INSPECTION AGREEMENT

THIS INSPECTION AGREEMENT (the "Agreement") is made an entered into this ____ day of ______, 2014 (the "Effective Date") by and between ATFB, Inc., an Arizona corporation, DBA, Southwest Inspections AZ, P.O. Box 2768, Mesa, Arizona, 85214, Phone (480) 201-3579 ("COMPANY") and ("CLIENT").

RECITALS

- A. **COMPANY** is in the business of providing inspections of improved real property in the State of Arizona.
- B. CLIENT has agreed to engage the service of COMPANY to inspect the property located at (the "Property"):
- C. COMPANY'S employee, Lynn M. Reber, BTR#40415, shall conduct the inspection of the Property.
- D. The purpose of this inspection report is to alert the **CLIENT** to the visible and accessible conditions of the home or building at the time of this inspection. This report is general in nature and is not meant to be technically exhaustive.

AGREEMENT

NOW THEREFORE, in consideration of the promises, covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

- 1. **RECITALS**: The foregoing Recitals are incorporated herein by this reference as if set forth in this paragraph.
- GENERAL CONDITIONS: The inspection report may or may not at the COMPANY'S discretion, contain an Executive Summary of repairs which the COMPANY believes needs immediate attention or consideration. CLIENT acknowledges that any items contained in the Executive Summary were taken from the Building Component Checklist. CLIENT further acknowledges that it is CLIENT'S decision whether or not to include additional items from the Building Component Checklist on the Executive Summary which are of concern and which should be pointed out to a potential purchaser. CLIENT acknowledges that the Executive Summary is designed to point out visible conditions of the Property that COMPANY feels a potential purchaser should be aware of. Some of the items mentioned in the Building Component Checklist are typical general maintenance considerations or recommendations. Any items mentioned in the inspection report whether noted in the Executive Summary, the Building Component Checklist, comments contained in the Photo Section, or of concern to the CLIENT'S should be investigated further at the CLIENT'S discretion, and remediate or corrected if, or as needed, by a qualified contractor. COMPANY recommends that any repairs made to this Property as a result of this inspection be done by licensed contractors and/or experts familiar with proper methods of repair that are licensed, bonded and insured to make repairs. The COMPANY does not advise, recommend, direct or supervise any contractor or expert. All suggestions, if made or implied by COMPANY, are the COMPANY'S opinion and CLIENT agrees to consult with the appropriate expert and/or contractor and make any decision on the basis of the contractors or experts suggestion. Photographs may be included with comments to help explain COMPANY'S findings.
- **3. SCOPE OF INSPECTION: COMPANY** agrees to conduct a visual inspection of the Property for the purpose of alerting the **CLIENT** to major deficiencies in the condition of the Property existing at the time of this inspection. This inspection will be performed consistent with the State of Arizona Board of Technical Registration Standards of Professional Practice (attached hereto and incorporated herein by the reference as Exhibit "A"). **CLIENT** acknowledges and agrees that this inspection will be limited to readily accessible areas without movement

of furnishings, contents, fixtures, or appliances. CLIENT acknowledges that if the Property is occupied that some areas will not be visible or accessible to COMPANY. CLIENT acknowledges that defects or deficiencies may exist in concealed areas, such as, but not limited to: under insulation in inaccessible attic areas, inside walls or ceiling cavities, under floors and flooring, underground areas, etc. CLIENT acknowledges that the older the Property, the more likely that defects may be present. CLIENT acknowledges that all components of a building deteriorate over time. CLIENT acknowledges that it is not the intent of this inspection to highlight the age of any component or system, and if not otherwise disclosed by the CLIENT to a potential buyer or CLIENT'S sales agent, it should be assumed that all components located at or on the Property are at least the age of the structure. Latent and concealed defects and deficiencies are excluded from this inspection. Equipment, components, and systems will not be dismantled except those that a property owner in the course of normal household or building maintenance would dismantle. CLIENT acknowledges that it shall be responsible to turn on all electrical service and main breakers, gas service, gas pilots, water service and water valves prior to the performance of the inspection. CLIENT acknowledges that it shall be responsible to turn off all electrical service, main breakers, gas service, gas pilots, water service and water valves upon completion of the inspection, to the extent CLIENT deems necessary, in its sole and absolute discretion. All mechanical devices will be left as found at the time of performance of the inspection.

