



Breen & Associates, LLC
Professional Home Inspection Services
SERVICE WITH INTEGRITY - WHEN YOU NEED IT!



International Association of
Certified Home Inspectors

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INSPECTION AGREEMENT

THIS AGREEMENT LIMITS OUR LIABILITY - PLEASE READ

This Home Inspection Agreement is made effective on the date stated on Page 4 of this agreement by and between Breen & Associates, LLC (hereinafter "Breen & Associates", "we", "us" and "our") and client named on page 4 of this agreement (hereinafter "client", "you" or "your"). We are in the business of providing home inspection services. You, the undersigned Client, have requested that We, the undersigned independently owned and operated Home Inspection Company, along with our employees and any persons conducting the general home inspection, conduct an inspection of the property listed on page 4 consistent with the terms and conditions outlined in this Agreement.

SCOPE OF THE INSPECTION

The "General" home inspection is a non-invasive physical examination of the readily accessible built-in appliances, mechanical, electrical, and plumbing systems, and the essential internal and external structural components of the residential dwelling under the standards and scope for home inspections established by the International Association of Certified Home Inspectors and the Standards and Practices as published by the State of South Dakota. The inspector is not an expert in every craft or profession. Therefore, the "General" home inspection that we will conduct is not technically exhaustive. The fee charged for these services is substantially less than that of a technically exhaustive inspection. The inspection is designed only to identify material defects in those systems and components of the Property exposed to view and apparent as of the day of the inspection. See the "Specific Exclusions" sections for the services that are excluded from this general inspection.

A written inspection report (Report) will be prepared that describes and identifies the inspected systems, structures or components of the dwelling that were inspected, any material defects identified to be in need of immediate repair, and any recommendations regarding the conditions observed or recommendations for further evaluation by appropriate persons. Style, aesthetics, design flaws and hidden defects will not be considered in determining whether a system, structure, or component is defective. The Report reflects an observation of certain listed items of the Property as of the date and time of the inspection and is not a list of repairs to be made. The Report is not intended for use in renegotiating the sale of the Property. Your real estate agent can help you determine which items are eligible for negotiation under the terms of the sale contract. The seller may or may not be required to repair deficiencies reflected in this report. Items not listed in the inspection report were not inspected.

ADDITIONAL SERVICES:

We may be able to perform any one or more of the Ancillary Services listed in this agreement. Unless you request Ancillary Services by checking the appropriate line beside the desired service and we agree to perform the Ancillary Service by executing this Agreement, this Agreement is for the general home inspection only and does not include the other Ancillary Services, including but not limited to the following: carbon monoxide test, radon gas test, water analysis, wood destroying insects inspection, mold inspection or invasive testing of EIFS, Exterior Insulation & Finishing Systems to determine the existence of moisture and damage related thereto.

EXCLUSIONS:

A system or component is not readily accessible if inspection requires moving personal property, dismantling, destructive measures, or any action that will, in the opinion of the inspector, likely involve risk to persons or property. The inspector cannot

examine what cannot be seen. Anything not readily observable because it is concealed or inaccessible due to obstructions including (but not limited to) floor coverings, suspended ceiling tiles, insulation, furniture or other personal property, soil, vegetation, water, ice or snow cannot be inspected. We are not required to move or disturb such items in order to diminish or eliminate the obstruction. We are not required to report on or engage in any practice or act that is not included or that is specifically excluded in the inspection guidelines unless otherwise agreed to in a writing signed by the parties. We are not required to inspect anything identified in the inspection guidelines as limitations or exclusions specific to the systems and components inspected. The list of the following specific exclusions is not an exhaustive list; see the inspection guidelines for additional exclusions and limitations.

