



## VISUAL HOME INSPECTION CONTRACT

**THIS IS A LEGALLY BINDING CONTRACT.  
PLEASE READ CAREFULLY.**

This is a Visual Home Inspection Contract (the "Contract"), by and between

[Client] \_\_\_\_\_ of

[Address] \_\_\_\_\_

, KY [Zip] \_\_\_\_\_ (the "Client" or "you" as further detailed in paragraph 14), Garr Home Inspections (the "Company"), and Mark A. Garr, Ky. Lic. # 101986 (the "Home Inspector") (collectively, the Home Inspector, the Company, and their agents and employees are referred to as the "Inspector" or "us"). In consideration of the mutual benefits, covenants and agreements exchanged through this Contract, and other good and valuable consideration received, the parties agree as follows:

### **I. SERVICES & FEES**

Client desires the Services accepted below at \_\_\_\_\_

[Address], \_\_\_\_\_ [City], KY \_\_\_\_\_ [Zip] (the "Property").

Inspector agrees to perform the Services, on the terms and conditions given in this Contract, for the fee(s) below.

**1(A). SELECT YOUR SERVICES.** By initialing where indicated below, Client accepts or rejects the following services (the "Services" are accepted):

General Home Inspection Accepted: \_\_\_\_\_ Rejected: \_\_\_\_\_

Wood Destroying Insect Report Accepted: \_\_\_\_\_ Rejected: \_\_\_\_\_

Radon Air Test Accepted: \_\_\_\_\_ Rejected: \_\_\_\_\_

Commercial Inspection Only Accepted: \_\_\_\_\_ Rejected: \_\_\_\_\_

Limited Scope Inspection Only Accepted: \_\_\_\_\_ Rejected: \_\_\_\_\_

Some Services may be provided by others, under separate licenses or certifications. Selecting a Limited Scope Inspection limits the scope and subject of an inspection to specific areas, systems, or components and is a rejection of a General Home Inspection. The specific areas, systems or components for this Limited Scope Inspection are:

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No other area, system or component is included in the Services and all else is excluded.

**2. PAYMENT.** Client agrees to pay the fees listed below prior to the inspection, unless otherwise arranged in writing, as compensation for the Services. Payable in advance (the "Fee").

Home Inspection Fee: \$ \_\_\_\_\_

Wood Destroying Insect Test Fee: \$ \_\_\_\_\_

Radon Test Fee: \$ \_\_\_\_\_

Additional Liability Fee (See Pg. 11 Extended Liability Clause if desired):

\$ \_\_\_\_\_

TOTAL FEE for Services \$ \_\_\_\_\_

Additional fees apply if more than one trip to the Property is ordered for any reason. There is a \$150.00 trip charge for each return trip (if, for example, any utilities are off, the attic or crawl space is inaccessible, or any other system of component required to be inspected is inaccessible). It is the sellers' duty to have the home prepared for inspection, with utilities on.

## **II. ABOUT YOUR HOME INSPECTION**

3. A **HOME INSPECTION** is a **visual** analysis for the purpose of providing a **professional opinion** about the **condition** of a home and its attached garages and carports, under the standards of practice ("SOP") established by the Kentucky Board of Home Inspectors. As provided in state law, this home (or commercial) inspection is conducted under the SOP of the American Society of Home Inspectors ("ASHI"), a copy of which you acknowledge having received, and which is incorporated by this reference herein as if fully rewritten herein. Copies also are on the Inspector website and the ASHI website at <http://www.homeinspector.org/standards>.

**Condominiums, Etc.** Home inspections are limited to property which is conveyed to the Client. Home inspection do not include common areas or probable Association property, based solely on what is usually and customary. Buyers should obtain a Condominium Sellers Certificate. Inspectors cannot provide legal advice about boundaries, property conveyed, or association agreements.