CLIENT acknowledges and agrees that this report is based on the experience of the inspector and is not intended to be technically exhaustive. Not all items of the building or property will be observed or inspected. The parties acknowledge that special notes in this report and verbal consultation are important. If CLIENT chooses not to be present, this COMPANY cannot be responsible for the CLIENT'S misunderstanding of the contents of this report. The parties acknowledge that arrangements can be made for verbal consultation with a representative of COMPANY. CLIENT acknowledges and agrees not to rely on any statement from COMPANY which is not contained in this written report.

If **CLIENT** or **CLIENT'S** agent, or anyone having knowledge of this Property becomes aware of a disclosure, a disclosure report, a past inspection report, or issue not known and considered material by **COMPANY** at any time prior to, during or after the performance of this inspection, **CLIENT** agrees to notify and allow **COMPANY** (at **CLIENT'S** cost) to make changes or modifications to this report and opinions contained herein to the extent **COMPANY** deems necessary, in companies sole and absolute discretion. **CLIENT** acknowledges and agrees that any inspection report prepared by **COMPANY** is not a substitute for any required seller or agent disclosure.

4. ITEMS OUTSIDE SCOPE OF INSPECTION: In addition to the limitations and exclusions specific to individual systems noted in the Standards of Professional Practice (Exhibit "A", Section 2), CLIENT acknowledges that the following items are outside the scope of this inspection: structural engineering, engineering of any kind, underground components or systems, septic systems, well systems below grade, electrical over current devices and the compatibility of their capacities and voltages, toxic substances, radon gas, urea formaldehyde, lead contamination, asbestos, mold, mildew, fungus, pests, termites, wood destroying organisms, noise, carcinogens, contamination of soil, water or air, the presence of product recalls or product related class action lawsuits, suitability of the Property for a specific use, the insurability of the Property, permits or the lack there of, compliance with Property setback requirements, and/or past or present governmental regulation or home owner or building owner association regulations.

CLIENT acknowledges that the COMPANY is not required to determine conformity of the Property to any building codes. The CLIENT acknowledges and agrees that the home or building inspection is not a code inspection. CLIENT acknowledges and agrees that though the COMPANY may utilize knowledge of building codes to assist in determination of lack of proper functioning of systems or for clarifying safety concerns, any direct or indirect reference to building codes is not set forth for the purpose of determining conformity or non-conformity with said standards. CLIENT acknowledges that systems or components sometimes can function and serve their intended purpose without maintaining actual compliance with building codes. CLIENT acknowledges that if the COMPANY elects to make any direct or indirect reference to a building code, or refers to any observed condition as being "substandard", that the COMPANY as a result has not elected to engage in assessment of compliance, or degree of compliance, with building codes. CLIENT acknowledges that any direct or indirect reference to building codes or standards is done for the sole purpose of generating understanding of the nature of a condition of a system or component, or of a safety item. CLIENT further agrees that if the COMPANY makes any direct reference to any building code, COMPANY has not accepted responsibility to, and will not be expected by the CLIENT to determine conformity with codes in relation to any structural or nonstructural component or system.

Although not included in this inspection (unless noted below in Fee Section), re-inspections after the performance of

any repair, are available upon request and are highly recommended.

5. LEGAL ISSUES AND LIMITATION OF LIABILITY: CLIENT acknowledges and agrees that this inspection is not a guarantee or warranty regarding the condition of items, adequacy, or performance of systems inspected. Outside warranty companies are available and are highly recommend (consult your realtor or agent). This inspection report is for the sole use and possession of COMPANY and CLIENT. If this inspection is part of a real estate pre-purchase inspection, COMPANY hereby authorizes CLIENT (and visa versa) to allow the CLIENT'S real estate agent to utilize this report in the contemplated sales transaction wherein CLIENT is either the buyer or seller. This report is not to be used for any transaction in which the CLIENT or COMPANY is not a party. CLIENT allows COMPANY to provide copies of this report to anyone person or entity which may lawfully subpoena this report, or as may be required by any State agency. CLIENT acknowledges that COMPANY shall have no obligation, duty, or burden to challenge a subpoena which is delivered to COMPANY relating to this report.

