

## INSPECTION AGREEMENT

### A General Home Inspection

# Michigan Home Inspections Company

*Before scheduling a home inspection please read the inspection agreement.*

*You will notice that our agreement is written in simple language and we have very few and reasonable exclusion clauses.*

**Note:** *As it is published online this agreement constitutes a public document and it is binding for all parties and all customers whether signed or not. When you hire us we automatically assume that you have read and understood the inspection agreement. Should you have any questions feel free to call us.*

## Inspection Agreement

*The home inspection will be conducted based on the standard of practice set forth by the American Society of Home Inspectors also known as ASHI. The home inspection is not an insurance, it is designed to better our odds, but cannot eliminate all risk. Additionally the home inspector is not an appraiser, he does not know real estate market value.*

*This is a general home inspection, meaning there are limitations and conditions on what can be done. The inspection is not an exact science and it is not technically exhaustive. We cannot; dismantle the house or any of its components, move furniture or stored items, lift carpeting, or open walls. Without dismantling the house or its systems there are limitations.*

*Clues and symptoms often do not reveal the severity of problems. Some problems present no clues during the inspection, these cannot be identified. Examples: A shower stall leak that occurs only after an extended period of running the water cannot be identified during a home inspection. Some roofs leak only when specific conditions exist such as rain with wind blowing from a certain direction, and they may not be present during the inspection.*

*There are also some problems that could be identified only through timely observation. New homeowners keep finding things for six month or more after moving in the house; in the inspection world it is called "learning the house".*

*The purpose of a home inspection is to examine a house to evaluate the condition of the components and to determine if systems are performing their intended function. Emphases are placed on defects that require major expenses to correct; major in the inspectors view means repair cost at high percentage ratio to the property market value. While some minor problems are found when looking for major items and we note them as courtesy, but an all-inclusive list of all minor deficiencies cannot be provided.*

*The decision to purchase or revise the purchase price considering major or minor defects belongs entirely to the client. From this prospective, the inspector cannot decide for the client what is major or minor defect. The client should always follow his/her judgement and feelings.*

*Comments on repair/replacement costs are an order of magnitude they represent approximate market value and we provide them only verbally when possible and only as a guideline for the client. Contractors who perform the work should be solicited for more realistic estimates.*

*The indoor air quality, the presence of irritants, pollutants, contaminants, toxic materials, or organisms such as mold, bacteria, fungi, or vermin are part of a specialized environmental inspection and not a general home inspection. Laboratory fees or other types of testing fees are never included in the price of the inspection, such tests are not standard routine and are done only at client's request and for additional fees.*

*Stopped inspections: if a client decides at any point in time during the inspection that a defect discovered determines them to abandon or back out from the purchase agreement the inspector has completed his job without continuing to inspect the remainder of the house, in other words, the inspector is not hired on hourly bases or to perform a complete inspection on a house, the inspector is hired to discover if any major defects that can influence the clients decision to purchase are present on the property. If no defects that can influence the buyers decision to purchase the property are found the inspection will continue until the whole house is inspected.*

*Areas which present a hazard to the inspector cannot be examined, for example: the inspector cannot enter a three feet high crawl space with water, or if*

*animals such as snakes, foxes, or coyotes are present, the inspector cannot climb a high pitch roof, a wet roof, or a roof covered with snow.*

*There are components excluded from a home inspection. As a rule, the inspector is concerned with components that are part of the house and are necessary for the house to fulfill its intended function and remain in good condition. Homeowners install additional components that may be good to have, but are not necessary for a house, and these are not part of the home inspection. Such examples are, but not limited to: security systems, low voltage wiring, timers of all types, sprinkler systems, telephone systems, water filters, landscaping lights, fences, intercom systems, cable TV or internet, and so on.*

*Components in multiple numbers such as windows, power receptacles, and so on, are inspected as representative samples only; typically one per room. There are components and materials present on premises that are excluded from the home inspection as follows but not limited to: All items that are not structural components of the house. Structural components or materials that are not installed.*

*Appliances receive a "partial inspection"; we do check the electrical or gas supply to a dryer, but we do not evaluate the dryer, we check the water hook-ups and drain lines of the washer, but we do not evaluate the washer. Some houses are sold with appliances others are not, and the home inspector is not an appliance man. The water heater, although an appliance, is always part of the home inspection because it is considered an integral part of the plumbing system.*

