

ASTM 2018-01 Inspection Service Contract

The reason for this service contract is to help you, our client, understand what we can and cannot do for you.

INTENT OF INSPECTION:

Our intent is to identify and communicate physical deficiencies associated with a particular property to you, our client. The term *physical deficiencies* means the presence of conspicuous defects or material deferred maintenance of a subject property's material systems, components, or equipment as observed during the field observer's walk-through survey. This definition specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc., and excludes de minimis conditions that generally do not present material physical deficiencies of the subject property.

We will be conducting a baseline property condition assessment (PCA) in accordance with ASTM E2018-01 Standard Guide For Property Condition Assessments. The work product resulting from completing the PCA will be a Property Condition Report (PCR). The PCR will incorporate the information obtained during the Walk-Through Survey, the Document Review and Interviews of those having direct knowledge of the subject property, and will include opinions of probable costs for suggested remedies of the physical deficiencies identified.

It is the expressed intent and purpose of this report to inform you the client exclusively of the **visual ("eyeball") observations** and opinions made on the day of the inspection as to whether or not the structure, electrical, plumbing, and mechanical components of the subject property are performing the function for which they were intended to perform or are in need of immediate repairs. It is not within the intent and/or scope of this report to determine the insurability, habitability, suitability of use, and/or issues unnamed in this report. **This report is neither an expressed nor implied warranty and / or guarantee as to future life and/or performance of the items inspected** , but is intended to express the field observer's perceived impression of the apparent performance of the structure, electrical, plumbing, and mechanical components viewed on the date of the inspection. **Our intent is to reduce your risk associated with this transaction, however we cannot eliminate all risk nor assume your risk.**

SCOPE OF INSPECTION:

The content of the PCR is based solely upon "eyeball" observations of apparent performance. Opinions have been formed from the field observer's personal knowledge and experience and not upon any code requirements and/or performance standards. Compliance with any federal, state or local codes and/or other legal requirements is not within the scope or intent of this report.

METHOD OF INSPECTION:

The inspection methodology has not been of a formal engineered type of inspection; therefore, no soil, physical or geological testing or inspections were performed. Many of the structural, electrical, plumbing, and mechanical components were judged indirectly by the visible condition of the surfaces and/or components open to view. Observations were made both inside as well as outside of the structure; however, these observations were limited to only those areas open to view without moving any item, i.e.; inhabitants furniture, belongings or stored items which was blocking the view. The field observer did not employ any instruments to aid in the inspection, disassemble any component of an item checked, conduct extensive destructive testing, calculations, or removal of wall and floor covering unless noted in the body of the Property Condition Report (PCR).

ASTM 2018-01 Inspection Service Contract Cont.

LIMITATION OF INSPECTION:

The visual inspection method employed will generally produce a competent first impression assessment of the apparent past structural, electrical, plumbing, and mechanical components, provided refurbishing repairs have not been performed which would mask distress patterns normally produce by structural, electrical, plumbing, and mechanical components problems.

Because the inspection procedure is visual only and was not intended to be diagnostic and/or technically exhaustive, an inherent residual risk remains that undiscovered problems exist and/or future problems will develop. There is no guarantee or warranty stated or implied that all defects have been found or that FIG Services, LLC d/b/a Fox Inspection Group will pay for the repair of any defect not discovered. The content of the Property Condition Report (PCR) should be considered as an opinion of apparent performance of the items inspected and not engineering fact.

THIS INSPECTION DOES NOT INCLUDE THE INSPECTION OF, SAMPLING FOR OR TESTING OF ANY SUBSTANCE CLASSIFIED OR OTHERWISE IDENTIFIED WITH OR AS A TOXIC SUBSTANCE AND/OR BIO-HAZARD OR WOOD DESTROYING INSECTS/ORGANISMS. Client Advisory: No moisture, mold and /or indoor air quality (IAQ) tests were performed, The inspector is not qualified / certified for such evaluations / studies. The client should be aware that various fungi, molds and mildew flourish in such an environment provided by water intrusion events, excessively moist conditions and / or water damaged conditions. A growing concern to date includes the adverse effect on indoor air quality and the potential for inherent health hazards. If concerned the client is advised to contact a qualified IAQ Professional for further evaluations of this property.

