



COMMERCIAL INSPECTION AGREEMENT

PLEASE READ THIS AGREEMENT CAREFULLY

Inspection Report Number: **RS-XX-XXXX-10**

- 1. **PARTIES:** Commercial Development Group (The Client) agrees to employ **AccuPro Inspection Services, LLC (The Company)**, to provide a property inspection as set forth herein.
- 2. **ADDRESS OF THE PROPERTY TO BE INSPECTED:** 123 Anyplace Street
CITY, STATE, ZIP: Phoenix, AZ 85XXX
- 3. **FEE:** The Client agrees to pay the Company, at the end of the inspection, a fee in the amount of \$ X,XXX.00
- 4. **INSPECTION:** The Company agrees to conduct a ____-day property inspection from ____ 01, 2010 through ____ 05, 2010 for the Client, or his/her agent, at the property specified herein. The inspection will be preformed by an Arizona Certified Inspector (**The Inspector**), but will be limited to the specific areas identified in Attachment "A".

IT IS FULLY UNDERSTOOD THAT THE RESULTING WRITTEN REPORT IS THE PROPERTY OF THE COMPANY AND THE CLIENT AND SHALL NOT BE USED BY OR TRANSFERRED TO ANY OTHER PERSONS WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY AND THE CLIENT. IN NO CASE SHALL THIS REPORT BE CONSIDERED AN EXPERT WITNESS REPORT.

I APPROVE DISTRIBUTION OF REPORT TO: NO ONE _____ BUYER'S AGENT _____
SELLER'S AGENT _____ HOME OWNER _____ OTHER (Specify) _____

- 5. **REPORT:** The Company agrees to provide a written report in its standard form. A sample copy of which is available upon request. The report will describe and make observations about the conditions of *readily accessible* installed systems and components, as set forth in Attachment "A", on the actual date and time of the inspection and state the need for observable *immediate major repairs* or any recommendation to correct, monitor or *evaluate by appropriate persons*. The results of the inspection will be presented to the Client both verbally, at the time of the inspection, and in the form of a written report. The report will also identify systems and components which were present at the time of the inspection, but were not inspected and why.
- 6. **SCOPE OF INSPECTION:** The scope of the inspection is strictly limited as set forth in this Agreement. The inspection is intended to be a non-destructive examination of the general functioning of the building, its components and attached equipment. The examination is limited to visual and normal consumer operational techniques, and is not *technically exhaustive*. All immediate major repairs or defects and the components and equipment that are visually observable at the time of the inspection will be reported on per Attachment "A". Therefore, defects or deficiencies such as: life expectancy; the costs to correct; compliance or non-compliance with applicable regulatory requirements; or the presence or absence of pests such as wood damaging organisms, rodents, or insects, to name a few, will not be included in this report.

6. **SCOPE OF INSPECTION (continued):** The Client is encouraged to attend the inspection, as this can be a valuable opportunity for the exchange of information between the Inspector and the Client. Further, any particular concerns of the Client must be brought to the Inspector's attention prior to the inspection. It shall be understood that the written report does not substitute for the Client's personal presence during the inspection. It is virtually impossible to fully profile any property within a written report unless the Client attends and participates in the inspection process. The Client will have no chance of gaining all of the information that is offered by the Company unless he or she attends the inspection.

7. **INSPECTION REQUIREMENTS AND LIMITATIONS:** The building, and its components and equipment are to be readily accessible on the agreed upon date and time of the inspection. All utilities and pilot lights must be on and all equipment operational so a full and complete inspection can be done on the date specified. This is the responsibility of the Client. The Inspector is not obligated to change light bulbs, move furniture, obstructions, floor coverings, or remove panels to inspect any part of the property or its components. The Inspector is also not required to enter an area or perform any procedure that may damage the property or its components or be dangerous to the Inspector or other persons.

8. **THE FOLLOWING SPECIFIC LIMITATIONS APPLY:** Design problems and adequacy are not within the scope of this inspection. The Inspector will not determine the operational capacity, quality or suitability for a particular purpose of items inspected. The Inspector will perform no engineering, scientific or specialized technician tests or evaluations. No test sampling or reading will be done on any part of the property. The draft on the fireplace will not be checked. To prevent damage to units, air conditioning will not be checked when the outside temperature is below 65 degrees nor a heat pump when the temperature is above 65 degrees. The inspection report is limited to those areas described in Attachment "A", and does not include cosmetic items such as minor scratches, scrapes, dents, cracks, stains, soiled or faded surfaces on the structure or equipment, soiled, faded, torn or dirty flooring, or wall or window coverings.

The Company has no liability for latent defects. This includes but is not limited to latent defects that cannot be observed through normal inspection nor can be determined by normal equipment operation. It is specifically agreed and understood: **MECHANICAL DEVICES AND STRUCTURAL COMPONENTS MAY BE FUNCTIONAL AT THE TIME OF THE INSPECTION AND LATER MALFUNCTION; THEREFORE, THE COMPANY'S LIABILITY IS SPECIFICALLY LIMITED TO THOSE SITUATIONS WHERE IT CAN BE CONCLUSIVELY ESTABLISHED THAT THE MECHANICAL DEVICE OR STRUCTURE COMPONENT INSPECTED WAS INOPERABLE OR IN THE IMMEDIATE NEED OF REPAIR OR NOT PERFORMING THE FUNCTION FOR WHICH IT WAS INTENDED AT THE TIME OF INSPECTION; AND THAT THE INSPECTOR WAS NEGLIGENT IN NOT SO REPORTING THUS LEGALLY CAUSING A SPECIFIC LOSS TO THE CLIENT.** Additional information and details concerning the nature of the inspection are found in the body of the Report, which should be read carefully.

