISCLAIMER

The Company agrees to perform a limited visual Inspection of the readily accessible, installed 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 describes whether or not inspected items, systems or components are in general working condition. The Inspection will be performed in accordance with the Standards of Practice prescribed by the Tennessee Department of Commerce and Insurance for Home Inspectors (based on ASHI SOP), which are available upon request. Client understands and agrees that the Inspection and Inspection Report do not, in any way, constitute a/an: guarantee, warranty of merchantability or fitness for use, express or implied warranty, or insurance policy. Additionally, neither the Inspection nor Inspection Report are substitutes for any real estate transfer disclosures which may be required by law, nor does the Inspection constitute insurability of the property.

2. NOTICE, STATUTE OF LIMITATIONS AND LIMITED LIABILITY

If the need arises, Client agrees that any claim for costs of repairing or replacing any unreported defect or deficiency or costs related to damages caused by unreported defects or deficiencies by the Company shall be in writing within ten(10) business days of discovery. Client further agrees to allow Inspector the opportunity to re-inspect the claimed discrepancy and provide notice, excluding emergency conditions, at least 72 hours before any repairs or modifications are made. Client agrees that failure to notify Inspector as stated above to allow for the inspection of said discrepancy shall constitute a waiver of any liability by the Company for all claims of the discrepancy. Any claim for costs as described above must be brought within one (1) year from the date of the Inspection. Failure to do so constitutes a full and complete waiver of any rights to make claims against the Company for the claimed discrepancy. The Client further agrees that the Company's liability for any and all claims related to any discrepancy made against the Company is limited to a maximum of \$2500.00.

3. ENVIRONMENTAL AND HEALTH ISSUES

The Client specifically acknowledges that a Property Inspection is not an Environmental Survey and is not intended to identify or disclose 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" or tainted drywall; radon (unless Client purchases radon testing services from the Company for an additional fee); lead; urea formaldehyde; mold; mildew; fungus; odors; noise; toxic or flammable chemicals; underground storage tanks; proximity to toxic waste sites; carbon monoxide. You agree to hold the Company and Inspector harmless for any injury or damage caused or contributed to by these conditions.

4. LIMITATIONS, EXCEPTIONS AND EXCLUSIONS

The Inspection only includes those systems and components expressly and specifically identified in the Inspection Report. In addition, any area which is not exposed to view, is concealed, is inaccessible for any reason is excluded. The following systems, components and areas are considered out of scope of the Inspection and excluded (general comments made about the below systems, items and conditions, verbally or in the Inspection Report, are informal only): latent defects, compliance with code; recalls; presence of termites or other wood destroying insects and/or organisms, rodents or other pests, dry-rot or fungus; or damage from the preceding pests or organisms; well water and septic sewage systems, water softeners or purifiers, radiant heat systems or solar heating systems; all recreational systems and components such as pools, hot tubs, spas, etc.; thermostatic fans, automatic gates or elevators; free standing appliances and gas appliances such as fire pits, barbecues, heaters and lamps; furnace heat exchangers; humidifiers; any interior wall claddings, floor coverings or window treatments; motion sensing lighting or other devices; central vacuum systems; "low voltage" systems; sprinkler systems; landscaping; security or fire safety systems or security bars; any condition that may affect the desirability of the property including, but not limited to, boundaries, easements or rights of way; unique/technically complex systems or components; system or component life expectancy or adequacy or efficiency of any system or component.

5. GOVERNING LAW & SEVERABILITY

This Agreement shall be governed by Tennessee state law. If any portion of this Agreement is found to be invalid or unenforceable by any court or arbitrator the remaining terms and conditions shall remain in force between the parties.

9. OTHER SERVICES

It is understood and agreed to by the parties that all the provisions, limitations, exceptions and exclusions of this agreement shall apply to any optional services entered into by the parties. The Company, as a courtesy, may provide the Client with a termite inspector referral and, as a courtesy, will attempt to arrange the initial termite inspection to coincide with the Client's Home Inspection. However, because this is a courtesy referral and not a contracted service, the Client agrees to release the Company from all liability relating to damages arising from errors in inspections, letters and/or treatments by the termite inspection company and any relationship beyond or business conducted beyond the initial termite inspection is between the Client and termite inspection company.

10. ENTIRE AGREEMENT, MODIFICATION & 3rd PARTIES

This Agreement represents the entire agreement between the parties. 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. The Client agrees that this Agreement is a family obligation and shall be binding upon their spouses in the interest of the family residing in the inspected property.

11. DISPUTE RESOLUTION – MEDIATION/ARBITRATION CLAUSE

Any and all disputes, demands, claims or controversies arising out of or relating to this contract or the breach thereof, from or related to the inspection or inspection report, shall be submitted first to Mediation. If full settlement is not reached by the parties during the mediation process, the parties shall submit the unresolved issues to Binding Arbitration. Both the Mediation and Binding Arbitration shall be conducted by and according to the rules and procedures of Construction Dispute Resolution Services, LLC (CDRS). If you would like to utilize the Mediation or Arbitration services of another dispute resolution provider other than CDRS, please submit your recommendation to us for our consideration. The parties acknowledge that if the dispute is submitted to Binding Arbitration, the decision of the Arbitrator shall be final and binding and the enforcement of the Arbitration Award may be entered in any Court of competent jurisdiction. The cost of the CDRS Mediation and/or Binding Arbitration process, or any other dispute resolution provider, shall be shared equally by the parties.

NOTICE: YOU, THE CLIENT, AND THE COMPANY WOULD NORMALLY HAVE THE RIGHT TO LITIGATE DISPUTES THROUGH A COURT AND HAVE A JUDGE AND/OR JURY DECIDE THE DISPUTES, BUT HAVE AGREED INSTEAD TO RESOLVE DISPUTES THROUGH MEDIATION AND BINDING ARBITRATION.

CLIENT INITIALS X _____

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

Dated _____ Signature of Client _____
(One signature binds all)

Dated _____ Signature of Inspector _____ License #: _____