BUILDING INSPECTION AGREEMENT

DIRECT HOME INSPECTIONS, LLC 1181 N. Waterside Dr., Flagstaff, AZ 86004 Greg Bruce Owner, Inspector

Greg Bruce Owner,	Inspector

The address of the property is:

For inspection on:

The fee for the inspection: \$

THIS AGREEMENT made this day of , between Greg Bruce (hereinafter "INSPECTOR") and the undersigned ("CLIENT"), collectively referred to herein as "parties." The parties understand and agree as follows:

- 1. INSPECTOR agrees to perform a visual inspection and provide CLIENT with a written report identifying defects that INSPECTOR both observed and deemed material. The report is only supplementary to the seller's disclosure.
- 2. INSPECTOR agrees to perform inspection in accordance with the Standards of Professional Practice (SOP) of the Arizona Board of Technical Registration. A copy can be provided upon your request. Although INSPECTOR agrees to follow AZBTR's Standards of Professional Practice, CLIENT understands that these standards contain limitations, exceptions, and exclusions. CLIENT understands that INSPECTOR unless otherwise requested will not be testing for radon gas. WDI (termite) inspections (if desired) must be performed by a third part company. CLIENT understands that INSPECTOR will not test for compliance with applicable building codes or for the presence of potential dangers arising from asbestos, lead paint, formaldehyde, molds, soil contamination, and other environmental hazards. If the presence of mold, lead, asbestos is suspected, INSPECTOR will recommend further evaluation by the appropriate licensed professional in the report.
- 3. The inspection and report are for the use of CLIENT only, who gives INSPECTOR permission to discuss observations with real estate agents, owners, repair persons, and other interested parties. INSPECTOR shall be the sole owner of the report and all rights to it. INSPECTOR accepts no responsibility for use or misinterpretation by third parties. Third parties who rely on it in any way do so at their own risk and release INSPECTOR from liability. INSPECTOR'S inspection of the property and the report are in no way a guarantee or warranty regarding the future use, operability, habitability or suitability of the home/building or its components.
- 4. LIMITATION OF LIABILITY: INSPECTOR assumes no liability for the cost of repair or replacement of unreported defects or deficiencies either current or future. CLIENT acknowledges that the liability of INSPECTOR for claims or damages, costs of defense or suit, attorney's fees and expenses arising out of or related to the INSPECTOR'S negligence or breach of obligation under this Agreement, including errors and omissions in the inspection or the report, shall be limited to liquidated damages in an amount equal to two (2x) times the home inspection fee paid to the INSPECTOR, and this liability shall be exclusive. CLIENT waives any claim for consequential, exemplary, special or incidental damages or for the loss of the use of the home/ building. The parties acknowledge that the liquidated damages are not intended as a penalty but are intended (1) to reflect the fact that actual damages may be difficult and impractical to ascertain; (2) to allocate risk among the INSPECTOR and CLIENT; and (3) to enable the INSPECTOR to perform the inspection at the stated fee.

- 5. In the event of a claim against INSPECTOR, CLIENT agrees to supply INSPECTOR with the following: (1) written notification of adverse conditions within 10 days of discovery; and (2) access to the premises. Failure to comply with the above conditions will release INSPECTOR and its agents from any and all obligations or liability of any kind.
- 6. DISPUTE RESOLUTION: Any controversy or claim between the parties arising directly or indirectly out of, connected with, or relating to the interpretation of this Agreement, scope of services rendered by INSPECTOR, the Inspection Report or as to any other matter involving any act or omission performed under this Agreement, or promises, representations or negotiations concerning duties of INSPECTOR hereunder, shall be submitted to Small Claims Court. If the alleged damages exceed jurisdictional limit for Small Claims Court, the dispute shall be submitted to Binding Arbitration before Construction Dispute Resolution Services ("CDRS"). If CDRS is unavailable, then by Resolution Systems. Any Arbitrations or Legal Action must be commenced within One (1) Year from the date of inspection; INSPECTOR shall have no liability for any claims/actions commenced more than One (1) Year from the date of inspection.
- ENFORCEMENT FEES AND COSTS: Any party failing to follow the DISPUTE RESOLUTION process identified above, shall be liable for all fees and costs associated with compelling/ enforcing compliance with the DISPUTE RESOLUTION process.
- 8. SEVERABILITY: If any court declares any provision of this Agreement invalid, the remaining provisions will remain in effect.
- 9. If CLIENT pays INSPECTOR for a re-inspection, the re-inspection is also subject to the terms and conditions set forth in this agreement.
- 10. This Agreement represents the entire agreement between parties. No statement or promise of INSPECTOR shall be binding unless reduced to writing and signed by INSPECTOR. No change shall be enforceable against any party unless it is in writing and signed by the parties. This Agreement shall be binding upon and enforceable by the parties, their heirs, executors, administrators, successors and assignees.
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 11. Payment of the fee to INSPECTOR is due upon completion of the on-site inspection.