CLIENT acknowledges that COMPANY'S liability for errors, omissions, and consequential damages is limited to the refund of all fees paid to COMPANY for the performance of the inspection CLIENT also agrees to immediately accept a refund of the fees paid as full settlement for any and all claims which may ever arise from this inspection, and waives any and all claims which it may or may not have against COMPANY upon refund of any fees paid by CLIENT to COMPANY. CLIENT acknowledges and agrees to submit a request for refund in writing and agrees not to file any legal action relating to the performance of the inspection contemplated by this Agreement for a period of 15 days after written request for refund. The liability of the COMPANY'S principals, agents, and employees is also limited to the fee paid. This limitation applies to anyone who is damaged or has to pay expenses of any kind because of mistakes or omissions in this inspection and the report. This liability limitation is binding on CLIENT and CLIENT'S spouse, heirs, principals, assigns and anyone else who may otherwise claim through CLIENT. CLIENT assumes the risk of all losses greater than the fee paid for the inspection. CLIENT understands and agrees that under no circumstances will any claim be made, or action taken, against the COMPANY for items or conditions which, at the time of the inspection were under warranty (whether voluntary or involuntary), guarantee, service plan, or similar obligation by any other contractor, COMPANY or individual.

- 6. **DISPUTES: CLIENT** understands and agrees that any claim for failure to accurately report the visually discernible conditions at the subject Property, as limited herein, shall be made in writing and reported to the **COMPANY** within ten business days of discovery. **CLIENT** further agrees that, with the exception of emergency conditions, **CLIENT** or **CLIENT'S** agents, employees or independent contractors, will make no alterations, modifications or repairs to the claimed discrepancy prior to a re-inspection of the Property by **COMPANY**. **CLIENT** understands and agrees that any failure to notify the **COMPANY** as stated above shall constitute a waiver of any and all claims for said failure to accurately report the condition in question. **CLIENT** will allow **COMPANY** or **COMPANY'S** agent(s) full access to the property to re-inspect, document, measure, and photograph, the claimed discrepancy, if **COMPANY**, in it sole and absolute discretion deem it necessary to do so.
- 7. **FEE'S: CLIENT** agrees to pay **COMPANY** a total fee of \$______ for the performance of the inspection. The fee is due at the time of the inspection. The parties agree that the report will not be delivered, in any manner to the **CLIENT** or **CLIENT'S** agent, until the **COMPANY** has been paid in full. Once the inspection begins, the payment of the inspection fee is due and payable in full. The parties acknowledge and agree that arrival at site constitutes beginning of inspection.

The parties acknowledge that the **COMPANY'S** fees for inspections are typically based on a flat rate depending on the square footage of the home or building. The age and the location can make these rates higher. Other factors may influence the fee charged such as but not limited to: occupied or vacant, basements, two story, type of construction, and multiple units.

The cost of additional work or services, if requested, is based on **COMPANY'S** prevailing hourly rate at the time. Additional inspections or re-inspections are available upon request and will be charged at the prevailing rate or a flat rate established upon request at the **COMPANY'S** choice.

CLIENT agrees to pay all costs relating to the production of any COMPANY'S records, inspection reports, etc., relating to this property which is subpoenaed by any party. CLIENT agrees to pay COMPANY'S costs for any depositions, expert witness testimony, hearings, consultations, and preparation for such. All travel time from COMPANY'S place of business and back, and all costs including meals, travel expenses, copy costs, etc., shall be borne by CLIENT. At the COMPANY'S discretion, an upfront retainer fee may be required to cover immediate,

future, and ongoing expenses.

8. ACCEPTANCE OF TERMS; GENERAL PROVISIONS: If **CLIENT** or **CLIENT'S** agent chooses not to be present for the inspection, or cannot be present for the inspection, or does not arrive until the end of the inspection, **CLIENT** agrees to hold **COMPANY** harmless for their lack of understanding of the terms and conditions stated in the Pre-Inspection Agreement.

Payment or lack of payment for this inspection, the use of this inspection report, or any of its contents or information by **CLIENT** or anyone in possession of the report, or knowledge gained from this inspection and/or report, shall constitute full acceptance of the report including all terms outlined in this Pre-Inspection Agreement.