The purpose of a home inspection is to provide a written report of the visual findings and professional opinions of your Home Inspector concerning any accessible system or component of the home within the SOP that is significantly deficient and the Home Inspector's recommendations to repair or monitor deficiencies reported, accompanied by a list of any systems or components that were designated for inspection in the Standards of Practice but that were not inspected and the reason it was not inspected.

Home inspections are non-destructive (holes are not drilled in walls, for example), non-invasive (floor coverings and wall coverings are not pulled away, for example), subject to concealment and latent defects, and limited by law and the SOP. The Inspector does not move furniture, personal property, carpets, ceiling tiles, plants, soil, ice, debris or the like, which can limit or obstruct visibility, nor does the inspector ignite gas appliances or pilot lights, operate shutoff valves (for plumbing or gas, for example) or manual stop valves, or operate circuit breakers or the like. The Inspector does not operate any system that is shut down, does not respond to normal controls, or does not function properly. The Inspector does not inspect any area, system or component deemed unsafe or dangerous and does not perform any action likely to damage property (such as probing a finished surface). The Inspector inspects only that property to be conveyed to the client and does not, for example, inspect probable common elements or association property in multi-unit housing or condominiums. For all those reasons, it is possible a condition or problem may not be seen, or go undetected, and be unreported.

4. **YOUR HOME INSPECTION REPORT** will be a written report, delivered electronically. The written inspection report is the complete and exclusive findings of the Inspector as to the home inspection. The Inspector may talk over findings, or walk through, with you at the end of

the inspection, but those talks are first impressions. The written report takes the place of, and entirely supersedes, any conversations or discussions. The Inspector may modify the report within forty-eight (48) hours after it is first received by the Client.

**5. OTHER SERVICES.** Other services in addition to your home inspection are offered for the Client's convenience and to provide efficient delivery of services Clients may require in the relatively compressed period of days available for all inspections under real estate purchase contracts. These services are optional, excluded from the scope of a home inspection under the pertinent licenses, and must be contracted individually. As licenses/certifications outside a home inspection license are involved, these other services may be carried out by sub-contractors or others and are performed under standards for those discipline(s). Nonetheless, excepting only those provisions which expressly apply only to home inspection, all other terms and conditions of this Contract shall apply, irrespective of the specific service, specifically including, without limiting the generality of the foregoing, the mandatory arbitration agreement in Section 11; the limitation of liability in Section 12; and the entire agreement, preservation, and governing law agreements in Sections 16, 17, and 18.

(A) RADON MEASUREMENT. Radon indoor air measurements are carried out in conformity with applicable standards, principally the EPA Protocols for Radon and Radon Decay Product Measurements in Homes (EPA 402-R-92-003, 5/1993) and 902 KAR 95:040. Radon measurement is outside the scope of a home inspection and requires highly specialized equipment. Consequently, measurement may be performed by personnel other than a licensed home inspector and results are reported separately from your home inspection report. The responsibilities of radon measurement contractors are limited to the rendering of services in a manner which meets or exceeds the generally accepted standards of the certified contractors in this field. Lab reports and test results are produced under separate licenses/certifications and standards for the performance of those activities under the pertinent EPA and state regulations and guidelines. Test results and lab reports are the responsibility of the laboratory producing the report, under its license/certification, and not the radon measurement contractor. You agree to hold the radon measurement contractor harmless for any damage to or loss of test equipment deployed at the Property which might have been prevented or mitigated by reasonable, usual, or customary actions by you or your agent in the course of this transaction.

