



COMMERCIAL INSPECTION AGREEMENT (Please review this Contract carefully)

The address of the property is: **ABC Company**. Fee for the inspection is \$ **xxxx.xx**. THIS AGREEMENT made this **11th day of July, 2014**, by GREATER PEORIA PROPERTY INSPECTIONS (also referred to "INSPECTOR") and **Client's Name**. (referred to as "CLIENT"), collectively referred to herein as "the parties." The Parties understand and voluntarily agree as follows:

1. **PAYMENT BY CLIENT:** CLIENT shall pay GREATER PEORIA PROPERTY INSPECTIONS the sum of \$ **xxxx** for the visual property inspection to be performed pursuant to this Agreement. Payment is due upon completion of the on-site inspection. Written report will not be issued until final payment is received, unless payment arrangements have been made. The Client agrees to pay all legal and time expenses incurred in collecting due payments, including attorney's fees, if any. If CLIENT is a corporation, LLC, or similar entity, the person signing this Agreement on behalf of such entity does personally guarantee payment of the fee by entity.
2. **CONFIDENTIALITY:** The content of this report is confidential and shall not be disclosed to any other party without CLIENTS express approval and authorization. Neither the content of the inspection report nor any representations made herein are assignable without the express written consent of GREATER PEORIA PROPERTY INSPECTIONS.
3. **CLIENT'S USE OF REPORT:** The inspection and report are for the use of CLIENT only, who gives INSPECTOR permission to discuss observations with real estate agents, owners, repairpersons, and other interested parties. GREATER PEORIA PROPERTY INSPECTIONS shall be the sole owner of the report and all rights to it. INSPECTOR accepts no responsibility for use or misinterpretation by third parties, and third parties who rely on it in any way do so at their own risk and release GREATER PEORIA PROPERTY INSPECTIONS (including employees and business entities) from any liability whatsoever. Any third parties who rely on the report in any way also agree to all provisions in this Agreement. INSPECTOR'S inspection of the property and the report are in no way a guarantee or warranty, express or implied, regarding the future use, operability, habitability or suitability of the home / building or its components.
4. **ACCESS TO PROPERTY:** The CLIENT agrees that all necessary arrangements will be made with INSPECTOR to enter and inspect the Property. Access to the Property shall include, but is not limited to, the roof, attic, crawl spaces, closets, garages, and the complete interior of the building. Any areas of the Property that the CLIENT desires to exclude from INSPECTOR'S access shall be specifically listed, in writing, by the CLIENT prior to the inspection.
5. **ATTENDANCE / OPINION:** The CLIENT is encouraged to accompany the INSPECTOR during the inspection. However, the CLIENT must not accompany the INSPECTOR into crawl spaces, attics, rooms where electric service panels are being inspected, onto roofs, or other hazardous areas. CLIENT participation shall be at the CLIENTS risk for personal injury or damage to person or property for any reason or from any cause. The Inspection report represents the INSPECTOR'S "opinion" of the property at the time of the inspection. The INSPECTOR'S interpretation of what is good or fair may be different than that of the CLIENT'S. The CLIENT is encouraged to be present at the time of inspection so both parties will have an understanding of each other's perception.
6. **UTILITIES:** The gas, electricity, and water (utilities) should be on at the property for the inspection. Pilot lights must be "lit" in order to inspect the gas water heater and furnace. INSPECTOR will not light any pilot lights or turn "on /off" any utilities.
7. **STANDARDS OF PRACTICE:** Unless otherwise inconsistent with this Agreement or not possible, INSPECTOR agrees to perform the inspection in accordance with the current Standards of Practice of the International Association of Certified Home Inspectors("InterNACHI")posted at NACHI.org/Com Although INSPECTOR agrees to follow InterNACHI's Standards of Practice, CLIENT understands that these standards contain limitations, exceptions, and exclusions. CLIENT understands that InterNACHI is not a party to this Agreement and has no control over INSPECTOR or representations made by INSPECTOR and does not supervise INSPECTOR.
8. **ENVIRONMENTAL LIMITATIONS:** Unless otherwise indicated below, CLIENT understands that INSPECTOR will **NOT** be testing for the presence of radon – a colorless, odorless, radioactive gas that may be harmful to humans. CLIENT understands that INSPECTOR will **NOT** be testing for mold. CLIENT understands that INSPECTOR will **NOT** test for compliance with applicable building codes or for the presence of potential dangers arising from asbestos, lead paint, lead water pipes, lead solder, urea, formaldehyde, molds, soil contamination, polluted water, waterborne hazards, toxic or flammable materials, pest infestation and other environmental hazards or violations.
9. **SYSTEM EXCLUSIONS:** The following systems and conditions are **NOT** within the scope of the inspection : security systems; fire protection and detection systems; fire escapes; elevator components or shafts; household appliances; humidifiers; paint, wallpaper and other treatments to windows, interior walls, ceilings and floors; recreational equipment or facilities; underground or above ground storage tanks; energy efficiency measurements; concealed or private secured systems; water wells; septic systems; heating systems accessories; heat or smoke detectors; carbon monoxide detectors; solar heating systems; generators; free standing heating stoves; motorized dampers; heat exchangers; geothermal systems; water softener; water purification systems; central vacuum systems; telephone, intercom or audio/video systems; cable TV systems; antennas; lighting arrestors; landscape lighting; irrigation systems; trees, plants or landscape materials; playground equipment; pools, hot tubs/spas; governing codes, ordinances, statues and covenants and manufacturer specifications; recalls; EIFS; latent (hidden) defects; adequacy of design. **CLIENT understands that these systems, items and conditions are excluded from this inspection.** Any general comments about these systems, items and conditions of the written report are informal only and DO NOT represent an inspection.
10. **LICENCE REQUIREMENTS:** The INSPECTOR is licensed by the State of Illinois to operate as a Home Inspector. The INSPECTOR does not perform engineering, architectural, plumbing, electrical, or any other job function requiring an occupational license in the jurisdiction where the inspection is taking place. The Inspection will not include an appraisal of the value of the property, a cost estimate of any remediation or repairs, or a property survey. The written report is not a compliance inspection or certification for past or present governmental coded or regulations of any kind.
11. **SCOPE OF INSPECTION:** INSPECTOR agrees to perform a visual inspection of the home/building and to provide CLIENT with a written report identifying the defects that INSPECTOR both observed and deemed material. INSPECTOR may offer comments as a courtesy, but these comments will not comprise the bargained-for report. The report is only supplementary to the seller's disclosure.
 - a. The Property inspection to be performed by INSPECTOR is intended to assist the CLIENT in evaluating the overall general condition of the Property on the specific date and time of the inspection. The INSPECTOR'S findings are based on a visual, non-destructive inspection of the Property.
 - b. The visual inspection of the Property includes an inspection of open, accessible and apparent building components that are specifically identified in INSPECTOR'S report. Latent and concealed defects are excluded from the inspection. INSPECTOR shall not alter, build, repair, maintain and/or service any building component that falls within the scope of this Agreement.
 - c. The INSPECTOR'S purpose is to determine whether or not a system or component (electrical, heating, visible structure, etc.) is functioning for



