

DESCRIPTION OF HOME INSPECTION SERVICES AND GENERAL HOME INSPECTION INFORMATION©

A **HOME INSPECTION*** is more than a report on the condition of the **PERMANENT SYSTEMS** and **PERMANENT COMPONENTS** specified in the “*Home Inspection Authorization and Contract and Scope of Inspection.*” It’s an investment and an education. In addition to documenting **ADVERSE CONDITIONS** in specified **SYSTEMS** and **COMPONENTS**, the information developed in the course of a **HOME INSPECTION** can help you in managing home maintenance costs and preserving their home.

A **HOME INSPECTION** is a limited and primarily visual, non-destructive, and non-technical examination (using **NORMAL OPERATING CONTROLS** where appropriate) of the applicable, safely accessible and readily accessible **SYSTEMS** and **COMPONENTS** specified in the “*Home Inspection Authorization and Contract and Scope of Inspection*” and in the Inspection Report for **ADVERSE CONDITIONS**. Only the visible, **SAFELY ACCESSIBLE** and **READILY ACCESSIBLE** portions of the specified **SYSTEMS** and **COMPONENTS** will be inspected. A **HOME INSPECTION** is intended to assist you in identifying these conditions. It is not a technical inspection. Destructive testing and/or disassembly of materials of components, other than the removal of access covers intended to allow normal homeowner maintenance, is excluded. Barriers, carpet, walls, ceilings, tile, obstacles, personal goods or stored items are not removed or moved to gain access or to provide a clearer view.

Examination of certain **SYSTEMS** and **COMPONENTS** and specific testing, evaluation, and remedial design work require substantial additional time and the services of licensed contractors or individuals with necessarily narrow and highly specialized training. Such services may be provided by us as separate services but are not a part of the **HOME INSPECTION**. These include but are not limited to the performance of engineering services, the inspection of swimming pools, spas, solar **SYSTEMS**, irrigation, well and septic **SYSTEMS**, or inspections for insects, pests, toxic substances and environmental hazards. If inspection or other services not included in the **HOME INSPECTION** are desired, Company, under a separate contract and for an additional fee, provide same of these services or you may also seek any of these services independently.

A **HOME INSPECTION** is not a home warranty, guarantee, or insurance of any kind. It is not a substitute for a seller’s disclosure statement or a pre-closing walk through. It does not replace insurance to protect against eventual deterioration of **SYSTEMS** or **COMPONENTS**. Contact your real estate professional, insurance agent, or lender for information about this type of insurance.

In order to provide you with a competitively priced **HOME INSPECTION** the Company offers a choice of inspection options. You have the option of choosing a **HOME INSPECTION** for which the Company’s liability is limited to liquidated damages in the amount equal to all amounts paid for the **HOME INSPECTION** by you for a **HOME INSPECTION** for which the specific limitation on liability is removed for an additional fee of \$750.00 over and above the fee for a **HOME INSPECTION** with the specific limitations on liability.

The Company is not a party to any contracts or other agreements pertaining to the subject property between you and any third parties. Therefore, the Company cannot offer recommendations pertaining to the use of the information contained in the Inspection Report with regard to such contracts or agreements. All decisions pertaining to consulting with any representatives or other parties including, but not limited to, real estate agents, insurers, title companies, surveyors, mortgage lenders, and attorneys with regard to the use or to the timeliness of use of the information contained in the Inspection Report are solely your responsibility.

*The terms in this “Description of Home Inspection Services and General Home Inspection Information” document that appear in all capitalized bold letters are defined in the “Home Inspection Report Glossary” which accompanies the written Inspection Report.

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The following are answers to **Frequently Asked Questions** regarding **HOME INSPECTIONS**.