9. **OTHER LIMITATIONS: THE INSPECTION AND REPORT DO NOT ADDRESS AND ARE NOT INTENDED TO ADDRESS THE POSSIBLE PRESENCE OF OR DAMAGE FROM ASBESTOS, RADON GAS, LEAD PAINT, UREA FORMALDEHYDE, SOIL CONTAMINATION AND OTHER INDOOR AND OUTDOOR POLLUTANTS, NOISE, TOXIC OR FLAMMABLE CHEMICALS, WATER OR AIRBORNE RELATED ILLNESS OR DISEASE, TOXINS, FUNGUS, MOLDS, MOLD SPORES, CARCINOGENS, CHINESE DRYWALL AND ALL OTHER SIMILAR OR POTENTIALLY HARMFUL SUBSTANCES OR ENVIRONMENTAL CONDITIONS. THE INSPECTION ALSO DOES NOT ADDRESS HANDICAP PARKING, OSHA, EPA, ADA (AMERICANS WITH DISABILITIES ACT) OR OTHER GOVERNMENTAL REGULATIONS. THE CLIENT IS URGED TO CONTACT A COMPETENT SPECIALIST IF INFORMATION, IDENTIFICATION OR TESTING OF THE ABOVE IS DESIRED.**

10. **HOLD HARMLESS:** The Client agrees to hold the Company harmless for any services, repairs, replacements, upgrades, or recommendations for evaluation by a qualified professional, which the Company has suggested but for which the Client failed to implement or complete.

11. **PROBLEMS:** In the event a problem should develop regarding the services provide to the Client, the Client agrees to notify the Company of the problem by telephone, or otherwise, within two (2) business days and to allow the Company five (5) business days to respond. In the event the problem has not been resolved satisfactorily within the time set forth above and Client desires to make a formal complaint, Client shall send a written complaint to the Company fully describing which items are involved and the nature of the problem. Client agrees NOT to disturb or repair or have repaired any system or items related to the complaint, except in the case of emergency or to reduce or stop injury or damage to persons or property. Client agrees to allow the Company to personally examine upon reasonable notice the items involved in the written complaint prior to repairs or replacement being made.

12. **LIMITED WARRANTY:** Company warrants, for the benefit only of The Client, that the inspection shall conform in all material respects to the areas identified in Attachment "A". Such warranty shall expire the end of ninety (90) days following the actual date of inspection.

Disclaimer: COMPANY DISCLAIMS ANY AND ALL PROMISES, REPRESENTATIONS, AND WARRANTIES, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, WITH RESPECT TO THE INSPECTION, OR THE EXISTENCE OF ANY LATENT OR PATENT DEFECTS IN THE PROPERTY.

Limitation of Liability: The cumulative liability of Company to the Client for all claims whatsoever related to the inspection arising under this Agreement, including any cause of action sounding in contract, tort, or strict liability, shall not exceed the total amount of all fees paid to Company by the Client under this Agreement. This limitation of liability is intended to apply to all claims of the Client, without regard to which other provisions of this Agreement have been breached or have proven ineffective.

Consequential and Special Damages: In no event shall the Company be liable for any loss of profits; any incidental, special, exemplary, or consequential damages; or any claims or demands brought against the Client, even if Company has been advised of the possibility of such claims or demands. This limitation on damages and claims is intended to apply to all claims of the Client, without regard to which other provisions of this Agreement have been breached or have proven ineffective.

ACCEPTED AND AGREED TO ON:

This 1st day of January 2010, in Phoenix (City), Arizona



AccuPro Inspection Services, LLC
Rich Schaefer, President

(Client)
[Please print name & address below signature]



ADDENDUM "A"

MULTI-UNIT CONSULTANT INSPECTION

The following additional terms and conditions are incorporated by reference into the original Consultant Agreement, which is signed and attached herein.

The Client understands that the Inspector will NOT be conducting an inspection per the Arizona Standards of Practice for a home inspection.

The following defines the specific conditions, components and installed systems, which shall be observed and described during the property inspection. The resulting inspection report will identify construction defects or deficiencies, the need for additional information or investigation and/or code compliance concerns, which should be evaluated and/or remedied by the appropriate contractor or subcontractor.

Areas That Will be Inspected and Reported on:

- **Structural (100%)** – Observe and describe construction defects associated with the exterior, interior & roof structure and foundation
- **Roof (100%)** – Observe and describe construction defects associated with the roof, roof penetrations and any accessible attics
- **Water Distribution & Drainage** – Observe and describe construction defects associated with the water distribution system, sewer systems, and functional flow & drainage
- **Electrical** – Observe and describe construction defects associated the electrical system, sub-panel installation, branch circuits and grounding
- **HVAC** – Observe and describe construction defects associated with the HVAC systems and installation
- **Interior** – General overview of a limited number of units (typically 10%, or 25 to 30 units) to include: windows & doors; bathrooms; kitchens; & laundry rooms
- **Safety Issues** – Observe and describe construction defects associated with safety concerns, smoke detectors and GFCI outlets
- **Landscaping (100%)** – Observe and describe construction defects associated with the property landscaping, its components and property drainage
- **Pool/Spa (100%)** – Observe and describe construction defects associated with the pool and/or spa areas and their components & systems
- **Mold** – Inspect all areas for Conditions Conducive and/or signs of visible mold

Optional Services:

- **ADA (Americans with Disabilities Act)** – Perform a Tier II Abbreviated Accessibility Survey, per the ASTM E-2018 Guidelines, and report on non-compliance issues

(Client)

(Date)