



## HEDDERMAN ENGINEERING, INC.

www.heddermanengineering.com Office 281-355-9911 Fax 281-355-9903 office@heddermanengineering.com

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, 2016

TO: Ms. Shirley Hennings

REF: CONDITION OF PROPERTY SURVEY

Dear Ms. Hennings:

At your request, a visual survey of unit #16C located at 1400 Hermann, Houston, Texas, was made by Mr. Daniel Selvidge.

Transmitted herewith is the mechanical inspection report stating our professional opinions on whether the items of construction included in the survey are performing their intended function on the day of the inspection, or are in need of repair. The scope of our inspection and other important information, particularly in the area of dispute resolution should a question arise, is contained in our Service Agreement, which has been included at the end of this report.

Thank you for asking HEDDERMAN ENGINEERING, INC. to perform this important inspection work for you. If you have any questions after reviewing this report, please feel free to call me at my office.

At your service,

HEDDERMAN ENGINEERING, INC.  
Tim Hedderman, President

# PROPERTY INSPECTION REPORT

Prepared For: **Shirley Hennings**

(Name of Client)

Concerning: **1400 Hermann 16C, Houston, Texas 77004**

(Address or Other Identification of Inspected Property)

By: **Daniel Selvidge #6120**

**December 9, 2016**

(Name and License Number of Inspector)

(Date)

## PURPOSE, LIMITATIONS AND INSPECTOR / CLIENT RESPONSIBILITIES

This property inspection report may include an inspection agreement (contract), addenda, and other information related to property conditions. If any item or comment is unclear, you should ask the inspector to clarify the findings. It is important that you carefully read ALL of this information. This inspection is subject to the rules ("Rules") of the Texas Real Estate Commission ("TREC"), which can be found at [www.trec.texas.gov](http://www.trec.texas.gov).

The TREC Standards of Practice (Sections 535.227-535.233 of the Rules) are the minimum standards for inspections by TREC licensed inspectors. An inspection addresses only those components and conditions that are present, visible, and accessible at the time of the inspection. While there may be other parts, components or systems present, only those items specifically noted as being inspected were inspected. The inspector is NOT required to turn on decommissioned equipment, systems, utility services or apply an open flame or light a pilot to operate any appliance. The inspector is NOT required to climb over obstacles, move furnishings or stored items. The inspection report may address issues that are code-based or may refer to a particular code; however, this is NOT a code compliance inspection and does NOT verify compliance with manufacturer's installation instructions. The inspection does NOT imply insurability or warrantability of the structure or its components. Although some safety issues may be addressed in this report, this inspection is NOT a safety/code inspection, and the inspector is NOT required to identify all potential hazards. In this report, the inspector shall indicate, by checking the appropriate boxes on the form, whether each item was inspected, not inspected, not present or deficient and explain the findings in the corresponding section in the body of the report form. The inspector must check the Deficient (D) box if a condition exists that adversely and materially affects the performance of a system or component or constitutes a hazard to life, limb or property as specified by the TREC Standards of Practice. General deficiencies include inoperability, material distress, water penetration, damage, deterioration, missing components, and unsuitable installation. Comments may be provided by the inspector whether or not an item is deemed deficient. The inspector is not required to prioritize or emphasize the importance of one deficiency over another. Some items reported may be considered life-safety upgrades to the property. For more information, refer to Texas Real Estate Consumer Notice Concerning Recognized Hazards or Deficiencies below.

THIS PROPERTY INSPECTION IS NOT A TECHNICALLY EXHAUSTIVE INSPECTION OF THE STRUCTURE, SYSTEMS OR COMPONENTS. The inspection may not reveal all deficiencies. A real estate inspection helps to reduce some of the risk involved in purchasing a home, but it cannot eliminate these risks, nor can the inspection anticipate future events or changes in performance due to changes in use or occupancy. It is recommended that you obtain as much information as is available about this property, including any seller's disclosures, previous inspection reports, engineering reports, building/remodeling permits, and reports performed for or by relocation companies, municipal inspection departments, lenders, insurers, and appraisers. You should also attempt to determine whether repairs, renovation, remodeling, additions, or other such activities have taken place at this property. It is not the inspector's responsibility to confirm that information obtained from these sources is complete or accurate or that this inspection is consistent with the opinions expressed in previous or future reports.

