

PROPERTY INSPECTION AGREEMENT

Client:	Date: 07/02/2011	Report ID: 070211AT
Agent:	Address:	
Original Bid: \$	Price May Vary	Inspection: \$
		WDI Inspection: \$86.60 (8.25% Sales Tax)

Conditions: Payment is due before or at the time of inspection, no exceptions • The report will be delivered as a PDF file via eMail the following day • My basic fee schedule can be seen @ www.goodhomeinspection.com • Areas outside of the Greater Dallas Area (aka Dallas Mapsco), properties such as Duplexes or apartments, and additional services are subject to additional charges • Trip charges start at \$150 • Reinspection Fees start at 1/2 of the original TREC inspection fee • WDI Reports without TREC reports are bid on an individual basis.

Inspected by Bud Rozell, TREC license 4088, ASHI Certification 244798

This property inspection report may include an inspection agreement (contract), addenda, and other information related to property conditions. If any item or comment is unclear, you should ask the inspector to clarify the findings. It is important that you carefully read ALL of this information.

This inspection is subject to the rules ("Rules") of the Texas Real Estate Commission ("TREC"), which can be found at www.trec.state.tx.us.

The TREC Standards of Practice (Sections 535.227-535.233 of the Rules) are the minimum standards for inspections by TREC - licensed inspectors. An inspection addresses only those components and conditions that are present, visible, and accessible at the time of the inspection. While there may be other parts, components or systems present, only those items specifically noted as being inspected were inspected. The inspector is not required to move furnishings or stored items. The inspection report may address issues that are code-based or may refer to a particular code; however, this is NOT a code compliance inspection and does NOT verify compliance with manufacturer's installation instructions. The inspection does NOT imply insurability or warrantability of the structure or its components. Although some safety issues may be addressed in this report, this inspection is NOT a safety/code inspection, and the inspector is NOT required to identify all potential hazards.

In this report, the inspector will note which systems and components were Inspected (I), Not Inspected (NI), Not Present (NP), and/or Deficient (D). General deficiencies include inoperability, material distress, water penetration, damage, deterioration, missing parts, and unsuitable installation. Comments may be provided by the inspector whether or not an item is deemed deficient. The inspector is not required to prioritize or emphasize the importance of one deficiency over another.

Some items reported as Deficient may be considered life-safety upgrades to the property. For more information, refer to Texas Real Estate Consumer Notice Concerning Recognized Hazards, form OP-1.

This property inspection is not an exhaustive inspection of the structure, systems, or components. The inspection may not reveal all deficiencies. A real estate inspection helps reduce some of the risk involved in purchasing a home, but it cannot eliminate these risk, nor can the inspection anticipate future events or changes in performance due to changes in use or occupancy. It is recommended that you obtain as much information as is available about this property, including any sellers disclosures, previous inspection reports, engineering reports, building/remodelling permits, and reports performed for or by relocation companies, municipal inspection departments, lenders, insurers, and appraisers. You should also attempt to determine whether repairs, renovation, remodeling, additions, or other such activities have taken place at this property. It is not the inspector's responsibility to confirm that information obtained from these sources is complete or accurate or that this inspection is consistent with the opinions expressed in previous or future reports.

ITEMS IDENTIFIED IN THE REPORT DO NOT OBLIGATE ANY PARTY TO MAKE REPAIRS OR TAKE OTHER ACTION, NOR IS THE PURCHASER REQUIRED TO ASK THAT THE SELLER TAKE ANY ACTION. When a deficiency is reported, it is the client's responsibility to obtain further evaluations and/or cost estimates from qualified service professionals. Any such follow-up should take place prior to the expiration of any time limitations such as option periods. Evaluations by qualified tradesmen may lead to discovery of additional deficiencies which may involve additional repair cost. Failure to address deficiencies or comments noted in this report may lead to further damage to the structure or systems and add to the original repair costs. The inspector is not required to provide follow-up services to verify that proper repairs have been made.

Property conditions change with time and use. For example, mechanical devices can fail at any time, plumbing gaskets and seals may crack if the appliance or plumbing fixture is not used often, roof leaks can occur at any time regardless of the apparent condition of the roof, and the systems may change due to changes in use or occupancy, effects of weather, etc. These changes or repairs made to the structure after the inspection may render information contained herein obsolete or invalid. This report is provided for the specific benefit of the client named above and is based on observations made at the time of inspection. If you did not hire the inspector yourself, reliance on this report may provide incomplete or outdated information. Repairs, professional opinions or additional inspection reports may affect the meaning of the information in this report. It is recommended that you hire a licensed inspector to perform an inspection to meet your specific needs and to provide you with current information concerning this property.



