

SCOPE AND CONTRACT

Report Number
C37586

Inspection Address

ADDRESS REQUIRED, , ONTARIO,

Client Information

Name

Mailing Address

ADDRESS REQUIRED, , ONTARIO,

Phone No Home

Phone No Work

Phone No Alternate

Phone No Cell

E-mail Address

Inspection Date & Time

March 18, 2010
9:00 AM

PLEASE READ THE FOLLOWING CAREFULLY BEFORE SIGNING

This Agreement is between you, the undersigned (the Client) and HomeStat Home Inspections Inc. (hereinafter referred to as the Inspector or Company).

For valuable consideration the parties agree as follows:

1. In agreeing to proceed with the inspection of the property identified above, I/we have carefully read, understood, and accepted this Contract, as well as the section entitled "**SCOPE OF INSPECTION**".
2. I/we have been afforded advance notification to review this contract before agreeing to authorizing HomeStat Home Inspections Inc to proceed with this inspection. Notification methods include one or more of the following: this contract was forwarded to me/us either in e-mail or FAX format; the contract was mailed to me/us; I/we have been advised that a copy of this contract is available for me/us to review in the company's web site at www.homestat.ca; advertising media indicated services provided would be conducted under contract and the described means of reviewing the contract.
3. The inspection of this property identified above is subject to the following **Limitations and Conditions** set out in this agreement:
 - a) The inspection by HomeStat Home Inspections Inc will be performed in accordance with the Standards of Practice of the the Ontario Association of Home Inspectors [OAH] and the Canadian Association of Home and Property Inspectors [CAHPI] a copy of these Standards is available in our web site at www.homestat.ca.
 - b) The inspection will be attended by and will be under the direction of an associate Home Inspector with membership in the Ontario Association of Home Inspectors [OAH] and Canadian Association of Home and Property Inspectors [CAHPI].
 - c) A report will be provided at the conclusion of the inspection. This Report will be based on a limited visual inspection of the readily accessible features of the building. THE INSPECTION REPORT DOES NOT CONSTITUTE A WARRANTY, GUARANTEE OR INSURANCE POLICY OF ANY KIND. THERE ARE NO WARRANTIES MADE AGAINST ROOF LEAKS, WET BASEMENTS, OR MECHANICAL BREAKDOWNS. THE REPORT IS A PROFESSIONAL OPINION BASED ON A VISUAL INSPECTION OF THE PRESENT CONDITION OF THE ACCESSIBLE AREAS AND FEATURES OF THE PROPERTY AS OF THE DATE AND TIME OF THE INSPECTION AND IS NOT A LISTING OF REPAIRS TO BE MADE. THE REPORT IS NOT AN ASSESSMENT NOR IS IT AN APPRAISAL.
 - d) The Inspector does not offer an opinion as to the advisability or inadvisability of the purchase of the property, its value or its potential use. The Home Inspection may help to reduce the risk of purchasing the property, but will not eliminate the risk and Company assume none of such risk. Additional fees shall be charged if you retain the Inspector to prepare for litigation or give testimony as a result of the inspection. The inspection report is for the exclusive use of the Client. No use of the information by any other party is intended or permitted without the prior consent of the Company.
4. I/we agree to pay the fee specified in the "Receipt" section of this Report.
5. I/we acknowledge that the inspection was scheduled to commence on the date noted in the information above.

SCOPE OF INSPECTION

1. VISUAL INSPECTION:

This inspection is a visual inspection only of readily accessible aspects of the property. A home inspection does not include identifying defects that are hidden behind walls, floors, or ceilings. This includes structure, wiring, plumbing, ducting, and insulation that are hidden or inaccessible. The inspector will not conduct any invasive or destructive testing of the property. You acknowledge that the Home Inspector may rely on information which you provide and as such shall not be responsible for the inaccuracy or inadequacy of any such information. Some intermittent conditions may not be obvious on a Home Inspection because they only happen under certain circumstances. The Inspector examines a representative sample of components that are identical and numerous, such as electrical outlets, bricks, shingles, windows, etc., and does not examine every single one of these identical items, therefore, some detectable deficiencies may go unreported. Home Inspectors will not find conditions that may only be visible when storage or furniture is moved. The Inspector will not remove wall coverings, including wallpaper, or lift flooring, including carpet to

look underneath.

You are encouraged to participate in the Home Inspection, but the Company shall in no way be liable for any injuries or damages, either to person or property, which you may suffer, during the course of such Home Inspection. You agree to obtain the consent of the owner (either directly or through his or her agent) to enter on the subject property and undertake the Home Inspection. If you are concerned about any conditions noted in the report, we strongly recommend that you consult a qualified licensed contractor or engineering specialist. These professionals can provide a more detailed analysis of any conditions noted in the report at an additional cost.

2. LIMITED ASSESSMENT

The home inspection will provide you with a basic overview of the condition of the property. This inspection is not technically exhaustive or all encompassing, as your inspector has only a limited amount of time, as well as constraints in methodology, to complete the inspection. The inspector is a generalist, not a specialist in all disciplines, and may refer the home owner to specialists for further investigation of certain items. The purpose of your Home Inspection is to evaluate the apparent general condition of a property. This includes determining whether systems are still performing their intended functions. Conditions beyond the scope of this inspection will not be identified. No engineering or architectural services are being offered. It provides a general overview of the more obvious repairs that may be needed. The ultimate decision of what to repair or replace is yours. One homeowner may decide that certain conditions require repair or replacement, while another will not. The inspection excludes defects such as cracking, leaking, surface discolorations, or landslides resulting from hidden defects, including but not limited to, water leaks, land subsidence, or other geological problems. The inspection also excludes merely cosmetic features, including but not limited to, paint, wall coverings, carpeting, floorings, paneling, lawn, and shrubs.