What about...

moisture staining? When moisture staining or efflorescence on walls, ceilings, floors, or other surfaces is noted, it shall be understood that it cannot always be determined whether the conditions contributing to the staining have been corrected or are still present. Therefore, it is recommended that you immediately take additional measures to determine whether the cause of the staining has been corrected.

destructive examination? If additional examinations requiring destructive measures are desired, permission from the property owner must be obtained prior to retaining the services of a **QUALIFIED** party to perform any such additional examinations.

non-inspection and inaccessibility? When inspection of any **SYSTEM** or **COMPONENT** is limited or is designated as **NOT EXAMINED** due to inaccessibility or for any other reason, it shall be understood that the presence of **ADVERSE CONDITIONS** affecting the **SYSTEM** or **COMPONENT** cannot be determined. Therefore, it is recommended that additional measures be taken evaluate to evaluate and to assess the condition of such **SYSTEMS** or **COMPONENTS** as soon as possible.

de-energized SYSTEMS? Inspectors will not light standing pilots, activate the main water, gas, or electrical controls, energize electrical circuits which are shut off or out of service, or operate any controls other than normal user controls which are typically operated by building occupants in the daily use of the building.

geological stability or condition of the site? For information regarding geological stability or site conditions, a geo-technical/soils engineer should be consulted.

structural stability or engineering analysis? Analysis of the structure, foundation and retaining walls for sustaining capacity, soundness, and adequacy of seismic, shear, and design calculations may be obtained from a registered structural engineer. All Professional Engineering work should be stamped by the Professional Engineer performing the work and should bear the registration number and signature of that Professional Engineer.

building value or appraisal? Consult your real estate professional or appraisal professional for this information.

cost estimates? It is recommended that multiple separate estimates be obtained from **QUALIFIED** parties for all repairs, modifications, or corrective measures.

condition of detached buildings? Pool houses, cottages or other structures are not included but may be inspected upon request for an additional fee.

duplex and other multi-family units? These types of residential buildings typically have multiple kitchens and often have multiple, separate heating, electrical, plumbing, and other **SYSTEMS** which require additional time to inspect. Therefore, a different fee structure applies to the inspection of such buildings.

public records? Legality of property and its present use; conditions of title, boundaries and easements; compliance with local codes, ordinances or regulations and location in earthquake or hazard zones are not addressed and can be obtained from the appropriate public records and documents.

permits and zoning? Inspectors are not responsible for determining if any permits were required or obtained for any work performed on the subject property. Consult the appropriate jurisdictional building and/or land use department for information pertaining to permits and zoning.

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A **HOME INSPECTION** is a “snapshot in time.” Because a system or component is performing its **NORMALLY INTENDED FUNCTION OR OPERATION** at the time of the inspection does not assure that it will continue to do so. Any **SYSTEM** or **COMPONENT** can fail catastrophically and without any warning or indication of impending failure.

The inspector cannot predict any future **ADVERSE CONDITIONS** including but not limited to roof leaks, component failures, or the remaining service life of any applicable **SYSTEM** or **COMPONENT**.

The Company is not responsible for and will not repair any **COMPONENT** which fails subsequent to this inspection or which is identified or described in this Inspection Report.

All repairs, corrective measures, or new work undertaken on any **SYSTEM** or **COMPONENT** should be performed only by **QUALIFIED** parties. Only new or appropriate materials should be used. All work should be performed in a workmanlike manner and in accordance with all appropriate and applicable industry standards and governmental codes and regulations. Subsequent to completion and where appropriate and applicable, it is recommended that all such work be documented by work orders, invoices, or receipts from the individuals or companies which performed the work as well as by copies of all signed off building permits and lien releases from contractors and their employees, other workers, and material suppliers. The Company will not re-inspect any property which it has previously inspected to verify that any **ADVERSE CONDITION** documented during the inspection has been properly corrected. All **SYSTEMS** and **COMPONENTS** require ongoing and prudent periodic maintenance to obtain their maximum serviceable lives.

It is recommended that a copy of the appropriate portion or portions of the inspection report be provided to all **QUALIFIED** individuals retained to further evaluate and/or perform modifications or corrective measures to address **ADVERSE CONDITIONS** documented in the inspection report.

When work requiring a permit is performed without obtaining the proper permit and inspections, that work may be considered nonconforming and illegal by governmental building code, ordinance, and regulation agencies that are charged with the promulgation and enforcement of such codes, ordinances, and regulations. Nonconforming work may jeopardize the safety of persons occupying or entering the property. It may also adversely affect specific insurance coverage and the salability of the property and may result in added costs in the form of additional fees and/or property taxes or other penalties.