**6. NO WARRANTIES OR GUARANTEES.** You are purchasing the Services only and NOT A WARRANTY OR OTHER GUARANTEE OF ANY KIND (OF FITNESS, MERCHANTABILITY, PERFORMANCE, OR ADEQUACY OF ANY INSPECTED ITEM, SYSTEM, OR COMPONENT), express or implied, or an insurance policy, of any dwelling, inspected structure, component, or system. Home Warranties are provided separately, by others, under your Residential Sales Contract or through sales agents. A warranty would add to the cost of this contract. A home inspection report supplements, but is no substitute for, home warranties; seller disclosures of property condition (which can be made warranties in a conveyance); seller representations and warranties, including lead; fire/smoke detectors or alarms; service contracts transferred by Seller pursuant to your purchase contract (or "Home

Purchase Contract” sometimes titled a “Residential Sales Contract”); other home warranty/insurance policies; appraisals; other inspections; repairs or further evaluation recommended in your inspection report; local ordinance compliance; and deed representations and warranties; as well as your own due diligence and careful consideration of all factors, including any decision to accept any condition “as is” as set out in your Home Purchase Contract. All fees for Services above are based in substantial part both on these provisions and your purchase of any desired warranties.

**7. EXCLUSIONS. A. Not a “Code Compliance” Inspection.** Home inspections do not include a code compliance inspection, or a HUD Code inspection for manufactured homes, by law and under the SOP. Home inspectors actually are prohibited by law from indicating orally or in writing if any condition is or is not in compliance with the Kentucky Residential Code.

**B. Environmental Hazards.** Kentucky law requires home inspection reports to advise clients that “the home inspection report does not address environmental hazards.” Environmental hazards include but are not limited to, the following: (1) Air-borne hazards; (2) The air quality or sickness of any building, including, but not limited to, the presence or absence of all manner of biological activity, such as hazardous plants, insects, birds, pets, mammals, and other flora and fauna, and their consequent physical damage, toxicity, noxiousness, odors, waste products, and wood destroying animals and fungi; (3) Animals, insects, or rodents; (4) Asbestos; (5) Carcinogens, including but not limited to radon; (6) Contaminants in soil, water, and air; (7) Electro-magnetic fields; (8) Hazardous materials including, but not limited to, the presence of lead in paint; (9) Hazardous waste conditions; (10) Mold, mildew, or fungus; (11) Hazardous plants or animals including, but not limited to wood destroying organisms, wood destroying insects, or diseases harmful to humans including molds or mold-like substances; (12) Noise; (13) Potability of any water; (14) Toxins; (15) Urea formaldehyde; (16) The effectiveness of any system installed or method utilized to control or remove suspected environmental hazards; and (17) Compliance with regulatory requirements (codes, regulations, laws, ordinances, etc.), any manufacturer’s recalls, conformance with manufacturer installation or instructions, or any information for consumer protection purposes. These are examples of “environmental hazards” in 2015 when the regulation became effective and for illustration only. Previously unrecognized environmental hazards are identified from time to time. This is not presented as a comprehensive list. All environmental hazards of any kind come under the state law that a home inspection report does not address environmental hazards.

**C. Standards and Other Exclusions.** The SOP exclude certain systems or components from a home inspection, including, for example: swimming pools/spas, security or alarm systems, ponds, saunas, elevators, landscape lighting, intercoms, speaker systems, low voltage systems such as phone lines, cable lines, and antennae. The Standards also exclude any inaccessible systems or components, and any portion of the home that is unsafe or would risk damage. Other exclusions set out in the SOP, and in applicable law and regulations, also apply.

**8. CONFIDENTIALITY & USE.** No one else other than the Client, and no third party, shall



Company in the absence of an emergency, the Client waives, and the Inspector and the Company shall be released from, any claims and liability arising from or related to the Services. If you do not provide such notice within one year after you knew or should have known of the existence of said claims, you irrevocably waive and forever release all Complaints, claims, causes of action and the like. All notices set out under this Article III shall be delivered by certified mail return receipt requested to the addresses given above. **The Inspector shall have a reasonable opportunity to investigate your Complaint before any non-emergency repairs or changes are begun. You agree to give the notice provided in KRS Chapter 411 not less than ten (10) days before any such non-emergency repairs are begun. In the event of an emergency, also agree to provide the Inspector with photographs of the condition(s) prior to any such repairs and promptly notify the Inspector as provided in KRS Chapter 411 at the time you receive estimates for such repairs.** If non-emergency repairs or replacements are done without giving the Inspector reasonable notice, as set out in this Contract, the Inspector shall have no liability to the Client as to any such system or component.