ITEMS IDENTIFIED IN THE REPORT DO NOT OBLIGATE ANY PARTY TO MAKE REPAIRS OR TAKE OTHER ACTIONS, NOR IS THE PURCHASER REQUIRED TO REQUEST THAT THE SELLER TAKE ANY ACTION. When a deficiency is reported, it is the client's responsibility to obtain further evaluations and/or cost estimates from qualified service professionals. Any such follow-up should take place prior to the expiration of any time limitations such as option periods. Evaluations by qualified tradesmen may lead to the discovery of additional deficiencies which may involve additional repair costs. Failure to address deficiencies or comments noted in this report may lead to further damage of the structure or systems and add to the original repair costs. The inspector is not required to provide follow-up services to verify that proper repairs

have been made. Property conditions change with time and use. For example, mechanical devices can fail at any time, plumbing gaskets and seals may crack if the appliance or plumbing fixture is not used often, roof leaks can occur at any time regardless of the apparent condition of the roof, and the performance of the structure and the systems may change due to changes in use or occupancy, effects of weather, etc. These changes or repairs made to the structure after the inspection may render information contained herein obsolete or invalid. This report is provided for the specific benefit of the client named above and is based on observations at the time of the inspection. If you did not hire the inspector yourself, reliance on this report may provide incomplete or outdated information. Repairs, professional opinions or additional inspection reports may affect the meaning of the information in this report. It is recommended that you hire a licensed inspector to perform an inspection to meet your specific needs and to provide you with current information concerning this property.

#### **TEXAS REAL ESTATE CONSUMER NOTICE CONCERNING HAZARDS OR DEFICIENCIES**

Each year, Texans sustain property damage and are injured by accidents in the home. While some accidents may not be avoidable, many other accidents, injuries, and deaths may be avoided through the identification and repair of certain hazardous conditions. Examples of such hazards include:

- malfunctioning, improperly installed, or missing ground fault circuit protection (GFCI) devices for electrical receptacles in garages, bathrooms, kitchens, and exterior areas;
- malfunctioning arc fault protection (AFCI) devices;
- ordinary glass in locations where modern construction techniques call for safety glass;
- malfunctioning or lack of fire safety features such as smoke alarms, fire-rated doors in certain locations, and functional emergency escape and rescue openings in bedrooms;
- malfunctioning carbon monoxide alarms;
- excessive spacing between balusters on stairways and porches;
- improperly installed appliances;
- improperly installed or defective safety devices;
- lack of electrical bonding and grounding; and
- lack of bonding on gas piping, including corrugated stainless steel tubing (CSST).

To ensure that consumers are informed of hazards such as these, the Texas Real Estate Commission (TREC) has adopted Standards of Practice requiring licensed inspectors to report these conditions as "Deficient" when performing an inspection for a buyer or seller, if they can be reasonably determined.

These conditions may not have violated building codes or common practices at the time of the construction of the home, or they may have been "grandfathered" because they were present prior to the adoption of codes prohibiting such conditions. While the TREC Standards of Practice do not require inspectors to perform a code compliance inspection, TREC considers the potential for injury or property loss from the hazards addressed in the Standards of Practice to be significant enough to warrant this notice.

Contract forms developed by TREC for use by its real estate licensees also inform the buyer of the right to have the home inspected and can provide an option clause permitting the buyer to terminate the contract within a specified time. Neither the Standards of Practice nor the TREC contract forms require a seller to remedy conditions revealed by an inspection. The decision to correct a hazard or any deficiency identified in an inspection report is left to the parties to the contract for the sale or purchase of the home.