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which it was intended. The INSPECTOR is not responsible to determine all that may be wrong with that system or component, just whether or not a second opinion is needed, such as a licensed electrician or HVAC contractor, or any specialist for that field or trade. They determine what steps are necessary to correct. Their troubleshooting may reveal additional items not mentioned in the inspection report.

- d. The INSPECTOR is not responsible for items mentioned in the inspection report. The parties agree and understand that the INSPECTOR is not an insurer or guarantor against defects in the structure, items, components or systems inspected.
- e. The INSPECTION is limited to what can be easily detected during a short period of time: the duration of the inspection of a typical property is roughly 2-3 hours. It is impossible to find every defect and deficiency during an inspection - therefore you should anticipate additional defects / deficiencies during you ownership of the property.
- f. The INSPECTOR is not able, or required, to determine the conditions of internal inaccessible areas of walls / floors / ceiling, air conditioning and heating equipment, furnaces, chimneys, etc.
- g. Inaccessible areas are defined as being concealed by: household goods, furniture, appliances, locked rooms, rugs, draperies, finished floors, ceilings, walls and the like, stored goods, insulation, automobiles, equipment, debris, vegetation, etc.
- h. The INSPECTOR is not required to enter areas with temperatures above 120 degrees F., where the headroom is less than three (3) feet in height, or that may contain conditions or materials that could be hazardous to the INSPECTOR'S health.
- i. The INSPECTION is not intended to be in-depth, all encompassing, technically exhaustive, invasive or destructive. It is not within the scope of this inspection to attempt to determine or attest to the remaining life of any systems or components.
- j. The INSPECTION and Report are not a guarantee or warranty that the items inspected are defect-free, or that concealed defects do not or will not exist. Problems may exist even though signs of such may not be present during the inspection.
- k. Weather conditions or other conditions which are beyond the control of the INSPECTOR and which may affect and limit the inspection are accepted by the CLIENT without additional burden to INSPECTOR.