The written observations and recommendations contained in this Inspection Report are based on the knowledge and experience of the inspector. You may receive different information from other inspectors, tradespersons, insurance adjusters, private or public personnel, contractors, building and **SYSTEM** warranty services personnel, or other parties whose interests are different from the Company's interests. If you receive information which differs from that expressed in this written Inspection Report, it is recommended that such information also be obtained in writing on the appropriate company or agency letterhead, bearing all applicable licensing numbers, and signed by the individual providing the information.

When other parties state that a **COMPONENT** or an **ADVERSE CONDITION** designated **IMMEDIATE ACTION** is safe and/or adequate at the present time, without the need for any modifications or corrective measures, it is recommended that those parties be asked to put such statements in writing accompanied by a signed letter stating that no action is necessary and that the **COMPONENT** or **ADVERSE CONDITION** identified in the Inspection Report is safe and adequate according to all industry standards and governmental regulations.

The following conditions and limitations apply to the use of ladders throughout this inspection: A ladder will be used only to aid in inspecting roof surfaces and reaching attic access openings. A ladder will be used only, when, in the judgment of the inspector, it is safe to do so. Under no circumstances will the use of ladder be considered when roof surfaces are not **SAFELY ACCESSIBLE** and **READILY ACCESSIBLE** with a ladder twelve (12) feet or shorter in length and when attic access openings are not **SAFELY ACCESSIBLE** and **READILY ACCESSIBLE** with a ladder six (6) feet or shorter in length.

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This inspection is performed and this Inspection Report is prepared solely on behalf of and for your exclusive use and no third parties have any right to this inspection and Inspection Report.

Its sole purpose is to provide you with both an education and a better understanding of some of the conditions which may exist at the subject property in order to assist you in planning for both immediate and regular maintenance of the specified **SYSTEMS** and **COMPONENTS**.

Therefore, it is recommended that the contents of this inspection and Inspection Report be kept strictly confidential and not be discussed with or shown to others, including but not limited to appraisers, insurance agents and adjusters, home warranty companies, and lenders, whose interests are different from those of the Company and its Clients.

The company will not return to any property which the Company has previously inspected for the purpose of re-inspection to verify that any **ADVERSE CONDITIONS** documented in the course of the original inspection have been modified or corrected or that any remedial measures have been performed.

For this reason, it is recommended that all repairs, corrective measures, or new work undertaken on any **SYSTEM** or **COMPONENT** be performed only by **QUALIFIED** parties and that only new, appropriate or specified materials be used. Further, that all work be performed in a workmanlike manner and in accordance with all appropriate applicable industry standards and governmental codes, ordinances and regulations.

Subsequent to completion and where appropriate and applicable, it is recommended that all such work be documented by work orders, invoices, or receipts from the individuals or companies which performed the work as well as by copies of all signed off building permits and lien releases from contractors and their employees, other workers, and material suppliers.

Your inspector may bring to your attention and discuss certain **ELECTIVE MODIFICATIONS** of original and functioning installations and assemblies of **SYSTEMS** and **COMPONENTS** that you may wish to consider implementing as part of upgrading your home. These **ELECTIVE MODIFICATIONS** may exceed some of the building and construction standards that applied at the time of the original construction of the home. The differences between any such original building and construction standards and current standards do not constitute "deficiencies" in the subject property. **ELECTIVE MODIFICATIONS** should be performed only by **QUALIFIED** parties in accordance with all applicable industry standards and governmental requirements pertaining to permits, codes, ordinances, and regulations.

Any oral statements made by the inspector pertaining to **ELECTIVE MODIFICATIONS** or any inclusion in the Inspection Report of information regarding **ELECTIVE MODIFICATIONS** shall be deemed to be informational only and supplied as a courtesy to you and shall not be deemed to be an amendment to or waiver of any exclusions included in the "*Home Inspection Authorization and Contract and Scope of Inspection.*"

A **HOME INSPECTION** is a limited visual, non-technical examination of the multiple **SYSTEMS** and **COMPONENTS** of a home. Therefore, occasionally, in the course of performing examinations, modifications, or corrective measures as a result of the information contained in the Inspection Report, the appropriate and **QUALIFIED** parties performing such work may determine that there are other conditions which could not be determined in the course of the original inspection and for which modifications or corrective measures are also recommended.