**INFORMATION INCLUDED UNDER "ADDITIONAL INFORMATION PROVIDED BY INSPECTOR", OR PROVIDED AS AN ATTACHMENT WITH THE STANDARD FORM, IS NOT REQUIRED BY THE COMMISSION AND MAY CONTAIN CONTRACTUAL TERMS BETWEEN THE INSPECTOR AND YOU, AS THE CLIENT. THE COMMISSION DOES NOT REGULATE CONTRACTUAL TERMS BETWEEN PARTIES. IF YOU DO NOT UNDERSTAND THE EFFECT OF ANY CONTRACTUAL TERM CONTAINED IN THIS SECTION OR ANY ATTACHMENTS, CONSULT AN ATTORNEY.**

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#### **ADDITIONAL INFORMATION PROVIDED BY TEX-STAR INSPECTIONS**

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It is the purpose of this report to give the prospective buyer my educated and experienced opinion of the condition and function of the stated property as visually inspected by Tex Star Inspections. The inspection performed on this condo is of a general nature and includes the following systems: structural, electrical, mechanical, and plumbing. This does not include any specialized inspections and/or inspections of any hazardous materials (such as done in environmental inspections) or any of the following; fungi, hazardous materials and gases, rated walls, lead paint, destructive insects or pests, security, smoke detectors, water

treatment systems, etc. The inspection is limited to those components which were visible and accessible at the time of the inspection. It is noted that this report contains the opinion of this Inspector of the stated property as it appeared on the day of the inspection and is in no way a warranty of any component in the days and future following the inspection. All mechanical components are judged on the basis of age, condition, and the function of those items as they appeared on the day of the inspection and are not guaranteed to continue functioning in that manor in the future. It is recommended that the buyer purchase a home warranty policy to protect oneself from both unexpected and anticipated problems that may occur in the future. It is noted that Tex Star Inspections is not responsible for any problems found in the condo during or after components are opened up, disassembled, uncovered, made visible, or made accessible after the inspection is completed.

If a service company is contacted to examine an area of question and comes to the conclusion that there is no repair needed; have them present to you in writing that the item is in compliance with a prevailing code and is functioning properly, not in need of repair.

It is the intent of this inspector to work in compliance with the Standards Of Practice For Real Estate Inspectors. It is not required of this company to exceed these standards. You may obtain a copy of the document referred to above by contacting the Texas Real Estate Commission. It is also noted that this is not a "code inspection" but rather an inspection of the condition and function of the stated property.

If there are any questions or problems please call Tex Star Inspections at 713-498-8081.

Although this report may include observations of some building code violations, total compliance with mechanical, plumbing, electrical codes, specifications, and/or legal requirements is specifically excluded. We do not perform "code" inspections, and since building codes change every few years, our inspections are not done with the intention of bringing every item in the property into compliance with current code requirements. Rather, the standard of our inspections is a performance standard to determine if the items inspected are functioning at the time of the inspection, or are in need of repair. This is particularly applicable to Home Warranty policies, where the standards of the Home Warranty service company are often different than our stated performance standard for judging whether a piece of equipment is functional or in need of repair. If you intend to rely on a Home Warranty policy, then it is recommended that you contact the appropriate service companies for a more in-depth analysis of what may be required to meet their standards should a claim be made against the policy.

Thank you,  
Daniel Selvidge



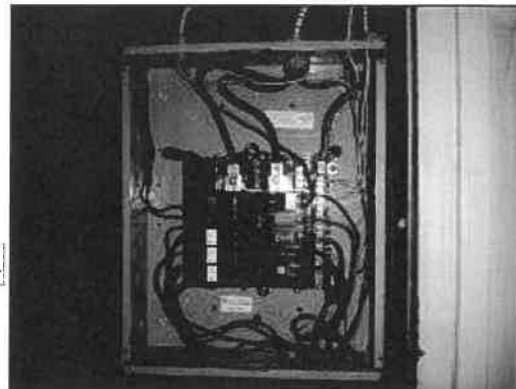
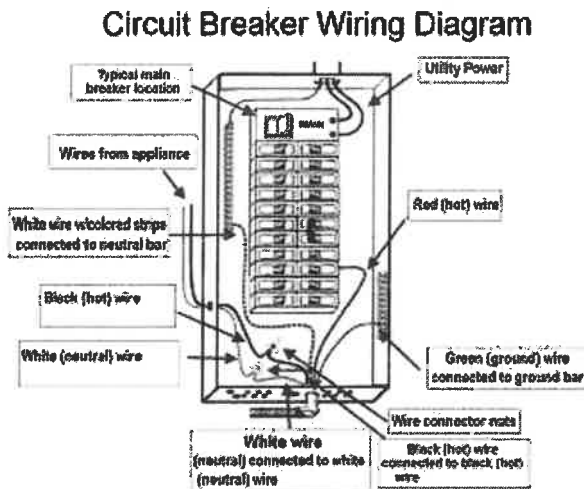
## I. STRUCTURAL SYSTEMS