**10. “RIGHT TO CURE.” CHAPTER 411 OF THE KENTUCKY REVISED STATUTES CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT FOR DEFECTIVE CONSTRUCTION AGAINST THE HOME INSPECTOR OF YOUR RESIDENCE. YOU MUST DELIVER TO YOUR HOME INSPECTOR A WRITTEN NOTICE OF ANY CONDITIONS YOU ALLEGE THAT YOUR HOME INSPECTOR FAILED TO INCLUDE IN THE HOME INSPECTION REPORT AND PROVIDE YOUR HOME INSPECTOR THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY THE HOME INSPECTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT.**

**Initialing here confirms the complaint procedure and your agreement to the foregoing provisions of KRS 411.270-282 irrespective of your place of residence or the location of the inspected Property or premises.**

#### **11. MANDATORY BINDING ARBITRATION.**

##### **PLEASE READ THIS PROVISION OF THE CONTRACT CAREFULLY**

**A. Arbitration Agreement.** All complaints, controversies or disputes which may arise between you and the Inspector concerning the Services, inspection report, this Contract, or the construction, performance or breach of this Contract or any other agreement between us, whether entered into prior to, on, or subsequent to the date of this Contract, including any controversy concerning whether an issue is arbitrable, shall be determined by arbitration conducted by a single arbitrator.

You or we may arbitrate any claim, dispute or controversy between you and us arising out of this Contract, the inspection, the Inspection Report, this arbitration agreement and its making, or our relationship (called "Claims"). If arbitration is chosen by any party, neither you nor we will have the right to litigate that Claim in court or have a jury trial on the Claim. Except as specified below in Arbitration Limits, all Claims are subject to arbitration, not matter what legal theory they are based on or what remedy (damages, or injunctive relief, or declaratory relief) they seek, including without limitation Claims based on contract, tort (including intentional tort), fraud, agency, your or our negligence, statutory or regulatory provisions, or any other sources of law; Claims made as counterclaims, cross-claims, third-party claims, interpleaders, or otherwise; Claims made regarding past, present, or future conduct; and Claims made independently or with other Claims. This also includes Claims made by or against anyone connected with us or you, or by someone making a claim through us or you, such as a co-owner, co-investor, lender, authorized user, related person, employee, agent, representative or an affiliated/parent/subsidiary company.

This arbitration provision and any arbitration under this Contract shall be governed by and conducted pursuant to the Federal Arbitration Act (FAA). The FAA shall govern any disputes and any conflicts of any kind, including contract construction and application, and shall be interpreted in the broadest way the law will allow. Judgment on any arbitration award may be entered in any court having jurisdiction. Notice of Demand for Arbitration must be made within a reasonable time after the problem is known (not to exceed 365 calendar days after the inspection report was delivered or a party knew or should have known of the existence of said Claims), with a hearing to be scheduled and held as soon as reasonably possible thereafter.

**B. Arbitration Limits.** Individual Claims filed in a small claims court are not subject to arbitration, as long as the matter stays in small claims court. Claims brought as a private attorney general or other representative action can be arbitrated only on an individual basis. The arbitrator shall have authority to award relief only on an individual basis. However, owners, co-owners or co-investors or corporate affiliates are here considered as one person.

**C. Arbitration Disclosures.** By signing this arbitration agreement, the parties agree as follows: (1) All of the parties to this agreement are giving up the right to sue each other in court, including the right to trial by jury, except as provided in the rules or guidelines of the arbitration forum in which the claim is filed.

(2) Arbitration awards generally are final and binding. A Party's ability to reverse or modify an arbitration award is very limited.

(3) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.

