

# 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 scope, visual, 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. 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. The Client agrees with the inspection being performed to these standards. The inspector will do a representative sampling of identical components, such as electrical outlets, windows, 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.

The Client acknowledges that this 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, fungus or other toxic substances in the water, air, soil or building materials. **This is not a moisture and mold inspection. It is recommended that this property be fully tested and inspected by a mold specialist before the close of the inspection contingency period. Additionally, this is not a wood destroying organism inspection (termite, dry rot, etc.) nor is it an inspection for other animals or insects or the damage they may cause including damage as a result of their excreta. 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 this entire inspection contract **and** the most current Statewide Buyer and Seller Advisory (C.A.R. Form SBSA). The signature on the contract is the client's consent to the terms of the contract and the recommendations of the Advisory. Once received, the Client further agrees to read the entire inspection report. 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 the inspection report, the rights of which cannot be transferred, relied on nor shall constitute any 3<sup>rd</sup> party beneficiary rights in another person without the written permission of LaRocca Inspection Associates, Inc. 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.

**General Provisions:** The inspection, the accompanying report and this 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 or disclosure by the seller. 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 3<sup>rd</sup> party beneficiary rights exist in this home inspection contract and/or report and therefore can not be assigned. If this contract is executed on behalf of the Client by a third party, the person executing this contract expressly represents that he/she has the full and complete authority to execute this contract on the Client's behalf and to fully and completely bind the Client to all the terms, conditions, limitations, exceptions and exclusions of this contract

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 scope, 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 professional 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 issues where the building is located performed by a licensed contractor. The **Specialist Inspection** will include a comprehensive report as to Code compliant issues re: Foundation, Plumbing, Electrical, Heating/Cooling, Roofing, Fireplace, Sewer line, 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 four times the cost of the inspection.

**Mandatory Mediation Clause:** The contracting parties agree to mandatory mediation before any litigation can be filed. That demand for mediation must be sent return receipt request allowing the responding party 30 days to reply in the same manner. If suit is filed before a demand for mediation is sent or should the responding party fail to accept mediation within the time set, the non-complying party shall forfeit all rights to prevailing party attorney fees, expert fees and costs. Each side shall share the mediation fees equally. The mediator must be a retired judge or attorney with at least five (5) years of experience with specific knowledge of the home inspection industry and Standards of Practice of the California Real Estate Inspection Association. Alternative Dispute Resolution Service, Inc. is recommended since it's mediators specialize in real estate.

**Binding Arbitration Clause:** The parties to this Binding Arbitration agree voluntarily to waive all rights to a trial by jury, judge or small claims. All rights to punitive damages on a complaint or cross complaint are waived. All demands for binding arbitration must be served in the exact manner as the mandatory mediation clause above. Failure to comply with these clauses ends that party's right to prevailing party legal fees or costs (of any type). The binding arbitrator must be a retired judge or attorney with at least five (5) years of experience with specific knowledge of the home inspection industry and Standards of Practice of the California Real Estate Inspection Association. Alternative Dispute Resolution Service, Inc. is recommended since it's mediators specialize in real estate and they have multiple offices throughout California.

**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 signatory 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.

Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

Client Printed Name \_\_\_\_\_