## II. ELECTRICAL SYSTEMS

### A. Service Entrance and Panels

*Comments:*

The electrical service is provided by a 120/240 volt, single-phase service to a breaker panel located at the foyer closet. The breaker panel was manufactured by Siemens and was rated at 125-amperes. The main service entrance conductors into the breaker panel were nickel plated copper and the branch circuit wiring from the panel was copper. The wiring in the condo was a 3-wire grounded system. (Information)



### Breaker Panel Box

No items requiring repair were visible at the time of the inspection. The breakers were all properly sized, the panel was properly grounded, and the wiring inside the panel did not need repairs. (Information)

Arc Fault Circuit Interrupters (AFCI) were not installed for the condo at the time of the inspection. The devices are intended to shut off the power to the non-GFCI 120-volt circuits should an electric arc be detected in the circuit. It is noted, from 2002-2008 it became mandatory for all new construction to be equipped with AFCI breakers for the bedroom areas. Currently all non GFCI 120-volt circuits should be protected by AFCI breakers. (Information)

### B. Branch Circuits - Connected Devices and Fixtures

*Comments:*

### **Receptacle Outlets**

Outlets that were protected by a ground fault circuit interrupt (GFCI) devices included the outlets at the bathroom and at the kitchen countertop area. The GFCI devices were checked and the power to the outlets turned off when the test buttons were pressed. (Information)

### **Light Fixtures**

No items requiring repair were visible at the time of the inspection. (Information)

## **III. HEATING, VENTILATION AND AIR CONDITIONING SYSTEMS**

It is pointed out that our inspection of the air conditioning and heating system(s) is a limited, visual inspection where we check the equipment as it has been installed to determine whether or not the system(s) is cooling and/or heating at the time of the inspection. Our inspection is necessarily a cursory inspection, as we do not determine the sizing, adequacy, or design of any component in the system, or the compatibility of the individual components, nor the installation of the system(s) to be in conformity to the latest building code requirements. If you desire an in-depth analysis of the HVAC system(s), then it is recommended that a service company be contacted to analyze the system(s). This is particularly important if the system(s) is an older system and has only a limited amount of remaining life due to its age and/or condition.

### **A. Heating and Cooling Equipment**

*Type and Energy Source: Electric*

*Comments:*



The heating and cooling for the condo was provided by a central supplied heated and chilled water system that provided conditioned water to a fan coil unit located in the foyer closet. The manufacturer of the equipment and age of the equipment was not determined at the time of the inspection; however the equipment appeared to be 20+ years old. (Information)

### **Cooling and Heating Performance**

No items requiring repair were visible at the time of the inspection for the cooling performance of the system. The air conditioning equipment was observed to be cooling 10-12 degrees across the coil at the time of the inspection. (Information)

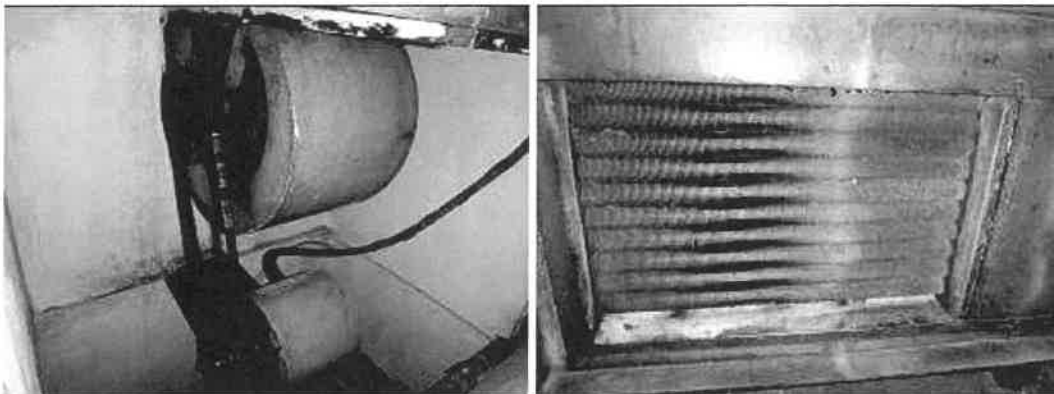
No items requiring repair were visible at the time of the inspection for the heating performance of the system. The equipment was observed to be heating 15 degrees across the coil at the time of the inspection. (Information)