(4) The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the arbitrator or panel. The arbitrator or panel typically includes arbitrators who were or are affiliated with the real estate or construction industries. The rules or guidelines of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement. Forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement.



**D. How Arbitration Works.** (1) Any of us may initiate arbitration by serving on the other parties a written Notice of Demand for Arbitration. Arbitration may be requested at any time, even where there is a pending lawsuit, unless a trial has begun or a final judgment entered. Neither you nor we waive the right to arbitrate by filing or serving a complaint, answer, counterclaim, motion, or discovery in a court lawsuit. To choose arbitration, a party may file a motion to compel arbitration in a pending matter and/or commence arbitration by serving the required Notice of Demand for Arbitration and submitting the required American Arbitration Association (AAA) or Better Business Bureau (BB) forms and required filing fees.

(2) Arbitration shall be conducted by the AAA according to this arbitration provision and the applicable AAA rules in effect when the claim is filed, except where any such rule or procedure conflicts with this arbitration provision. You can get copies of those rules/procedures from the AAA website ([www.adr.org](http://www.adr.org)) or by calling 800-778-7879. In the event the AAA declines arbitration, then the arbitration shall be conducted by the Better Business Bureau of Louisville (BBB), according to this arbitration provision and the applicable BBB rules in effect when the claim is filed, except where any such rule or procedure conflicts with this arbitration provision. In the event of conflict with rules of either group, this arbitration agreement shall govern. The arbitrator shall be selected by the AAA, or BBB if applicable. Any arbitrator must have some building construction experience.

(3) You or we may choose to have a hearing, appear at any hearing by phone or other electronic means, and/or be represented by counsel. Any in-person hearing will be held in the Commonwealth of Kentucky in the same city as the U.S. District Court closest to the inspected home.

(4) The arbitration shall be conducted by a single arbitrator in accord with this arbitration provision and the AAA rules (or BBB rules, if applicable), which may limit discovery. The arbitrator shall not apply any federal, state or local rules of civil procedure for discovery, but the arbitrator shall honor claims of privilege recognized at law and take reasonable steps to protect privileged, confidential, and proprietary information if requested to do so. The arbitrator shall apply applicable substantive law consistent with the FAA, applicable statute of limitations, and governing law including without limitation KRS 411.270 to 411.282 and may award damages or other relief under applicable law.

(5) The arbitrator shall make any award in writing and, if requested by you or us, may provide a brief statement of the reasons for the award. An arbitration award shall decide the rights and obligations only of the parties named in the arbitration, and shall not have any bearing on any other person or dispute.

**E. Arbitration Fees.** Arbitration fees will be allocated according to the applicable AAA rules (or BBB rules if applicable). If we prevail, we may not recover our arbitration fees, unless the arbitrator decides your Claim was frivolous. All parties are responsible for their own attorney's fees, expert fees and any other expenses, unless the arbitrator awards such fees or expenses to you or us based on applicable law.

**F. The Final Award.** The award by an arbitrator is final unless a party appeals it in writing to the AAA (or BBB, if applicable) within 30 calendar days of notice of the award. The arbitration appeal shall be determined by a panel of three (3) arbitrators. The panel will consider

all facts and legal issues anew based on the same evidence presented in the prior arbitration, and will make decisions based on a majority vote. Arbitration fees for the arbitration appeal shall be based allocated according to the applicable AAA Rules (if BBB rules, if needed). An award by a panel on appeal is final. A final award shall be subject to judicial review only as provided by applicable law.

**G. Preservation.** This arbitration provision shall survive changes in this Contract and termination of the relationship between us and us, including the bankruptcy of any party. The provisions of this section shall survive termination, amendment or expiration of this Contract. If any portion of this Dispute Resolution Article III is determined to be invalid or unenforceable, then the remainder shall be given full force and effect and all other terms shall be given full force. This arbitration provision may not be amended, severed, or waived, except as provided in this Contract or in a written agreement signed by you and us.

