

PREFERRED HOME INSPECTIONS, INC.
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note that this agreement is for all types of inspections and verbiage may not be limited to one type
CLIENT understands and agrees to all terms and conditions including the limit of liability and arbitration clause

1. CLIENT NAME(s): _____
2. Signature(s): _____ Date: _____
3. Address/Location of home: _____
4. Text/Cell Phone _____

Note that we take cash or can swipe your credit or debit card on site and that we also accept checks or cash and will issue a receipt when sending your report. You may also use Paypal on our website to pay: www.moldconsultanttx.com

THIS AGREEMENT CONTAINS A LIMIT OF LIABILITY AND ARBITRATION CLAUSE, PLEASE READ COMPLETELY.

By signing this document, you agree to the following terms:

- This contract is an agreement between the CLIENT listed below, and Preferred Home Inspections, Inc (US, WE, OUR, or PHI) (CLIENT and Preferred Home Inspections, Inc. are sometimes collectively referred to as the "Parties" or singularly as a "Party") to perform an inspection of a home, building or a particular part of the structure, such as stucco - according to the "Standards of Practice" of the Texas Real Estate Commission or Texas Department of Licensing and Regulations
- These standards of practice inform CLIENT of what a home inspector should report, and what is not expected of the home inspector to report.
- **OUR home inspection is a single trip generalist observation that is visual in nature and not technically exhaustive. Additionally, it is to provide CLIENT with a better understanding of the property's condition as observed at the time of the inspection.** Indoor air quality testing not included.
- OUR inspection/report will meet or exceed the "Standards of Practice". It will include an inspection of: **Structural Components, Exterior, Roofing*, Plumbing, Electrical, Heating, Central Air Conditioning, Interior, Insulation, Ventilation and built-in kitchen appliances**, window treatments; window thermal seals; mini-blinds; oven clocks, timers, opinion on life expectancy of the major items. We do not contract repairs and if estimates are requested, it is at our sole discretion (We cannot be held to these "guesstimates". We recommend that you have a minimum of three bids by contractors for the most realistic costs).
- OUR inspections include moisture source inspection and will use at our discretion our B200 Infra-red camera, BD2100 Moisture Detector and Tramex Moisture Encounter.
- WE agree to email or mail the CLIENT a report within 48 hours of the inspection or receipt of signed agreement (whichever is later).

• **Warranty / Claims / Limitations: This inspection is to reduce the risk of finding an unexpected problem or problems or potential problems, WE do not guarantee that all defects will be located, reported, identified or recognized. CLIENT agrees and understands that the maximum liability incurred by PHI for errors and omissions in the inspection, including any liability, of any Inspector, Owner, or Employee of PHI shall be limited to the amount of the fee paid for the inspection.** **CLIENT INITIALS:**

OUR general inspection does not include:

- Negotiating issues with the builder/owner; a home warranty or insurance policy;
- Items generally considered cosmetic; pools; spas; Jacuzzis; building code verification; design or engineering services; load bearing alignments; detached buildings or structures (and components inside);
- Buried fuel tanks; environmental tests; the presence or absence of any suspected adverse environmental condition or hazardous substances; termites, wood destroying organisms, pests, rodents and their damages; refrigeration units; water filtration units; low voltage systems; security system devices; heat detectors;

telephone; cable TV; satellite equipment; or other ancillary wiring that is not a part of the primary electrical distribution system;