We measure the temperature drop ( $\Delta T$ ) across the coil(s) at each unit at the time of the inspection and our observations have been recorded above in the description of each zone. It is pointed out that our measurements of the cooling performance of the equipment is only at a "point in time", and cannot reflect whether the equipment has been recently serviced, or what the future performance of the equipment will be after the day of the inspection. Further investigation with the homeowner is recommended to determine when the equipment was last serviced.

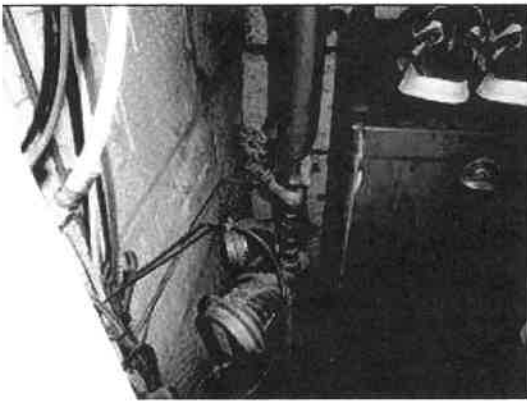
### **Fan Coil Unit**

The equipment was functional at the time of the inspection. However, due to the age and/or condition of the equipment, it is the opinion of the inspector that the equipment has only a limited amount of life remaining. (Information)

The coil and fan blades were dirty and should be cleaned and serviced at this time. It is recommended that you contact a contractor to provide a cost estimate for any needed repairs.



Rust was observed in the bottom of the equipment indicating previous standing water inside the equipment. No water was observed in the pan at this time. Further investigation with the owner and/or a service company is recommended.

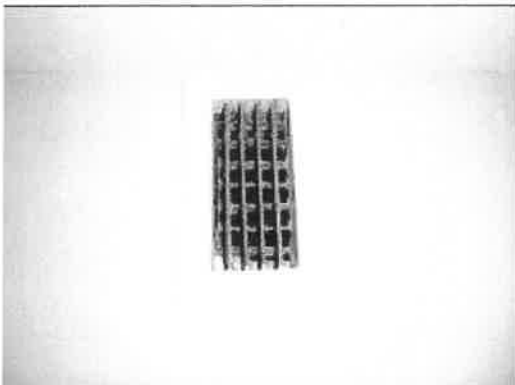


The insulation for the water lines is partially missing at the equipment and should be replaced. It is recommended that you contact a contractor to provide a cost estimate for any needed repairs.

**C. Ducts and Vents**

*Comments:*

The intake air registers were dirty at the kitchen and bathroom and need to be cleaned. It is recommended that you contact a contractor to provide a cost estimate for any needed repairs.



## IV. PLUMBING SYSTEM

**A. Water Supply System and Fixtures**



Water Supply Material: Appeared to be Copper  
Sewer piping Material: Appeared to be Steel and PVC  
Hot Water Temperature: 114F  
*Comments:*

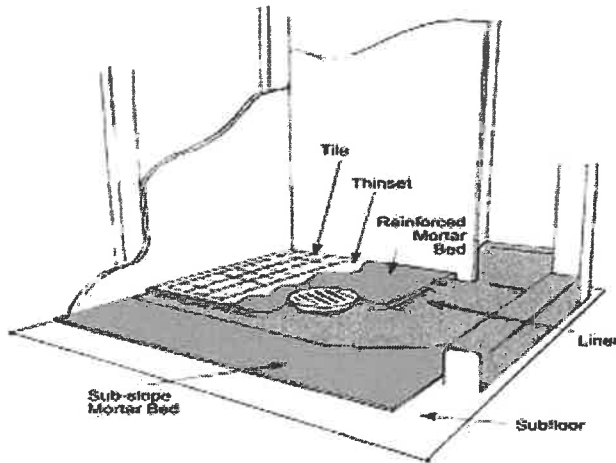
### Sinks & Lavatories

No items requiring repair were visible at the time of the inspection to the plumbing fixtures. The sinks were filled with water, and were observed to be draining properly, with no leaking piping or slow drains.