**Initialing here confirms your agreement to para. 11 and mandatory binding arbitration.**

**12. LIMIT OF LIABILITY. A. General Limitation.** The Inspector is not an insurer or provider of warranties. Insurance and warranties, if any, shall be obtained by the Client. Warranties generally are available through real estate agents. The amounts paid to the Inspector under this Contract are based entirely on and are solely for the value of the Services and the scope of liability set forth in this Contract and are unrelated to the value of the Client's Property or prospective premises. Warranties would increase the price.

Because of the limited visual analysis, home inspections cannot be expected to uncover all defects or deficiencies within a dwelling or the Property. Accordingly, the Inspector makes no guaranty or warranty, including any implied warranty of merchantability or fitness, or that the inspection or home inspection report will avert or prevent failures, malfunctions, or adverse occurrences of the consequences from them, which the Services were required or designed to inspect or detect. It is impractical and extremely difficult to fix actual or consequential damages, if any, which may result from act or omission in connection with the Services or from failure of the Inspector to perform any of its obligations hereunder. **THE CLIENT DOES NOT DESIRE THIS CONTRACT TO PROVIDE FOR FULL LIABILITY OF THE HOME INSPECTOR OR THE COMPANY INDIVIDUALLY OR JOINTLY AND AGREES THAT THE INSPECTOR SHALL BE EXEMPT FROM LIABILITY FOR LOSS, DAMAGE, OR INJURY DUE DIRECTLY OR INDIRECTLY, AND ANY AND ALL CONSEQUENTIAL DAMAGES OF ANY KIND INCLUDING EMOTIONAL DISTRESS, MENTAL ANGUISH, INCONVENIENCE, AND THE LIKE, DUE TO OCCURRENCES OR CONSEQUENCES THEREFROM, WHICH THE HOME INSPECTION OR INSPECTION REPORT IS REQUIRED OR DESIGNED TO DETECT, ANALYZE, OR REPORT; and THAT IF THE INSPECTOR SHOULD BE FOUND LIABLE FOR LOSS, DAMAGE OR INJURY DUE TO A FAILURE OR OTHER DEFICIENCY IN ANY OF THE SERVICES INCLUDING THE HOME INSPECTION OR INSPECTION REPORT IN ANY RESPECT, THE HOME INSPECTOR AND THE COMPANY JOINT LIABILITY SHALL BE LIMITED TO A SUM EQUAL TO HOME INSPECTION SERVICE CHARGE OR \$350.00, WHICHEVER IS GREATER, UNLESS THIS LIMIT IS INCREASED BY CLIENT'S**

ELECTION AND PAYMENT BELOW, EVEN IF A MISTAKE WAS MADE IN THE INSPECTION OR THE INSPECTION REPORT, AND THIS LIABILITY SHALL BE AGREED UPON DAMAGES AND NOT A PENALTY, AND THE EXCLUSIVE REMEDY, AND THAT THE PROVISIONS OF THIS PARAGRAPH SHALL APPLY IF LOSS, DAMAGE OR INJURY IRRESPECTIVE OF CAUSE OR ORIGIN, RESULTS DIRECTLY OR INDIRECTLY TO PERSON OR PROPERTY FROM PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS IMPOSED BY THIS CONTRACT OR FROM NEGLIGENCE, ACTIVE OR OTHERWISE, OF THE HOME INSPECTOR, THE COMPANY, ITS AGENTS OR EMPLOYEES. ACCEPTING PAYMENT OF THIS SUM SHALL CONSTITUTE A COMPLETE, FULL AND FINAL GENERAL RELEASE OF ALL CLAIMS, CAUSES OF ACTION, LIABILITY, AND CLAIMS OF ANY KIND AGAINST THE INSPECTOR ARISING FROM OR RELATED TO THE HOME INSPECTION, THIS CONTRACT, THE INSPECTION REPORT, AND THE PROPERTY.