- Solar systems; lightening arrestors; Stucco, visual only with home inspection (performance of invasive inspection requires additional waiver for both hard coat & synthetic); water wells; septic fields; anything buried; the interior of flues; flue connections; locating refrigerant leaks; a board-by-board/brick-by-brick exterior inspection.
- Exterior and roof inspections may be performed from the ground, depending upon the height and pitch of roof. We do not inspect tile, slate or concrete roofs. We may recommend a second roofing company to evaluate the roof for storm damage. We will use a drone where possible in good flying conditions.
- Components that are concealed, hidden (including behind shrubbery, insulation, walls, personal property, furniture, etc.), camouflaged, not visible, not accessible, located in an area that may be dangerous or unhealthful to enter and/or difficult to inspect are beyond the scope of this inspection. Movement of personal items, panels, covers, insulation, furniture, equipment, plant life, soil or debris that obstructs access or visibility is beyond the scope of this inspection.
- WE will not operate heating or cooling systems in temperatures that may cause damage to the unit (A/C under 60 degrees or Heat Pump over 65 degrees). WE do not inspect heat exchangers for cracks.
- Utilities, plumbing, gas, and electrical must be turned "on" for the inspection of these areas. Gas furnaces must be "on" or capable of being turned on by using normal operating controls. Pilot lights must be "lit" in order to inspect these components or systems. No disassembly of equipment, opening of walls, moving of heavy or large amounts of furniture, appliances or stored items, or excavation will be performed.
- All components and conditions, which by the nature of their location are concealed, camouflaged or difficult to inspect, will be excluded from the inspection / report. The inspection of areas/homes that we feel endangers our safety or well-being will be aborted.

Note that a TREC inspection is NOT a code inspection, however, in the interest of safety it may, at our discretion, code may be included. Code may be used for emphasis regarding proper building practices.

Inspections include the following:

Thermal Imaging Scan: We will perform a Thermal Imaging Scan of the home at the time of the inspection, conditions permitting. Thermal imaging is a technology well beyond any standards of practice that may help us identify issues that are not readily visible including water intrusion, insulation deficiencies, HVAC issues, electrical issues, roof and wall leaks, etc., at our discretion. No extra charge.

Limited Visual Mold Inspection: I agree and understand that Preferred Home Inspections, Inc., employ licensed Mold Assessment Consultants and may report on suspicious stains or mold-like substances and may offer to perform Indoor Air Quality Testing or Allergen Testing if desired, for an additional fee to be discussed at time of inspection. We will perform a visual mold inspection as part of our regular home inspection, no additional charge. No allergen testing.

Hard Coat Stucco Inspection: As part of our general home inspection if no specific invasive stucco inspection is purchased, we will perform a limited visual stucco inspection; at our discretion, we may test 1-2 windows for moisture penetration. For a specific stand-alone stucco inspection, we will perform an in-depth visual and invasive stucco inspection (either or both hard coat or exterior insulating finishing systems – EIFS). The report will be emailed or mailed within 24 hours of the inspection. You must agree that all findings may not reflect actual damage – that the inspection has been performed to the best ability of the inspector's opinion, skill and knowledge to assess the structure.

CLIENT obligations: CLIENT has obtained a right of entry to perform this inspection from the seller or seller's representative and has made arrangements for the home to be open during the inspection. (We do have a supra key available) CLIENT agrees to retain appropriate licensed contractor(s) to further inspect and repair all concerns and issues before the close of escrow. CLIENT is urged to call US before they close on the home to review or ask any questions CLIENT may have regarding this inspection / report.

CLIENT is responsible for payment in full of all of our fees whether or not CLIENT purchases the property **at time of inspection, unless otherwise arranged and agreed upon.**

Attendance / Opinion: The home inspection report represents OUR "opinion" of the property at the time of the inspection. OUR interpretation of what is good, or fair may be different than CLIENT. CLIENT is strongly encouraged to be present at the time of the inspection so WE will have a better understanding of each other's perceptions. **OUR purpose** is to determine whether or not a system (electrical, heating, etc.) is working properly. WE are not responsible to determine all that may be wrong with that system, just whether or not a second opinion is needed, such as a licensed electrician or HVAC contractor. They will determine what actual steps are necessary to correct. Their troubleshooting

may reveal additional items not mentioned in this report. WE are not responsible for items mentioned or not mentioned in this report. WE are not a warrantor nor do we guarantee any items or opinions described on this report.