*Annexes, such as storage sheds, shops, or recreational facilities i.e. swimming pools, hot tubs are inspected only upon request and for additional cost. A detached garage and its driveway are always inspected.*

*The inspector does not know and is not concerned with real estate market prices; he does not assist in sale negotiations or arbitration and cannot advise the client to, or not to, purchase the inspected property.*

*The inspector is hired and paid to inspect the house and report the condition to his client only and not to any other party or other party's agents; please do not have the seller or his agents, contractors, repair men, or handymen call for clarification on any items or parts of the inspection. Our meaning is to have you, our client, understand the condition of the property and that is all we are paid for. In other words, the inspector is meant to identify defects, but not to prescribe repair protocols. We do not provide contractor supervision services or*

*contractor/handyman training. Additionally, the report we write is very clear and it is more than sufficient for any qualified contractor or tradesman to understand what repairs are to be performed and they should know how.*

*The inspector and his company or company representatives are not and cannot be held liable for any defects that are present on the property at the time of the inspection or that will develop later. Client is to understand that inspector is only there to determine the conditions present but he does not make any changes or has any direct or indirect influence on the condition of the property.*

*Client is to understand that in spite of all conscientious efforts made there could be aspects that are very difficult to understand and interpret or may be missed by the inspector, if such situations arise and lead to a dispute or litigation the inspector shall not be liable for more than the cost of the inspection. All and any decisions made by the client at the time of the inspection or as a result of the inspection are the client's sole responsibility even if such decisions are made as a result of the inspector's advice. The inspector can only offer his professional opinion and advice based on his experience but he cannot make decisions for the client.*

### **When Things Go Wrong**

*The main source of dissatisfaction with home inspectors comes from comments made by contractors or "know-it-all" people who visit the house after the inspection. Their opinions often differ from ours. Do not be surprised if 3 roofers all say the roof needs replacement when the inspector said that with some minor repairs the roof will last a few more years. While the inspector's advice represents the most prudent thing to do, contractors are reluctant to undertake repairs. The roofer does not want a small job with high liability when he can get a big job with a low chance of call back. This is understandable.*

*The "Most Recent Advice" theory suggests that it is only natural for homeowners to believe the last bit of "expert" advice they receive. Although, strongly motivated to get a bigger job contractors are the "Last Man In". Home inspectors, due to nature of events, are the "First Man In" and consequently it is our advice that is often disbelieved, although we have no motivation to get a bigger job or more money. You may hear contractors say, and they often do, "I can't believe you had this house inspected and they didn't find this problem". There are several reasons for these apparent oversights:*

- 1. It is difficult for homeowners to remember the circumstances in the house at the time of the inspection. Two or three months later people seldom*

*remember that it was snowing, there was excessive storage against the basement wall, or the furnace could not be turned on because the air conditioning was running. It is impossible for contractors to know what the conditions were at the time of the inspection.*

- 2. When the problem manifests itself it is easy to have 20/20 hindsight. Anybody can say the basement is wet when there is visible water on the floor. Predicting the problem is a different story.*
- 3. If we spent a half an hour under the kitchen sink or 45 minutes dismantling the furnace, we'd find more problems too. Unfortunately the inspection would take several days and cost considerably more.*
- 4. Home inspectors are generalists, not specialists. The heating contractor may indeed have more expertise than we do. This is because we are expected to have heating expertise, plumbing expertise, roofing expertise, electrical expertise, and so on.*
- 5. Problems often become apparent when plaster is removed, when fixtures or cabinets are pulled out, and so on. A home inspection is not an invasive examination and we do not perform any kind of destructive testing, we can only check visually accessible components and we use electronic devices as needed, but those have their limitations too.*

### ***In Conclusion***

*The client will notice that we are dedicated to diligently and conscientiously conduct the best possible home inspection in order to discover all major defects present at the time of the inspection. Should you read other inspection agreements you will notice a clear difference.*

Wishing you happy ownership!

John Macai

Michigan Home Inspections Company

CLIENT: Print and sign

First and Last Name

Date signed