This Agreement and all of its covenants, terms and conditions shall be binding upon and inure to the benefit of each of the parties and their respective heirs, executors, personal representatives or assigns.

This Agreement and shall be construed in accordance with and governed by the laws of the State of Arizona.

Should any portion of this Agreement be held unenforceable or inoperative for any reason, such shall not affect any other portion of this Agreement, but the remainder shall be effective as though such ineffective portion had not been contained herein.

The prevailing party in any dispute arising out of this Agreement, the inspection, or report(s) shall be awarded all attorneys' fees, mediator, arbitrator and other costs.

This Agreement contains the entire agreement of the parties hereto with respect to the matters set forth herein, and supersedes all prior arrangements and understandings of the parties, and no other agreement, statement or promise heretofore made by either party which is not contained herein shall be binding or valid.

Any dispute concerning the interpretation of this Agreement or arising from this inspection and report, except one for inspection fee payment, shall be <u>resolved</u> informally between the parties (mediation) or by arbitration conducted in accordance with the rules of the locally recognized Arbitration Association except that the parties shall select an arbitrator who is familiar with the home or building inspection industry and the State requirements. The arbitrator shall conduct summary judgment motions and enforce full discovery rights as a court would as provided in civil proceeding by legal code. The decision of the arbitrator shall be final and binding and judgment may be entered into at any Court of competent jurisdiction. The **CLIENT** understands they are giving up their right to a jury trail.

Acceptance of this Pre-inspection agreement and authorization to proceed:

I/We (CLIENT OR CLIENT'S AGENT) have read and fully understand and agree to all of the terms and conditions of this PRE-INSPECTION AGREEMENT and agree to pay the inspection fee(s) set forth herein.

DATE:			
	CLIENT/AGENT FOR (CLIENT	
	CLIENT/AGENT FOR CLIENT		
DATE:	Lynn M. Reber COMPANY		
		Yes	No
Seller Property Disclosure Statement (SPDS) provided to inspector.			X
CLIENT present for entire inspection			X
CLIENT present at end of inspection		X	
Home or building occupied			X

Exhibit "A"

STANDARDS OF PROFESSIONAL PRACTICE

(Adopted by the State of Arizona Board of Technical Registration)

STANDARDS OF PROFESSIONAL PRACTICE

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Glossary Note: Italicized words are defined in the Glossary

1. INTRODUCTION

- 1.1 These Standards define the practice of Home Inspection in the State of Arizona
- 1.2 These Standards of Practice: (a) provide inspection guidelines; and, (b) make public the services provided by private fee-paid inspectors.

2. PURPOSE AND SCOPE

- **2.1** Inspections performed to these Standards shall provide the *CLIENT* with a better understanding of the property conditions, as *observed* at the time of the inspection.
- 2.2 Inspectors shall:
 - A. Before the inspection report is delivered, enter into a written agreement with the *CLIENT* or their authorized agent that includes:
 - 1. The purpose of the inspection.
 - 2. The date of the inspection.
 - 3. The name address and certification number of the *inspector*.
 - 4. The fee for services.
 - 5. A statement that the inspection is performed in accordance with these Standards.
 - 6. Limitations or exclusions of *systems* or *components* inspected.
 - B. Observe readily accessible installed systems and components listed in these Standards.
 - C. Submit a written report to the *CLIENT* which shall:
 - 1. Describe *systems* and *components* identified in sections 4-12 of these Standards.
 - 2. State which *systems* and *components* designated for inspection in these Standards have been inspected and any *systems* and *components* designated for inspection in these Standards which were present at the time of the inspection and were not inspected and a reason why they were not inspected.
 - 3. State any *systems* and *components* so inspected which were found to be in need of *immediate major repair* and any recommendations to correct, monitor or *evaluate by appropriate persons*.

- 2.3 These Standards are not intended to limit inspectors from:
 - A. Reporting observations and conditions in addition to those required in Section 2.2.
 - B. Excluding systems and components from the inspection if requested by the CLIENT.

3. GENERAL LIMITATIONS AND EXCLUSIONS

3.1 General limitations:

- A. Inspections done in accordance with these Standards are visual, not *technically exhaustive* and will not identify concealed conditions or latent defects.
- B. These Standards are applicable to buildings with four or less dwelling units and their garages or carports.