Inspection Agreements, Provisions and Limitations

Reading the entire report will add value and understanding to your inspection

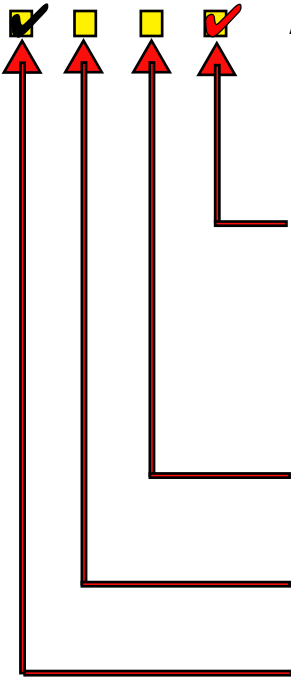
- 1. BY CONTRACTING THIS INSPECTION, ALLOWING THIS INSPECTION, OR RELYING ON THIS REPORT IN ANY WAY OR FASHION; YOU AGREE TO EACH AND EVERY PROVISION OF THIS REPORT AND THE TEXAS REAL ESTATE COMMISSION "STANDARDS OF PRACTICE" FOR HOME INSPECTORS.**
- 2. THIS AGREEMENT IS PART OF THE INSPECTION REPORT AND DOES NOT REQUIRE THE CLIENT'S SIGNATURE.**
- 3. WHAT THE INSPECTOR DOES:** To help my client make a more informed decision or decisions about this property improvement; I perform a limited visual inspection of, and render opinions about the readily accessible items that are listed on this report. I inspect accessible appliances in their normal or manual modes of operation. I note whether each item inspected is performing the function for which it was intended and/or if it has a visual deficiency. If I report that an item is not performing its intended function, if it has a deficiency, or if it shows signs of prior damage or repair; then I recommend that the item be inspected by a licensed or otherwise qualified and reputable specialist before closing the sale. I recommend that the buyer ask the seller about modifications, covered up items, previous problems, and repairs made to this property. I advise that most homes in North Texas experience termites and related damage. I recommend that the locks be changed. I recommend semi-annual service for Heating, Venting, and Air Conditioning Systems. Any measurement or temperature noted on this report is only an estimate. I reserve the right to amend this report. And I am notifying you that the TREC has a Real Estate Recovery Fund which was established for the reimbursement of certain aggrieved persons.
- 4. WHAT THE INSPECTOR DOES NOT DO:** I do not represent myself as an engineer or specialist for any particular item. I cannot remove uncertainty, nor can I guaranty against errors or omissions. It should be understood that every deficient condition or problem cannot be identified within the limited time-frame and scope of this inspection. I do not inspect for adequacy of design, capacity, value, or habitability. This report does not represent or insure the operation or condition of any item after the time of inspection. I do not inspect any item that I cannot see in a normal/typical inspection. I do not move furniture, clothes, or other types of storage, and any such effort can only be partial in context. I do not do destructive inspections or testing. I do not guarantee the presence of safety glass. I do not activate electric, water or gas service to any house. I do not pressure test plumbing. I do not dismantle equipment or inspect component parts. I do not operate cooling systems when the exterior ambient temperature is below 60° Fahrenheit. I do not operate heat pumps in the heating mode when the exterior ambient temperature is above 70° Fahrenheit. I do not inspect for swimming pool or jacuzzi leaks. I do not inspect any item not listed on this report, for example; refrigerators, laundry equipment, alarm or communications systems, low voltage or fiber optic systems, humidifiers, solar devices, water conditioners or filters, retractable blinds or awnings, and any cursory reference to non-standard items such as these can only be partial in context. I only make cursory references about exterior and exterior finishes unless they relate to water penetration or structural integrity. I do not guarantee safety. I do not inspect for environmental or health issues. The presence or absence of mold or mildew is beyond the scope of this inspection. I cannot and do not identify the origin of manufacture of gypsum or wall-board. I do not give repair estimates. Longevity estimates are beyond the scope of a TREC inspection and any made are only opinions based on experience and common knowledge. I do not negotiate for repairs nor do I qualify any order in which repairs must be done.
- 5. WHAT THE CLIENT DOES: YOU AGREE TO READ THIS ENTIRE REPORT,** and any other documents related to the physical condition of this property in a timely manor before closing. If any item is noted as deficient, if it has had prior repairs, if you do not feel comfortable with the performance or appearance of something, or if you want or need more detailed information about these matters; it is your responsibility to hire individual specialist to make independent inspections. Visual inspections are considered the BEGINNING of the Due Diligence process by the buyer and NOT the final or the end of Due Diligence. If you have a question about this inspection or the condition of this property, you agree to contact me before closing the sale. You understand that there is likely to be some additional discovery after taking possession of this property, when remodelling, or renovating this property. You should research for transferable warranties applicable to this property. You agree to do your own research about any safety and environmental issues related to this property because these types of issues are so personal. Beware, purchasing a property is ultimately the buyers responsibility.
- 6. THIS AGREEMENT LIMITS GOOD HOME INSPECTION / BUD ROZELL'S LIABILITY SOLELY TO THE AMOUNT OF THE INSPECTION FEE PAID.** The client agrees to indemnify, defend and hold harmless Bud Rozell / Good Home Inspection from any and all damages, expenses, costs and attorney fees. The client understands, agrees and acknowledges that Bud Rozell / Good Home Inspection assumes no liability or responsibility for the cost of repairing or replacing any unreported defects or deficiencies either current, or arising in the future, or any property damage, consequential damage or bodily injury of any nature relating thereto. If there is a complaint about this inspection the client must notify me in writing within ten (10) days after the problem is discovered and allow me to reinspect before changing the conditions (except in emergencies); otherwise all claims for damages arising out of such a complaint are waived. Any corrective action taken without my consultation relieves me of any and all liability. If you pursue any legal action against me based on this inspection but fail to prevail, you will be liable for my attorney's fees and all necessary cost related to such actions. You understand that; if any portion of this agreement is found to be invalid or unenforceable by any court or arbiter the remaining terms shall remain in force.
- 7. IF YOU ARE NOT THE CLIENT NOTED ON THIS REPORT;** then you realize and understand that you have no rights nor privileges in regards to this report.