3. CONTEXT OF INSPECTION

This inspection should also be considered in the context of a "snapshot in time", reflecting the conditions of the home at the date of inspection. Future performance of components and elements of the home is outside the context of this inspection. Not all conditions may be apparent on the inspection date due to weather conditions, inoperable systems, inaccessibility of areas of the property. As an example, your Home Inspector may not discover leaks that occur only during certain weather conditions or when a specific tap or appliance is being used in everyday life. If you have concerns about any of the conditions noted, please consult the text that is referenced in the report. Some conditions noted, such as foundation cracks or other signs of settling in a house, may either be cosmetic or may indicate a potential structural problem that is beyond the scope of the Home Inspection. The Inspector is neither responsible nor liable for the non-discovery of any patent or latent defects in materials, workmanship, or other conditions of the property, or any other problems which may occur or may become evident after the inspection time and date. The Inspector is neither an insurer nor guarantor against defects in the building and improvements, systems or components inspected. The Inspector makes no warranty, express or implied, as to the fitness for use or condition of the systems or components inspected. The Inspector assumes no responsibility for the cost of repairing or replacing any unreported defects or conditions, nor is the Inspector responsible or liable for any future failures or repairs.

4. NOT BUILDING CODE OR BY-LAW COMPLIANCE INSPECTION

Jurisdiction for Building Code, Electrical Code, Gas Code, Fire Code, Plumbing Code, or other statutory or by-law compliance inspections resides with the appropriate mandated authorities. The services provided by your home inspector are not conducted in the context of Code or By-Law compliance inspections. The client acknowledges that it may be necessary to confer directly with the appropriate authorities to determine whether specific conditions comply with Code or By-Law requirements. The Inspector is not required to determine property boundary lines or encroachments

5. ENVIRONMENTAL, GEOLOGICAL AND AIR QUALITY CONCERNS

This inspection will not assess for environmental, geological or air quality concerns. The scope on inspection does not include examination for hazardous materials that may be in or behind the walls, floors or ceilings of the property, whether visible or not. This includes building materials that are now suspected of posing a risk to health such as phenol-formaldehyde and urea-formaldehyde based products, fiberglass insulation and vermiculite insulation, gasses, including but not limited to, radon gas, asbestos, formaldehyde, pests such as Termites or other insects and rodents, fungus including but not limited to mold and mildew, past use of insecticides, fungicides, herbicides or pesticides including the past use of chemical termite treatments. The Inspector does not identify asbestos roofing, siding, wall, ceiling or floor finishes, insulation or fire proofing. We do not look for lead or other toxic metals in such things as pipes, paint or window coverings. The Company is not responsible for and does not comment on the quality of air in a property. The Inspector does not try to determine if there are irritants, pollutants, contaminants, or toxic materials in or around the property. You should note that whenever there is water damage, there is a possibility that visible or concealed mold or mildew may be present unseen behind a wall, floor or ceiling. If anyone in the home suffers from allergies or heightened sensitivity to quality of air, we strongly recommend that you consult a qualified Environmental Consultant who can test for toxic materials, mold and allergens. In addition to the items listed below, the Inspector does not look for, and is not responsible for, fuel oil, septic or gasoline tanks that may be buried on the property. If fuel oil or other storage tanks remain on the property, you may be responsible for their removal and the safe disposal of any contaminated soil. If you suspect there is a buried tank, we strongly recommend that you retain a qualified Environmental Consultant to determine whether this is a potential problem. The Client acknowledges that the Inspector will not conduct geological tests; will not inspect inaccessible or concealed areas of the property; will not enter dangerous areas of the property.

6. Despite the generality of the foregoing the following items are specifically excluded from the inspection: water softening systems, security systems, telephone and cable TV cables, timing systems, swimming pools and spas, underground or concealed pipes, sewer lines, septic systems, electrical lines and circuits, central vacuum systems, central air conditioning when outside temperature is below 65 F or 18 C, and any other condition, item, system or component which by the nature of their location are concealed or otherwise difficult to inspect or which the Inspector cannot visually examine. Excluded is the assurance of a dry basement or crawl space; also excluded is the assurance that double and triple pane glazing seals in windows are intact. The Inspector will not

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dismantle any component or system and a full evaluation of the integrity of a heat exchanger is beyond the scope of a visual inspection.

7. Any covenant or provision hereof determined to be void or unenforceable in whole or in part shall be deemed not to affect or impair the validity or enforceability of any other covenant or provision hereof and the covenants and provisions hereof are declared to be separate and distinct.

8. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in such Province and this Agreement shall be treated, in all respects, as an Ontario contract.

By signing below, I/we acknowledge that I/we have reviewed, understood, and accepted the Terms and Conditions and the SCOPE OF INSPECTION described above. I/we also understand that the Company will have no liability for any claim or complaint if conditions have been disturbed, altered, repaired, replaced, or otherwise changed before I/we have had a reasonable period of time to investigate. The Companys (including its employees, officers and directors) liability shall in all circumstances be limited to the fee paid for the inspection services and report in the event that Client or any third party claims that the Inspector is in any way liable for negligently performing the inspection or in preparing the inspection report; for any breach, or claim for breach of this Agreement or for any other reason or claim. Any claims must be presented within one (1) year from the date of the inspection and the Inspector shall have no liability for any claims presented more than one (1) year after the date of the inspection.

CLIENT'S Signature: _____

Date: _____

RECEIPT

Inspection Fee:

Fee 1 :

Fee 2 :

Tax: **\$0.00**

Total Fee: **\$0.00**

GST 824566012

Received by: HomeStat Home Inspections Inc.

Inspector: _____
Lily Ohana

Signature above acknowledges receipt of payment in full to HomeStat Home Inspections Inc. on the "Inspection Date" noted above.