### Toilets

No items requiring repair were visible at the time of the inspection to the operation of the toilet. The toilet was flushing properly, with no leaks visible in the plumbing, the wax seal, or the internal valves.

### Tubs/Showers



No visible evidences of a current shower pan leak were visible at the time of the inspection for the shower located at the master bathroom. It is recommended that a plumber be contacted for a comprehensive shower pan leak check. (Information)

No items requiring repair were visible at the time of the inspection to the plumbing on the shower. (Information)

**B. Drains, Wastes, Vents**

*Comments:*

No items requiring repair were visible for the operation of the drain system at the time of the inspection.

No evidences of a system wide problem were observed when the system was operationally checked by running water through each of the plumbing fixtures during the duration of the inspection. It is noted that most of the drain waste system in the walls, under the condo, and in the ceilings is not visible. If further investigation is desired, it is

recommended that a plumber be contacted to perform an in depth survey with a camera.  
(Information)

**C. Water Heating Equipment**

*Comments:*

The hot water for this unit was provided by the project, and the boilers are maintained by the building association. There appeared to be an adequate supply of hot water to the unit at the time of the inspection. (Information)

## V. APPLIANCES

**A. Dishwasher**

*Comments:*

No items requiring repair were visible at the time of the inspection for the operation of the dishwasher. (Information)

**B. Food Waste Disposer**

*Comments:*

No items requiring repair were visible at the time of the inspection. (Information)

**C. Range Vent**

*Comments:*

No items requiring repair were visible at the time of the inspection. (Information)

**D. Ranges/Ovens/Cooktops**

*Comments:*

No items requiring repair were visible at the time of the inspection for the electric range. All of the elements and controls were operating properly at the time of the inspection.

No repair was needed to the calibration of the oven thermostat. The thermostat was set at 350 degrees, and the oven heated to within the allowable  $\pm 25$  degrees. The oven was checked with an oven thermometer, and found to heat to 350 degrees. (Information)

**E. Microwave Cooking Equipment**

*Comments:*

No items requiring repair were visible at the time of the inspection for the heating operation of the microwave. A cup of water was placed in the unit, and the microwave

heated the water adequately. It is pointed out that the unit was not checked for microwave leakage. (Information)

**F. Bathroom Exhaust Fans**

*Comments:*

The bathroom ventilation appeared to be provided by a central ventilation system for the building. If further investigation is desired, it is recommended that the building management be contacted.

**G. Door Bell and Chimes**

*Comments:*

No items requiring repair were visible at the time of the inspection. (Information)

**H. Dryer Vents**

*Comments:*

The dryer vent was not visible once it entered the wall cavity and it could not be determined if the vent was an approved material or was terminated in an approved manner. Further investigation is recommended. It is noted that an improperly installed dryer vent is considered a fire hazard and sometimes will not permit the dryer to operate properly.

**I. Other Appliances**

*Comments:*

Although not required, a cursory check was made on the refrigerator, washing machine, and dryer to determine whether or not the equipment was in a functional state. No items requiring repair were visible at the time of the inspection for the operation of the equipment. If further investigation is desired it is recommended that a service company be contacted. (Information)

## VI. OPTIONAL SYSTEMS

**A. Security Systems**

*Comments:*

Security systems are not included in the scope of this inspection. If further investigation is desired, it is recommended that a service company be contacted.

**B. Fire Protection Equipment**

*Comments:*

Fire protection equipment and smoke detectors are not included in the scope of this inspection. If further investigation is desired, it is recommended that a service company who specializes in this field be contacted.