I = Inspected NI = Not Inspected NP = Not Present D = Deficient

I NI NP D



I. ABOUT THE INSPECTION REPORT



A. What The Check Boxes Mean

The TREC has promulgated a check box system which helps to identify the condition of the property improvements. Every inspection report which relies on the TREC Standards Of Practice utilize this check box system. Comments regarding these boxes are in the TREC Scope of this inspection which in the main body of text on page 1 of this document.

D. If this box is checked then there is a recognized deficiency. The deficiency might be an item which in inoperable or in need of repair. It might be a deficiency which only requires service. Or it might be a deficiency because the manor or way the item was built or installed has become obsolete. The TREC has identified some safety issues or concerns which are required to be identified as a deficiency. Checking this box is not a mandate for repair, only a note that there is an apparent deficiency. Every deficiency with a system or item may not be identified. If this box is checked then you are recommended to have this item checked out further by a qualified specialist. The responsibility about whether or not have this item further researched, repaired and/or replaced is the buyers responsibility.

NP. If this box is checked then this system or item was not present or it was not observed at the property. Sometimes a system or item may be covered up or otherwise hidden on a property. But if this box is checked then to the best of the inspector's knowledge it is not present.

NI. If this box is checked then this system or item was present but it was not inspected. If this box is checked then a reason shall be given as to why the system or item was not inspected.

I. If this box is checked then the system or item was present and it was inspected. If no other box is checked then this system or item was present, it performed the function for which it was intended, no deficiencies were apparent at the time of inspection, and no other notation is necessary. If a deficiency was apparent at the time of inspection then the D box will also be checked.

If a system or item is present at the property but there is no mention of it on the report; then that system or item is beyond the scope of the inspection and that it was not inspected.

B. How The Text Is Formatted - Comments:

The top of each section may or may not have information about a particular system or item. This is important information about the house which should be read. If a system or item cannot be inspected or cannot be fully inspected then you will find that information here. Sometimes information about the general condition of a system or item is included here.

Some issues observed and noted as deficient include, but are not limited to;

- If the Deficiency box is checked then some of those deficiencies will be noted in this section.
- A faithful attempt is made to include at many deficiencies as possible in this area. However some systems or items may have deficiencies too numerous to itemize.
- If more detailed information about a defective system or item is desired, or any system or item, then a qualified specialist should be contacted to provide that type of information.

C. How To Print The Report

Please consider the environment when printing. The inspection report will be delivered as an Acrobat PDF created with an Apple Computer. The files usually open and print naturally. However they may not launch the PDF program on some older PC computers. To open this file you may have to first open your PDF program and then use that program to open the file. This file was originally created to be printed on legal size paper. If you do not change your printer's preference setting to 'legal', then your computer may shrink the pages to fit on letter stock. Although the smaller size will not be printed at the original scale it might still be legible. I have to recommend printing these pages on legal size paper so that the report(s) meets required print font sizes. I apologize for any inconvenience this may cause.