12. DISCLAIMER OF WARRANTIES: The CLIENT agrees that INSPECTOR is not an insurer or guarantor against defects in structure, items, components or systems inspected. Warranties, express or implied, including warranties of merchantability and fitness for a particular purpose, are expressly excluded to the fullest extent allowed by law.

13. LIMITATION OF LIABILITY AND LIQUIDATED DAMAGES: INSPECTOR assumes no liability for the cost of repair or replacement of unreported defects or deficiencies either current or arising in the future. CLIENT acknowledges that the liability of INSPECTOR, its agents and/or employees, for claims or damages, costs of defense or suit, attorney's fees and expenses arising out of or related to the INSPECTOR'S negligence or breach of any obligation under this Agreement, including errors and omissions in the inspection or the report, shall be limited to liquidated damages in an amount equal to the fee paid to the INSPECTOR, and this liability shall be exclusive. CLIENT waives any claim for consequential, exemplary, special or incidental damages or for the loss of the use of the home/building even if the CLIENT has been advised of the possibility of such damages. The parties acknowledge that the liquidated damages are not intended as a penalty but are intended (i) to reflect the fact that actual damages may be difficult and impractical to ascertain; (ii) to allocate risk among the INSPECTOR and CLIENT; and (iii) to enable the INSPECTOR to perform the inspection at the stated fee.

14. THIRD PARTY BENEFICIARIES: Client and Inspector agree that INSPECTOR'S report is intended for the sole use and benefit of the CLIENT. CLIENT and INSPECTOR agree that there are no third party beneficiaries to the Agreement.

15. DISPUTE RESOLUTION: All claims and disputes between the parties arising in connection with this agreement shall be resolved as provided in the paragraphs below.

- a. In the event of a claim against INSPECTOR, CLIENT agrees to supply INSPECTOR with the following: (1) written notification of adverse conditions within 14 days of discovery; and (2) access to the premises. Failure to comply with the above conditions will release INSPECTOR and its agents from any and all obligations or liability of any kind.
- b. CLIENT further agrees, following the furnishing of such notice, to allow INSPECTOR the opportunity to re-inspect the subject of the notice before CLIENT, CLIENTS agents or contractors makes repairs or alterations to the subject of the notice, except in case of an emergency requiring immediate attention.
- c. Should efforts to affect a settlement fail, any and all claims shall be settled by binding arbitration administered by the American Arbitration Association in accordance with its Construction Arbitration Rules, or by any other arbitration procedures agreed to by all parties. The decision of the arbitrator appointed hereunder shall be final and binding and judgment on the award may be entered in any court of competent jurisdiction.
- d. Arbitration is to be conducted by an arbitrator who is a full time home inspector with at least five (5) years experience as a home inspector.
- e. The accepted standard against which this inspection will be judged will be the current STANDARDS OF PRACTICE referenced in paragraph 7 of this Agreement.
- f. Property or equipment in dispute will be made available for viewing and arbitration, arbitration will occur at the property.
- g. If CLIENT requests a re-inspection, re-inspection is subject to all the terms and conditions set forth in this agreement.

16. WHOLE AGREEMENT: If any court declares any provision of this Agreement invalid, the remaining provisions will remain in effect. This Agreement represents the entire agreement between the parties. All prior communications are merged into this Agreement, and there are no terms or conditions other than those set forth herein. No statement or promise of INSPECTOR or its agents shall be binding unless reduced to writing and signed by INSPECTOR. No change shall be enforceable against any party unless it is in writing and signed by the parties. This Agreement shall be binding upon and enforceable by the parties and their heirs, executors, administrators, successors and assignees. CLIENT shall have no cause of action against INSPECTOR after one year from the date of the inspection.

CLIENT HAS CAREFULLY READ THE FOREGOING, AGREES TO IT, AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT.

INSPECTOR signature: Denny Murphy

CLIENT signature: _____

Company: ABC Corporation.

Date: _____