**Initialing here confirms your agreement to these provisions regarding Inspector liability, accepting the LIMIT OF LIABILITY AS ABOVE, with joint Inspector liability of any kind NOT TO EXCEED Three Hundred and Fifty Dollars (\$350.00) or the cost of the home inspection given above, whichever is greater.**

**OR, alternatively, you may add instead:**

**B. Extended Liability Purchase Options:** For the reasons given above, the parties have agreed that liability is limited and that limitation is a principal source of the cost of the Services. IF THE CUSTOMER DESIRES THE INSPECTOR TO ASSUME ANY GREATER LIABILITY, CLIENT AND INSPECTOR SHALL AMEND THIS CONTRACT BY CO-INITIALING THIS RIDER SETTING FORTH THE AMOUNT OF ADDITIONAL LIABILITY AND THE ADDITIONAL AMOUNT PAYABLE BY THE CLIENT FOR THE ASSUMPTION BY INSPECTOR OF SUCH GREATER LIABILITY PROVIDED, HOWEVER THAT THIS RIDER AND ADDITIONAL OBLIGATION SHALL IN NO WAY BE INTERPRETED TO HOLD INSPECTOR AS AN INSURER OR OTHERWISE ALTER THE PROVISIONS ABOVE OTHER THAN THE AMOUNT OF THE LIMITATION OF LIABILITY.

\_\_\_\_ **PURCHASE ADDITIONAL LIABILITY, UP TO A LIMIT OF TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00), FOR ADDITIONAL FEE OF SEVEN HUNDRED AND SEVENTY-SIX DOLLARS (\$776.00).** All other terms and conditions of this Contract, other than this amount and those expressly required to conform to this amount of Inspector liability, are unchanged.

\_\_\_\_ **PURCHASE ADDITIONAL LIABILITY, UP TO A LIMIT OF FIVE THOUSAND DOLLARS (\$5,000.00), FOR ADDITIONAL FEE OF ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00).** All other terms and conditions of this Contract,

other than this amount and those expressly required to conform to this amount of Inspector liability, are unchanged.

In the event that no choice above is initialed or signed, then Client shall be deemed to have chosen the first option, of liability limited to Three Hundred and Fifty Dollars (\$350.00) or the cost of the home inspection, whichever is greater, unless an amount corresponding to another choice above is paid in addition to the total Fee for Services.

#### **IV. MISCELLANEOUS**

**13. INSPECTION TERMINATION.** In the event that termination of the inspection is required prior to concluding the home inspection, then this Contract shall govern and the following terms and conditions shall apply.

**A. Termination at Client's Direction.** In the event Client terminates the home inspection or any other service prior to completion for any reason, then the home inspection fee will be refunded less a cancellation fee of Two Hundred and Fifty Dollars (\$250.00). The cancellation fee for any other service(s) ordered shall be a sum equal to seventy-five percent (75%) of the fee charged. Cancellation fees mitigate losses that would otherwise be incurred by the Inspector, such as travel and lost business, but are not compensation for providing a professional opinion and home inspection report. Because a home inspection report meeting all standards is impractical or impossible in the event of this termination, Inspector shall provide a written summary of significant deficiencies visible prior to termination, if requested. This is a limited scope inspection, not a full home inspection. Cancellation fee are due and owing immediately upon termination of the inspection.

**B. Other Incomplete Inspections.** In the event either party terminates the home inspection before it is fully completed, then the full fee(s) paid are due and owing to the Inspector. In the event the inspection is partially completed, and terminated for a cause outside a client's control, such as unsafe conditions or a seller's failure to properly prepare the home for inspection (for example, with water or power off), irrespective of whether any party knew of such conditions prior to the inspection, then the fee(s) is earned and the inspection shall be reported accordingly. The inspection may be completed and the report updated at the Client's option, upon payment of the return trip fee in paragraph 2 above. The inspection report will be prepared as initially inspected, unless the Client chooses to complete the inspection under return trip provisions.