D. There Is More To Your Inspection Than The Report

I encourage my client(s) to be present at the inspection for as much of the time as possible. This may not be possible but I want you to know that you are welcome to be present for as much or little of the inspection as it takes for you to reach your comfort level. Your questions are welcome and later, if you have more questions or concerns then you are welcome to contact me. Usually a phone call works best, especially if you are in an option period. But eMail may be preferable if you have images or documents to share.

This is what you should expect in you eMail on the day after your inspection;

- The report with an eMail cover letter which is to be included to the TREC PI - Report.
- IF ORDERED; a Structural Pest Control Service, Wood Destroying Insect Report with an eMail cover letter which is to be included to that report.
- An eMail with images and/or illustrations related to the inspection report(s). Each image and/or illustration will be numbered or titled so that it corresponds to the proper section in the inspection report(s).
- An eMail of short essays relating to the inspected property, questions you may have asked, home ownership in general, and the inspection process. And there may be some additional documents attached to this eMail such as TREC documents or news articles. And about 3 maintenance manuals which I found on the internet will be included.

The end of the TREC Inspection Report Agreement. Thank You.



8" WIDTH TO SCALE PAGES

Good Home Inspection

THE SCOPE OF A TEXAS STRUCTURAL PEST CONTROL SERVICE, WOOD DESTROYING INSECT REPORT

- A.** This inspection covers only the multi-family structure, primary dwelling or place of business. Sheds, detached garages, lean-tos, fences, guest houses or any other structure will not be included to this inspection report unless specifically noted in section 5 of this report.
- B.** This inspection is limited to those parts of the structure(s) that are visible and accessible at the time of the inspection. Examples of inaccessible areas include but are not limited to (1) areas concealed by wall coverings, furniture, equipment and stored articles and (2) any portion of the structure in which the inspection would necessitate removing or defacing any part of the structure(s) (including the surface appearance of the structure). **Inspection does not cover any condition or damage which was not visible in or on the structure(s) at the time of inspection but which may be revealed in the course of repair or replacement work.**
- C.** Due to the characteristics and behavior of various wood destroying insects, it may not always be possible to determine the presence of infestation without defacing or removing parts of the structure being inspected. Previous damage to trim, wall surface, etc., is frequently repaired prior to the inspection with putty, spackling, tape, or other decorative devices. Damage that has been concealed or repaired may not be visible except by defacing the surface appearance. **The WDI inspecting company cannot guarantee or determine that the work performed by a previous pest control company, as indicated by visual evidence of previous treatment; has rendered the pest(s) inactive.**
- D.** If visible evidence of active or previous infestation of listed wood destroying insects is reported, it should be assumed that some degree of damage is present.
- E.** If visible evidence is reported, it does not imply that damage should be repaired or replaced. Inspectors of the inspection company usually are not engineers or builders qualified to give an opinion regarding the degree of structural damage. Evaluation of damage and any corrective action should be performed by a qualified expert.
- F. THIS IS NOT A STRUCTURAL DAMAGE REPORT OR A WARRANTY AS TO THE ABSENCE OF WOOD DESTROYING INSECTS.**
- G.** If treatment (including pesticides, baits or other methods) has been recommended, the treating company must provide a diagram of the structure(s) inspected and proposed for treatment, label of pesticides used and complete details of warranty (if any). At a minimum the warranty must specify which areas of the structure(s) are covered by the warranty, renewal options and approval by a certified operator in the termite category. Information regarding treatment and any warranties should be provided by the party contracting for such service to prospective buyers of the property. The inspecting company has no duty to provide such information to any person other than the contracting party.
- H.** There is a variety of termite control options offered by pest control companies. These options will vary in cost, efficiency, areas treated, warranties treatment techniques and renewal options.
- I.** There are some specific guidelines as to when it is appropriate for corrective treatment to be recommended. Corrective treatment may only be recommended if (1) there is visible evidence of an active infestation in or on the structure, (2) there is evidence of a previous infestation with no evidence of a prior treatment.
- J.** If treatment is recommended based solely on the presence of conducive conditions, a preventive treatment or correction of conducive conditions may be recommended. The buyer and seller should be aware that there may be a variety of different strategies to correct the conducive condition(s). These corrective measures can vary greatly in cost and effectiveness and may or may not require the service of a licensed pest control operator. There may be instances where the inspector will recommend correction of the conducive conditions by either mechanical alteration or cultural changes. Mechanical alteration may be in some instances the most economical method to correct conducive conditions. If this inspection report recommends any type of treatment and you have any questions about this, you may contact the inspector involved, another licensed pest control operator for a second opinion, and/or the Structural Pest Control Service of the Texas Department of Agriculture.

- As per the Texas Department of Agriculture.