3.2 General exclusions:

- A. *Inspectors* are NOT required to report on:
 - 1. Life expectancy of any *component* or *system*.
 - 2. The causes of the need for a major repair.
 - 3. The methods, materials and costs of corrections.
 - 4. The suitability of the property for any specialized use.
 - 5. Compliance or non-compliance with applicable regulatory requirements.
 - 6. The market value of the property or its marketability.
 - 7. The advisability or inadvisability of purchase of the property.
 - 8. Any *component* or *system* which was not *observed*.
 - 9. The presence or absence of pests such as wood damaging organisms, rodents, or insects.
- 10. Cosmetic items, underground items, or items not permanently installed.
- B. *Inspectors* are NOT required to:
 - 1. Offer warranties or guarantees of any kind.
 - 2. Calculate the strength, adequacy, or efficiency of any *system* or *component*.
 - 3. Enter any area or perform any procedure which may damage the property or its *components* or be dangerous to the *inspector* or other persons.
 - 4. Operate any *system* or *component* which is *shut down* or otherwise inoperable.
 - 5. Operate any *system* or *component* which does not respond to *normal operating controls*.
 - 6. Disturb insulation, move personal items, furniture, equipment, plant life, soil, snow, ice, or debris which obstructs access or visibility.
 - 7. Determine the presence or absence of any suspected hazardous substance including but not limited to toxins, fungus, molds, mold spores, carcinogens, noise, contaminants in soil, water, and air.
 - 8. Determine the effectiveness of any system installed to control or remove suspected hazardous substances.
 - 9. Predict future conditions, including but not limited to failure of components.
 - 10 Project operating costs of components.
 - 11. Evaluate acoustical characteristics of any system or component.
- 3.3 Limitations and exclusions specific to individual systems are listed in following sections.

4. SYSTEM: STRUCTURAL COMPONENTS

4.1 The inspector shall observe:

- A. structural components including
- 1. Foundation.
- 2. Floors.
- 3. Walls.
- 4. Columns.
- 5. Ceilings.
- 6. Roofs.

4.2 The Inspector shall:

- A. Describe the type of:
 - 1. Foundation.
 - 2. Floor structure.
 - 3. Wall structure.
 - 4. Columns.

- 5. Ceiling structure.
- 6. Roof structure.
- B. Probe structural components where deterioration is suspected. However, probing is NOT required when probing would damage any finished surface.
- C. Enter *under floor* crawl spaces and attic spaces except when access is obstructed, when entry could damage the property, or when dangerous or adverse situations are suspected.
- D. Report the methods used to inspect *under floor* crawl spaces and attics.
- E. Report signs of water penetration into the building or signs of abnormal or harmful condensation on building components.

5. SYSTEM: EXTERIOR

5.1 The inspector shall observe:

- A. Wall cladding, flashings and trim.
- B. Entryway doors and *representative* number of windows.
- C. Garage door operators.
- D. Decks, balconies, stoops, steps, areaways, and porches including railings.
- E. Eaves, soffits and fascias.
- F. Vegetation, grading, drainage, driveways, patios, walkways and retaining walls with respect to their effect on the condition of the building.

5.2 The inspector shall:

- A. Describe wall cladding materials.
- B. Operate all entryway doors and representative number of windows including garage doors, manually or by using permanently installed controls of any garage door operator.
- C. Report whether or not any garage door operator will automatically reverse or stop when meeting reasonable resistance during closing.

5.3 The inspector is NOT required to observe:

- A. Storm windows, storm doors, screening, shutters, awnings and similar seasonal accessories.
- B. Fences.
- C. Safety glazing.
- D. Garage door operator remote control transmitters.
- E. Geological conditions.
- F. Soil conditions.
- G. Recreational facilities.
- H. Outbuildings other than garages and carports.

6. SYSTEM: ROOFING

6.1 The inspector shall observe:

- A. Roof coverings.
- B. Roof drainage systems.
- C. Flashings.
- D. Skylights, chimneys and roof penetrations.
- E. Signs of leaks or abnormal condensation on building components.