Termination of the inspection does not affect any other provision of this Contract.

**14. CLIENT CAPACITY AND PARTIES NOT PRESENT.** The person signing as the Client represents that he or she is the only Client or, if the customer is more than one person or entity, that he or she has full right, power, and authority to bind all of the clients/customers when signing this Contract, and indemnifies the Inspector against any claims and liabilities of any kind of any person, entity, or customer that they are not bound by the signature and initials below. The

undersigned person and all other persons or entities bound thereby are the “Client.”

**15. COSTS AND RETURNED CHECKS.** Any check not honored upon deposit for any reason will incur a \$50.00 servicing charge. Client agrees to pay all reasonable costs of collection including reasonable attorney’s fees and costs in the event the check has not been paid in full, with the servicing charge, within thirty (30) days from the date on the check. The inspection report may be withdrawn at any time, and you are not entitled to rely on it, until full payment is made.

**16. ENTIRE AGREEMENT.** This Contract, coupled with the written inspection report, is the entire agreement among the parties. No statements or representations, verbal or otherwise, made prior to execution of this Contract, or in the course of any inspection, not expressly set out in this Contract or the written report, may be relied upon for any purpose. This Contract supersedes all prior agreements, understandings or representations of any kind and no oral agreements, understandings or representations shall change, modify or amend any part of this agreement. No change, modification or amendment of this Contract shall be enforceable against any party unless it is in writing and signed by all parties. This Contract shall be binding upon and inure to the benefit of the parties hereto and their spouses, heirs, executors, administrators, successors, assigns and representatives of any kind whatsoever.

**17. PRESERVATION.** If any portion of this Contract is found to be invalid, voidable, or unenforceable by any court, arbitrator or other forum, the remaining terms shall remain in full force between the parties and be given full effect to the fullest extent permitted by law.

**18. GOVERNING LAW.** This Contract and its enforcement shall be governed by the laws of the Commonwealth of Kentucky and in pertinent part federal law as made applicable herein, including the Federal Arbitration Act, which shall govern in a conflict of law, if any, as to claims subject to arbitration or contract formation.

**By signing below, the parties witness their agreement to the foregoing Contract terms and conditions. ATTENTION IS DIRECTED TO THE DISCLAIMER OF WARRANTIES, LIMIT OF LIABILITY AND OTHER CONDITIONS ABOVE.**

**This is a legally binding Contract. There is no rescission period following the signing of this Contract. The parties to this Contract have read its entire contents and acknowledge receipt of a copy. All terms and conditions pertinent hereto are included here and no verbal agreements or understandings of any kind shall be binding on the parties. The deletion, alteration, or unenforceability of any provision of this Contract shall not affect the enforceability of this Contract. Client acknowledges they have not relied upon the advice or representations of the Inspector regarding, among other things, legal or tax consequences of this Contract and Client acknowledges that if such matters have been of concern to them, they have sought and obtained independent advice relative to all such matters.**

\_\_\_\_\_  
**Signature of Client**

\_\_\_\_\_  
**Date**

BY: \_\_\_\_\_  
**Mark Garr, Lic. # 101986 (Home Inspector)**  
GARR HOME INSPECTIONS (Company)

\_\_\_\_\_  
**Date**

\* \* \* \* \*

**PAYMENT RECEIVED**

**Fee Collected:** Amount \$ \_\_\_\_\_ Check # \_\_\_\_\_ Cash \_\_\_\_\_

Credit Card: Visa, Master Card, Discover, American Express

Card # \_\_\_\_\_

Card Verification: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Card Billing Zip Code: \_\_\_\_\_

The cardmember acknowledges receipt of goods and/or services in the amount of the total shown hereon and agrees to perform the obligations set forth by the cardmember's agreement with the issuer.

\_\_\_\_\_  
Card Member Signature