By retaining OUR services CLIENT acknowledges, understands, and agrees to the statements and terms contained herein, and will hold US harmless to any claims made. WE are not a home warranty company, nor do WE carry insurance on warranty claims. Neither the inspection nor report include any warranties, whether express or implied, unless specifically stated. If the CLIENT believes WE have made an error or omitted an item the CLIENT feels should have been inspected the CLIENT agrees to notify US in writing of the alleged error or omission within one week of their discovery of the item(s) and agrees to allow US a reasonable opportunity to re-inspect, address, and repair the alleged error or omission prior to any repairs being performed. Failure on behalf of the CLIENT to notify US in writing and grant US a reasonable opportunity to re-inspect, address, and repair the alleged item(s) is admission by the CLIENT that the condition did not exist at the time of the inspection and shall constitute a premise, full release, and forever discharge US from all, and all manner of, actions, causes of action, suits, proceedings, debts, dues, judgments, damages, claims, administrative claims, and demands whatsoever in law or equity. If CLIENT makes a claim against US for an alleged error, omission, or other act arising out of this inspection report and does not prevail against US, CLIENT agrees to pay all attorneys' fees, arbitrator's fees, legal expenses, and costs incurred by US in defense of the claim. In the event of a refund of inspection fee or portion thereof, or any other sum, such refund shall be a full and final settlement of all present and future claims, administrative claims, and causes of actions, complaints, etc. and WE shall be thereupon generally and fully released.

This inspection report is not for third party use; CLIENT requests this inspection/report for their confidential use only. The report is our intellectual property that we share with our client for fees paid. If CLIENT decides to release this report to others, CLIENT agrees to defend, indemnify, and hold US harmless for any damages claimed by others who review this report. Should any buyer or entity disclaim authority of contract signer to act as an agent of any or all buyers, then the signer of the contract herein indemnifies us for all costs, damages, judgments, and expenses incurred by us, including attorney's fees, regarding any claims against us made by buyer or entity that relies on report or other representation or conduct of us or agents thereof.

Arbitration Clause: Any dispute concerning the interpretation of this agreement or arising from the Inspection and Report (unless based on payment of fee) shall be resolved by binding, non-appealable arbitration conducted in Montgomery or Harris County, Texas (our choice). Any legal act arising from the Inspection and report must be commenced within 90 days of the date of the inspection.

Additional Trips / Re-Inspections: If CLIENT requests an additional trip to complete the inspection (i.e. utilities were not turned on, inaccessible areas, etc.) CLIENT agrees to pay a \$100.00 per hour (or part of) additional trip fee. Re-inspections of repairs will be considered on a case by case basis. Fees include travel time and report writing time.

Fees / Payment: **CLIENT is responsible for payment in full of all our fees.** The cost of the home inspection is based upon the age, total square feet (heated & unheated), and condition of the home to be inspected and is subject to correction. CLIENT will be responsible for payment in full. **Full payment must be made at time of inspection in full** whether CLIENT decides to purchase the home or not.

MISCELLANEOUS: Binding Effect. This Agreement will inure to the benefit of and be binding upon all Parties hereto and their executors, administrators, personal representatives, heirs, members, managers, officers, directors, shareholders, partners, agents, employees, successors, assigns, and attorneys, and all persons or entities claiming by, through, for or under them. In the event a Party to this Agreement is an entity, each such Party represents that it has full authority to execute this Agreement and to perform the obligations required herein.

No Prior Agreements. This Agreement, together with all exhibits attached or incorporated by reference, constitute the entire agreement and understanding of the Parties relating to the subject matter of this Agreement.

Additional Warranties and Representations. All of the Parties to this Agreement warrant and represent that (i) no promise or agreement not herein expressed has been made, (ii) that this Agreement and all other instruments referenced in this Agreement are not executed in reliance upon any statement, representation, omission, and/or conduct of any other Party, (iii) that the provisions of this Agreement are contractual and not merely recital, and (iv) that the consideration recited in the Agreement is fair and reasonable.

Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision will be fully severable, and this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision never comprised a part hereof; and the remaining provisions hereof will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance here from.