6.2 The inspector shall:

- A. Describe the type of roof covering materials.
- B. Report the methods used to inspect roofing.

6.3 The inspector is NOT required to:

- A. Walk on the roofing.
- B. Observe attached accessories including but not limited to solar systems, antennae, and lightning arresters.

7. SYSTEM: PLUMBING

7.1 The inspector shall observe:

- A. Interior water supply and distribution system including:
 - 1. Piping materials, including supports and insulation.
 - 2. Fixtures and faucets.

- 3. Functional flow.
- 4. Leaks.
- 5. Cross connections.
- B. Interior drain, waste and vent system, including:
 - 1. Traps; drain, waste, and vent piping; piping supports and pipe insulation.
 - 2. Leaks.
 - 3. Functional drainage.
- C. Hot water systems including:
 - 1. Water heating equipment.
 - 2. Normal operating controls.
 - 3. Automatic safety controls.
 - 4. Chimneys, flues and vents.
- D. Fuel storage and distribution systems including:
 - 1. Interior fuel storage equipment, supply piping, venting and supports.
 - 2. Leaks.
- E. Sump pumps.

7.2 The inspector shall:

A. Describe:

- 1. Water supply and distribution piping materials.
- 2. Drain, waste and vent piping materials.
- 3. Water heating equipment.
- B. Operate all plumbing fixtures, including their faucets and all exterior faucets attached to the house.

7.3 The inspector is NOT required to:

- A. State the effectiveness of anti-siphon devices
- B. Determine whether water supply and waste disposal *systems* are public or private.
- C. Operate *automatic safety controls*.
- D. Operate any valve except water closet flush valves, fixture faucets and hose faucets.
- E. Observe:
 - 1. Water conditioning *systems*.
 - 2. Fire and lawn sprinkler *systems*.
 - 3. On-site water supply quantity and quality.
 - 4. On-site waste disposal *systems*.
 - 5. Foundation irrigation *systems*.
 - 6. Spas, except as to functional flow and functional drainage.

8. SYSTEM: ELECTRICAL

8.1 The inspector shall observe:

- A. Service entrance conductors.
- B. Service equipment, grounding equipment, main over current device, and main and distribution panels.
- C. Amperage and voltage ratings of the service.
- D. Branch circuit conductors, their over current devices, and the compatibility of their capacities and voltages.
- E. The operation of a *representative number of installed* lighting fixtures, switches and receptacles located inside the house, garage, and on its exterior walls.
- F. The polarity and grounding of all receptacles within six feet of interior plumbing fixtures and all receptacles in the garage or carport, and on the exterior of inspected structures.
- G. The operation of ground fault circuit interrupters.

8.2 The inspector shall:

A. Describe:

- 1. Service amperage and voltage.
- 2. Service entry conductor materials.
- 3. Service type as being overhead or underground.
- 4. Location of main and distribution panels.
- B. Report any *observed* aluminum branch circuit wiring.

8.3 The inspector is NOT required to:

- A. Insert any tool, probe or testing device inside the panels.
- B. Test or operate any over-current device except ground fault interrupters.
- C. *Dismantle* any electrical device or control other than to remove covers of the main and auxiliary distribution panels.
- D. Observe
 - 1. Low voltage *systems*.
 - 2. Smoke detectors.
 - 3. Telephone, security, cable TV, intercoms or other ancillary wiring that is not a part of the primary electrical distribution *system*.

9. SYSTEM: HEATING

9.1 The inspector shall observe:

- A. permanently *installed* heating *systems* including:
 - 1. Heating equipment.
 - 2. Normal operating controls.
 - 3. Automatic safety controls.
 - 4. Chimneys, flues and vents.
 - 5. Solid fuel heating devices.
 - 6. Heat distribution systems including fans, pumps, ducts and piping, with supports, dampers, insulation, air filters, registers, radiators, fan coil units, convectors.
 - 7. The presence of an installed heat source in each room.

9.2 The inspector shall:

- A. Describe:
 - 1. Energy source.
 - 2. Heating equipment and distribution type.
- B. Operate the systems using normal operating controls.
- C. Open readily *openable* access panels provided by the manufacturer or installer for routine homeowner maintenance.