We are NOT required to determine the following: remaining life of any system or component, the causes of any condition or deficiency, methods and costs of corrections, suitability of the property for a specialized use, market value or marketability, advisability of purchase of the property, the presence of pests such as wood damaging organisms (including termites), rodents or insects, rot/decay, fungus, including mold and mildew, decorative items, underground items, breached vacuum seals in insulated glass, or items not permanently installed. We are not required to do the following: predict future conditions including (but not limited to) failure of components, operate any system or component that is shut down or otherwise inoperable, light pilot lights, determine the presence of hazardous substances, enter hazardous areas, or perform engineering, architectural, plumbing, or any other job function requiring an occupational license or certification in your jurisdiction (unless the inspector holds a valid license or certification and the parties agree in writing signed by the parties on the additional service(s) for an additional fee). We are not required to inspect fences, soil conditions, spas, saunas, steam baths, pools (and related equipment), outbuildings (other than garage or carport), sprinkler systems, private and community waste disposal systems, telephone, cable television, intercom's, security systems, low voltage lighting systems, well systems, window-unit air conditioning systems, furnace heat exchangers, and heating or cooling systems when weather conditions or other circumstances may cause equipment damage. We are not required to inspect cosmetic items such as paint, wall paper, carpet, or other finishes on walls, ceilings or floors, and any type of window treatment (such as blind or draperies). We are not required to determine non-compliance with manufacture's specifications or applicable regulatory requirements, including (but not limited to) building code compliance. Water/moisture, leaks, seepage and drainage problems are often only visible during or after a certain amount of rain. It is thus impossible to observe water/moisture, leaks, seepage and drainage problems unless the Inspection is conducted during or immediately after a rain sufficient to reveal such problems.

Code compliance, manufacturer's specifications, valuations, and other regulations

We will not investigate nor give any opinion concerning easements, conditions of title, zoning matters, or building or property measurements and value appraisals. There are thousands of building codes and manufacturing specifications. They change frequently and are frequently subject to individual interpretation. Our inspectors have a general knowledge about code requirements and can answer many code related questions, but they have no legal authority to mandate code compliance. You should contact the appropriate governmental agencies if you desire such information. Product defects and environmental hazards Our inspection is neither a chemical analysis nor a search for defective products or environmental hazards. Materials regularly used in residential construction may contain potentially hazardous substances such as asbestos, lead and formaldehyde. Except as modified herein or by separate written agreement, our inspection excludes chemical analysis of defective products, and environmental hazards including, but not limited to: asbestos, lead, lead paint, radon, carbon monoxide and mold.

SPECIFIC EXCLUSIONS

THIS INSPECTION REPORT DOES NOT CONSTITUTE A WARRANTY, AN INSURANCE POLICY, OR A GUARANTEE OF ANY KIND; NOR DOES IT SUBSTITUTE FOR ANY DISCLOSURE STATEMENT AS MAY BE REQUIRED BY LAW. Therefore, you agree not to hold us responsible for any future failure or repair, or for the non-discovery of any patent or latent defects in material, workmanship, or other conditions of the property which may occur or become evident after the inspection date; nor for any alleged non-disclosure of conditions that are the express responsibility of the seller of the property. This inspection is intended to add to your knowledge of the building and help you understand the risk of owning it. The inspection is not intended to and cannot eliminate all the risk of purchase. We help you assess the risk, we do not assume them for you. Warranty programs for appliance and mechanical failure and homeowner's insurance are the traditional avenues available to manage the risk of property ownership.

MOLD EXCLUSION:

Breen & Associates is not responsible for discovering or reporting on the presence or absence of mold or mildew. Furthermore, Breen & Associates is not responsible for any damage that arises from or related to mold or mildew, even if the mold or mildew is a direct consequence of a condition upon which Breen & Associates is required to report as set forth in this agreement.

DISPUTE RESOLUTION AND REMEDY LIMITATION:

Notice of Claims - You understand and agree that any claim(s) or complaint(s) arising out of or related to any alleged act or omission of Breen & Associates in connecting with the Services shall be reported to us, in writing, within ten (10) business days of discovery. Unless there is an emergency condition, you agree to allow us a reasonable period of time to investigate the claim(s) or complaint(s) by, among other things, re-inspection before you, or anyone acting on behalf, repairs, replaces, alters or modifies the system or component that is the subject matter of the claim. You understand and agree that any failure to timely notify us and allow adequate time to investigate as stated above shall constitute a complete bar and waiver of any and all claims you may have against us related to the alleged act or omission unless otherwise prohibited by law.

