

LaRocca Inspection Associates, Inc.

Inspection Contract

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT, PLEASE READ IT CAREFULLY

Client: _____ Inspection Date: _____

Inspection Address: _____ Fee: \$ _____

Scope of the Inspection: The real estate inspection to be performed for the Client is a limited non-invasive physical examination and operation of the systems and components of the building which can be entered or viewed without difficulty, moving obstructions or requiring any action which may result in damage to the property or personal injury to the inspector. The purpose of the inspection is to identify material defects in the systems, structures, and components of the building and its associated primary parking structure as it exists at the time of the inspection. This contract also covers any requested re-inspections of the property for the same client. The written report shall document any material defects in the building's systems or components which, in the opinion of the inspector, are safety hazards, are not functioning properly or appear at the end of their service life. The inspection shall be performed in accordance with the Standards of Practice of the California Real Estate Inspection Association, and incorporated by reference and limited to those items specified herein.

The inspector will do a representative sampling of identical components, such as electrical outlets, etc. Components shall be operated with normal controls only. This is not intended to be technically exhaustive. Testing, measuring, using meters or devices of any kind, dismantling equipment or doing calculations for any system or component to determine adequacy, capacity or compliance with any standard is outside the scope of a standard home inspection. **This is not a wood destroying organism inspection (termite, rodent, dryrot, etc.). This is not a building code, ordinance, energy audit, product recall or permit compliance inspection. It is not an inspection of modifications to the property and will not determine if in fact modifications exist and if they were performed with or without permits.** Client Initials _____

Client's Duty: The Client agrees to read the entire inspection contract. The signature on the contract is the client's consent to the terms of the contract. Client further agrees to read the entire inspection report before the close of the conditions period to this sale. If any questions arise during the escrow it is the duty of the client to call the inspector and inquire. Client shall not rely on any oral statements by an inspector. The client is the owner of inspection report which can not be transferred, relied on nor shall constitute any 3rd party beneficiary rights in another person without the written permission of LaRocca Inspection Associates, Inc. (LIA).

The client agrees that any claim for failure to accurately report a material defect in accordance with this contract and report shall be made in writing within 10 days of discovery, by return receipt request. The inspector and/or representative must be allowed to re-inspect/document & photograph the alleged defect in its unchanged condition prior to any repair/alteration or replacement, except in case of water emergency. Failure to comply with this provision is a material breach of this contract and constitutes a full waiver of any claim presented.

Environmental: The Client acknowledges that this contract is for a "general property inspection" and is not an environmental property inspection. The inspection is not intended to detect/identify environmental or health concerns regarding this building, including but not limited to asbestos, radon, lead, creosote, urea-formaldehyde, mold, fungus or other toxic substances in the water, air, soil or building materials. **This is not a MOLD or ENVIRONMENTAL Inspection. It is recommended that this property be fully tested and inspected by a mold specialist before the close of the inspection contingency period.** Client Initials _____

General Provisions: This inspection report & contract are not intended as a warranty, guarantee or insurance policy of any kind. The inspection & report are not a substitute disclosure for this property, disclosure by the seller or the client(s) own independent statutory duty to inspect the property as required by law or contract. A buyer of a property is statutorily required to do his/her own due diligence of the property during the transaction. Further, this contract shall be binding upon the undersigned parties (including their agents, heirs, successors and assigns). No 3rd party beneficiary rights exist in this home inspection contract and/or report and therefore can not be assigned. An agent for the client is deemed to have the authority to sign for the client unless expressly denied in writing and acknowledged by LaRocca Inspection Associates, Inc. In the event that any further re-inspection or appearance in any legal proceeding is necessary this client will pay \$150 per hour portal to portal.

This agreement constitutes the entire agreement between the parties and can only be modified by a written document signed by all the parties to this contract and inspection. **No legal action of any kind shall be commenced against the Inspector/Inspection Company, et al. for any dispute more than one year after the date of the inspection whether in arbitration or Court. A dispute shall be defined as any form of disagreement, mediation, arbitration, or any type of civil lawsuit. THIS TIME IS SHORTER THAN OTHERWISE PROVIDED BY LAW AND CLIENT AGREES AS A MATERIAL TERM AND CONDITION TO THIS AGREEMENT TO BE BOUND BY THAT CONDITION.** Client is aware that the price of this inspection is based on the 1 year statute of limitation. **Client Initials**_____

Please choose one of the types of inspections listed below:

Generalist Inspection: The Client requests a **general**-limited-visual inspection performed in a manner consistent with the Standards of Practice of the California Real Estate Inspection Association. The client acknowledges that the inspector is acting as a **generalist** and that further investigation by the appropriate specialist of a reported condition may be necessary. Any further investigation by an appropriate profession shall be the duty of the client and not the inspector. The client is advised to consider this issue carefully and obtain further evaluation of reported conditions before removing any inspection contingency. **Client Initials**_____

--Or--

Specialist Inspection: The Client requests a **Specialist Inspection** of the property. A **Specialist Inspection** requires a comprehensive inspection of the building and environmental codes where the building is located performed by a licensed contractor. The **Specialist Inspection** will include a comprehensive report as to all Code compliant issues re: Foundation, Plumbing, Electrical, Heating/Cooling, Roofing, Fireplace, Sewerline, Pool, Geologist, thermography testing, permit review, environmental, product recall, gas detection, review of City records for gas-methane districts, water intrusion, rodent infestation, modifications to the property without permits, energy audits and Engineering issues. The fee for this multiple day(s) inspection is to be determined by the size, age and condition of the property, starts at \$5,000 for the inspection company with additional costs for related experts as an additional fee authorized and approved in writing by the client. **Client Initials**_____

Liquidated Damages Clause: The parties in understanding litigation costs do hereby agree to a liquidated damages clause of two times the cost of the inspection. **Client Initials**_____

Mediation Agreement: The contracting parties agree to mediate all disputes through ADR in Century City, CA. before a law suit is filed. Notice of mediation must be sent return receipt requested with 30 days to respond. If suit is in violation with the above the non-complying party forfeits all rights to prevailing party attorney fees, expert fees and costs. Each side shall share the mediation fees equally but same will be a cost to the prevailing party. The mediator must have experience in mediating property inspection cases and is familiar with the Standards of Practice of the California Real Estate Inspection Association (CREIA).

Binding Arbitration Agreement: The contracting parties agree to binding arbitration through ADR in Century City, CA and voluntarily waive any rights to trial by jury and the right to appeal. Punitive damages are expressly waived for both the complaint & cross complaint. All notices of binding arbitration must be served in the same manner as for the mediation as set forth above. Failure to comply with the above terminates all rights of that party to prevailing party legal and expert fees and costs of all types. The arbitrator must have experience in arbitrating home inspection cases and is familiar with the Standards of Practice of the California Real Estate Inspection Association. Each party has the right to the same discovery as if this action were filed in the Superior Court. Neither party has a right to Small Claims unless it is for non-payment of fees.

Attorney Fee Provision: In any action in law or equity the prevailing party is entitled to reasonable attorney fees, expert fees and costs of the arbitrator hearing this matter in binding arbitration.

The terms of this contract are negotiable. The Client acknowledges that they have read, understood and agreed voluntarily to all the terms, conditions and limitations of this contract and agrees to pay the fee listed above.

Client Signature_____ Date_____

Client Printed Name_____ Inspector_____