9.3 The inspector is NOT required to:

- A. Operate heating systems when weather conditions or other circumstances may cause equipment damage.
- B. Operate automatic safety controls.
- C. Ignite or extinguish solid fuel fires.
- D. Observe:
 - 1. The interior of flues.
 - 2. Fireplace insert flue connections.
 - 3. Humidifiers.
 - 4. Electronic air filters.
 - 5. The uniformity or adequacy of heat supply to the various rooms.

10. SYSTEM: CENTRAL AIR CONDITIONING

10.1 The inspector shall observe:

- A. Central air conditioning including:
 - 1. Cooling and air handling equipment.
 - 2. Normal operating controls.
- B. Distribution systems including:
 - 1. Fans, pumps, ducts and piping, with supports, dampers, insulation, air filters, registers, fan-coil units.
 - 2. The presence of an installed cooling source in each room.

10.2 The inspector shall:

- A. Describe:
 - 1. Energy sources.
 - 2. Cooling equipment type.
- B. Operate the systems using normal operating controls.
- C. Open readily *openable* access panels provided by the manufacturer or installer for routine homeowner maintenance.

10.3 The inspector is NOT required to:

- A. Operate cooling systems when weather conditions or other circumstances may cause equipment damage.
- B. Observe non-central air conditioners.
- C. Observe the uniformity or adequacy of cool-air supply to the various rooms.

11. SYSTEM: INTERIORS

11.1 The inspector shall observe.

- A. Walls, ceiling and floors.
- B. Steps, stairways, balconies and railings.
- C. Counters and a *representative number* of cabinets.
- D. A representative number of doors and windows.
- E. Separation walls, ceilings, and doors between a dwelling unit and an attached garage or another dwelling unit.
- F. Sumps.

11.2 The inspector shall:

- A. Operate a *representative number of* primary windows and interior doors.
- B. Report signs of water penetration into the building or signs of abnormal or harmful condensation on building *components*.

11.3 The inspector is NOT required to observe:

- A. Paint, wallpaper and other finish treatments on the interior walls, ceilings, and floors.
- B. Carpeting.
- C. Draperies, blinds or other window treatments.
- D. Household appliances.
- E. Recreational facilities or another dwelling unit.

12. SYSTEM: INSULATION & VENTILATION

12.1 The inspector shall observe:

- A. Insulation and vapor retarders in unfinished spaces
- B. Ventilation of attics and foundation areas.
- C. Kitchen, bathroom, and laundry venting *systems*.

12.2 The inspector shall describe:

- A. Insulation and vapor retarders in unfinished spaces.
- B. Absence of same in unfinished space at conditioned surfaces.

12.3 The inspector is NOT required, to report on:

- A. Concealed insulation and vapor retarders.
- B. Venting equipment which is integral with household appliances

Note: **CLIENT** agrees and allows **COMPANY** at the **COMPANY'S** sole discretion to inspect components and include comments in this inspection report that are not governed or required to be reported by The State Board of Technical Registration. **CLIENT** understands that these comments or components mentioned or inspected are limited to the comment made for each item and may not be a complete inspection of that component or system.

If the **COMPANY** elects to perform any non-required inspection act, the **CLIENT** agrees to the following: the election will in no way be interpreted, (a) as a requirement for the **COMPANY** to engage in the same act in all

similar areas, (b) as a requirement for the **COMPANY** to engage in any non-required inspection act anywhere else on the property, (c) as an implied representation or opinion of the likely absence of negatives in any similar or dissimilar area, component, or system.

Exhibit "B" GLOSSARY

Automatic Safety Controls:

Devices designated and *installed* to protect *systems* and *components* from high or low pressures and temperatures, electrical current, loss of water, loss of ignition, fuel leaks, fire, freezing, or other *unsafe* conditions.

Central Air Conditioning:

A *system* which uses ducts to distribute cooled and/or dehumidified air to more than one room or uses pipe: to distribute chilled water to heat exchangers in more than one room, and that is not plugged into an electrical convenience outlet.

CLIENT:

A customer who contracts with a home *inspector* for home inspection.

Component:

A readily accessible and observable aspect of a system, such as a floor, or wall but not individual pieces such as boards or nails where many similar pieces make up the system.