Arbitration - Any dispute concerning the interpretation of this Agreement or arising from the Service and Report (unless based on payment of fee) shall be resolved by binding, non-appealable arbitration conducted in accordance with the rules of the American Arbitration Association, except that the parties shall mutually agree upon an Arbitrator who is familiar with the home inspection industry.

Limitations Period - Any legal action arising from this Agreement or from the Services and Report, including (but not limited to) the arbitration proceeding more specifically described above, must be commenced within one (1) year from the date of the Services. Failure to bring such an action within this time period shall be a complete bar to any such action and a full and complete waiver of any rights or claims based thereon. This time limitation period may be shorter than provided by state law.

Limits of Liability - Due to the nature of the services we are providing, it is difficult to foresee or determine (at the time this Agreement is formed) potential damages in the event of negligence or breach of this Agreement by us. Thus, **if we fail to perform the Services as provided herein or are careless or negligent in the performance of the Services and/or preparing the Report, our liability for any and all claims related thereto is limited to the fee paid for the Services. (unless contrary to state law), and you release us from any and all additional liability. There will be no recovery for consequential damages.** You understand that the performance of the Services without this limitation of liability would be more technically exhaustive, likely require specialist(s) and would cost substantially more than the fee paid for this **limited visual inspection**.

OTHER PROVISIONS:

Severability and Entire Agreement - The parties agree that should an Arbitrator or Court determine that any provision(s) in this Agreement is void, voidable, or unenforceable, the remaining portions shall remain in full force and effect. This Agreement (in its entirety), and any attached, executed Addenda, contains the entire Agreement between the parties, and there are no other representations, warranties, or commitments, except as are specifically set forth herein. This Agreement supersedes any and all representations or discussions, whether oral or written, if any, among the parties relating to the subject matter of this Agreement. This Agreement may be modified, altered or amended only if agreed to in writing and signed by the parties. Amended only if agreed to in writing and signed by the parties.

Confidentiality - You understand that the Services are being performed (and the Report is being prepared) for your sole, confidential and exclusive benefit and use. The Report, or any portion thereof, is not limited to) the seller or the estate agent(s) involved in the real estate transaction ("third party"). If you directly allow or cause the Report or any portion thereof to be disclosed or distributed to any third party, you agree to indemnify, defend, and hold us harmless for any claims or actions based on the Services or the Report brought by the third party.

By initialing here(_____), you authorize us to distribute copies of the Report to the real estate agents or attorneys directly in this transaction, who are not intended beneficiaries of the Report.

FEE:

10% Military Discount

You agree to pay the fee(s) stated on this agreement for the performance of the Service(s). This amount shall be paid in full prior to the completion of the Services (unless otherwise agreed in writing by the parties). Should you fail to timely pay the agreed upon fee(s), you shall be responsible for paying any and all fees associated with collection, including but not limited to administration costs, attorney's fees, and cost of litigation.

Bill to closing fee: \$35

Check Line	Requested Service	Fee
_____	General Home Inspection	\$ _____
_____	Modular Home Inspection	\$ _____
_____	Discount	\$(-) _____
_____	Radon Gas Test	\$ _____
_____	Water Analysis	\$ _____
_____	Wood Destroying Insects	\$ _____
_____	EIFS Inspection	\$ _____
_____	Bill To Closing	\$ _____
_____	Other (_____)	\$ _____
_____	Pre-Spected Program	\$ _____
	Subtotal	\$ _____
	Tax	\$ _____
	Total	\$ _____

By signing below you acknowledge that you have read, understand and agree to the terms and conditions of this agreement, including (but not limited to) the limitation of liability, arbitration clause and limitations period, and agree to pay the fee listed in the box above.

Client Name: _____

Property Address: _____

Client's Agent: _____

CLIENT

Breen & Associates, LLC - Home Inspection Services

Client Signature _____

Inspected by: _____

Client Email Address _____

P.O. Box 9743, Rapid City, SD 57709-9743

Business Address _____

Date _____

14687

South Dakota Home Inspector's License Number