DISPUTE RESOLUTION

Client must notify FIG Services, LLC d/b/a Fox Inspection Group of any complaints verbally and then in writing within ten (10) business days from the date of the discovery and allow a reasonable time to re-inspect the item complained of during normal business hours, otherwise, any and all claims of Client arising out of such complaint(s) are waived by Client. Client agrees to and understands that any failure to notify the Inspector as stated shall constitute a waiver of all claims for said failure or repair of the condition in question. Inspector agrees to respond promptly to any legitimate complaint and to re-inspect the portion of the property relating to the claimed condition. If an "at risk" situation exists, Client's first action is to make immediate repairs to prevent life threatening situations or significant risks of property damage while taking care to preserve any evidence of deficiencies for the inspector to subsequently inspect. Whether or not the Client repairs or replaces the condition before the inspector has had the opportunity to re-inspect, Client understands that the inspector neither accepts nor assumes any responsibility for the repair or replacement of the condition and associated damages.

In the event of a dispute or condition not solved through mutual agreement then if a controversy or claim arises from or relates to this contract, or the breach thereof, and if the dispute cannot be settled through direct discussions, the Parties agree to endeavor first to settle any dispute under the guidelines of JAMS® Alternative Dispute Resolution before resorting to arbitration administered under the guidelines of JAMS® Alternative Dispute Resolution. The Mediator shall be appointed by one (mutually agreed upon) of the presiding District Judges in Harris County, Texas and shall have a thorough knowledge of the inspection industry and its Standards of Practice ASTM 2018-01. The decision of the Arbitrator appointed by the same shall be final and binding and may be entered in any court or State agency having jurisdiction thereof. Both parties agree to abide by the ruling of the Arbitrator and neither party shall have a right to bring suit in court. **BY ACCEPTING THE ARBITRATION OF DISPUTE AGREEMENT CLIENT WAVES ANY RIGHT TO TRIAL IN FRONT OF A JUDGE OR JURY.**

ASTM 2018-01 Inspection Service Contract Cont.

The decision of the Arbitrator is bound by the terms of this contract, the report and any addenda. Each party shall bear equal costs and expenses and an equal share of the dispute resolution process and administrative fees. Except as may be required by law, neither a Party nor an arbitrator may disclose the existence, content, or results of any mediation or arbitration hereunder without the prior written consent of both Parties. In the event any portion of the contract, report or addenda is ruled "inadmissible as evidence" the remainder of all aforementioned documents or any portion thereof, shall remain admissible. **The Client is hereby informed and has the option of negotiating different terms, apart from this Contract so a renegotiated fee can be determined.** Client, by accepting the report, or relying on it in any way, expressly agrees to these limitations and disclaimers and arbitration. If Client institutes any legal action concerning this inspection and fails to prevail in all respects regarding the action alleged, Client shall be liable for all of the inspector's costs and attorney's fees incurred in defending such actions. This contract shall be construed and enforced in accordance with the laws of the State of Texas, and venue shall be in Harris County, Texas. Severability: If any portion of this contract is found to be invalid or unenforceable by any mediator or arbitrator or judicial authority, the remaining terms shall remain in force and effect between the parties to the fullest extent possible.

FIG Services, LLC d/b/a Fox Inspection Group does not conduct re-inspection services for any reason. We are not in the business of certifying workmanship and/or warranting another company's repair work. Receipts and/or warranty for work performed should be obtained from the company or companies who have provided repairs.

We are not responsible for another participant's personal safety during the inspection process. Client, their representative's, or others participation shall be at his/her own risk for falls, injuries, property damage, etc.

This contract shall be included and become part of the report. Acceptance of the Property Condition Report (PCR), and/or payment for the inspection is an acknowledgment, acceptance, and agreement by Client(s) to the terms of this service contract, and limitations listed in the report, and an acknowledgment that the inspection includes only those items listed as inspected in the (PCR).

By signing I confirm that I have read, understand, and agree to the above pre-inspection service contract, and that I agree to be bound by these terms and conditions. Person(s) signing this contract represent themselves as having full authorization to do so and bind their company / entity / institution to this contract.

Property Address: _____

Inspection Fee \$ _____	Paid Check # _____
Client Signature(s): _____	Date _____
_____	Date _____
Client e-mail _____	
Client e-mail _____	

Inspector: _____

Date _____