Cross Connection:

Any physical connection or arrangement between potable water and any source of contamination.

Dangerous or Adverse Situations:

Situations which pose a threat of injury to the *inspector*, and those situations that require the. use a special protective Clothing or safety equipment.

Describe:

Report in writing a system or *component* by its type, or other *observed* characteristics, to distinguish it from other *components* used for the same purpose.

Dismantle:

To take apart or remove any *component*, device or piece of equipment that is bolted, screwed, or fastened by other means and that would not be taken apart or removed by a homeowner in the course of normal household maintenance.

Engineering:

Any professional service or creative work requiring education, training, and experience and the application of special knowledge of the mathematical, physical and *engineering* sciences.

Evaluation by Appropriate Persons:

Examination and analysis by a qualified professional, tradesman, or service technician beyond that provided by the home inspector.

Functional Drainage:

A drain is functional when it empties in a reasonable amount of time and does not overflow when another fixture is drained simultaneously.

Functional Flow:

A reasonable flow at the highest fixture in a dwelling when another fixture is operated simultaneously.

Immediate Major Repair:

A *major defect*, which if not quickly addressed, will be likely to do any of the following:

- 1. worsen appreciably
- 2. cause further damage

3. be a serious hazard to health and/or personal safety

Inspector:

A person certified as a home *Inspector* by the Arizona Board of Technical Registration

Installed:

Attached or connected such that the *installed* item requires tools for removal.

Major Defect:

A system or component that is unsafe or not functioning

Normal Operating Controls:

Homeowner operated devices such as a thermostat, wall switch or safety switch.

Observe:

The act of making a visual examination of a system or component and reporting on its condition.

On-site Water Supply Quality:

Water quality is based on the bacterial, chemical, mineral and solids content of the water.

On-site Water Supply Quantity:

Water quantity is the rate of flow of water.

Primary Windows and Doors:

Windows and/or exterior doors which are designed to remain in their respective openings year round.

Readily Accessible

Available for visual inspection without requiring moving of personal property, dismantling, destruction measures, or any action which will likely involve risk to persons or property.

Readily Openable Access Panel:

A panel provided for homeowner inspection and maintenance that has removable or operable fasteners or latch devices in order to be lifted off, swung open, or otherwise removed by one person, and its edges and fasteners are not painted in place Limited to those panels within normal reach or from 4-foot stepladder, and which are not blocked by stored items, furniture or building components.

Recreational Facilities:

Spas, saunas, steam baths, swimming pools, tennis courts, playground equipment, and other exercise, entertainment, or athletic facilities.

Representative Number:

For multiple identical components such as Windows and electrical outlets, the inspection of one such component per room. For multiple identical exterior components, the inspection of one such component on each side of the building.

Roof Drainage Systems:

Gutters, downspouts, leaders, splash blocks, and similar components used to carry water off a roof an away from a building.

Safety Glazing:

Tempered glass, laminated glass, or rigid plastic.

Shut Down:

A piece of equipment whose safety switch or circuit breaker is in the 'off' position, or its fuse is missing o blown, or a system that cannot be operated by the device or control that a home owner should normally use to operate it.

Solid Fuel Heating Device:

Any wood, coal, or other similar organic fuel burning device, including but not limited to fireplaces whether masonry or factory built, fireplace inserts and stoves wood stoves (room heaters), central furnaces, and combinations of these devices.

Structural Component:

A component that supports non-variable forces or weights (dead loads) and variable forces or weights (live loads). For purposes of this definition, a dead load is the fixed weight of a structure or piece of equipment, such as a roof structure on bearing walls, and a live load is a moving variable weight added to the dead load or intrinsic weight of a structure.

System:

A combination of interacting or interdependent components, assembled to carry out one or more functions.

Technically Exhaustive:

An inspection is technically exhaustive when it involves the use of measurements, instruments, testing, calculations, and other means to develop scientific or engineering findings, conclusions, and recommendations.

Under floor Crawl Space:

The area within the confines of the foundation and between the ground and the underside of the lowest floor structural component.

Unsafe:

A condition in a readily accessible, installed system or component which is judged to be a significant risk of personal injury during normal, day to day use. The risk may be due to damage, deterioration, improper installation or a change in adopted residential construction standards.