### **CLOSE**

Opinions and comments stated in this report are based on the apparent performance of the items included within the scope of the inspection, at the time of the inspection. Performance standards are based on the knowledge gained through the experience and professional studies of the inspector. There is no warranty or guarantee, either expressed or implied, regarding the habitability, future performance, life, merchantability, and/or need for repair of any item inspected. It is recommended that a Home Warranty Policy be provided to protect the appliances and mechanical equipment against unforeseen breakdowns during the first year. Check with your agent for details.

Report Identification: Hermann-1400-Hennings-12.9.16  
I=Inspected NI=Not Inspected NP=Not Present D=Deficiency  
I NI NP D



## HEDDERMAN ENGINEERING, INC.

[www.heddermanengineering.com](http://www.heddermanengineering.com) Office 281-355-9911 Fax 281-355-9903 [office@heddermanengineering.com](mailto:office@heddermanengineering.com)

DATE: December 9, 2016

TO: Shirley Hennings

REF: Inspection of the house at 1400 Hermann 16C, Houston, Texas

Total cost of inspection: \$400.00

Total Paid: \$400.00

Total Due: - 0 -

## HEDDERMAN ENGINEERING, INC.

Office: 281-355-9911 Fax 281-355-9903

[office@heddermanengineering.com](mailto:office@heddermanengineering.com) [www.heddermanengineering.com](http://www.heddermanengineering.com)

### Real Estate Inspection Service Agreement

**NOTICE: THIS AGREEMENT IS INTENDED TO BE A LEGALLY BINDING CONTRACT -  
PLEASE READ IT CAREFULLY**

**DATE OF INSPECTION: 12/9/2016**

**CLIENT NAME: Shirley Hennings**

**PROPERTY ADDRESS: 1400 Hermann Unit 16c**

**COST OF INSPECTION: \$400.00**

#### Purpose of inspection

The purpose of the inspection is to view selected components and/or systems, and to inform you, our client, of our observations and opinions from a NON-INVASIVE VISUAL SURVEY on whether or not those selected components and/or systems are functioning on the day of the inspection, or are in need of repair. Although this report may include observations of some building code violations, total compliance with structural, mechanical, plumbing, electrical codes, specifications, and/or legal requirements is specifically excluded. Since building codes change every few years, our inspections are not done with the intention of bringing every item in the house into compliance with current code requirements. Rather, the standard of our inspections is a performance standard to determine if the items inspected are functioning at the time of the inspection, or are in need of repair. It is pointed out that other engineers/inspectors may have contrasting opinions to those given in this report. It is not our purpose to verify the adequacy and/or design of any component of the house.

It is not within the purpose and/or scope of this report to determine the insurability, habitability, merchantability, future performance, suitability of use, economic life span, deferred maintenance issues, and/or issues unnamed in this report. This report is not an insurance policy, neither is it an expressed nor implied warranty and/or guarantee as to future life and/or continued performance of the items inspected. Our inspection and report are intended to express the inspector's perceived impression of the apparent performance of the inspected components and systems viewed on the date of the inspection. Our intent is to reduce your risk associated with this transaction, however we cannot eliminate all risk, nor assume your risk. Any items pointed out as in need of repair or further investigation should be evaluated by a qualified repair specialist or service company PRIOR TO CLOSING ON THE PROPERTY.

It is recommended that you obtain as much history as is available concerning this property. This historical information may include copies of any seller's disclosures, previous inspection or engineering reports, building drawings and/or specifications, bids to perform repair work on the property, receipts from repair work that has been performed, reports performed for or by relocation companies, municipal inspection departments, lenders, insurers, and appraisers. You should attempt to determine whether repairs, renovations, remodeling, additions or other such activities have taken place at this property.

#### Scope of inspection

The scope of the inspection includes limited, visual observations at the interior and exterior of the structure, the attic (if applicable) as viewed only from the areas determined by the inspector to be safely accessible, the underside of the house (if applicable) as viewed only from the crawlspace areas determined by the inspector to be safely accessible, and the roof as viewed from the ground and/or only from the locations on the roof as determined by the inspector to be safely accessible. Only those items readily accessible and visible at the time of the inspection will be viewed and included in this report. Any items causing visual obstruction, including, but not limited to, furniture, furnishings, floor or wall coverings, foliage, soil, appliances, stored items, insulation, etc., will not be moved. Only those electrical outlets that are readily accessible will be operationally checked. Disassembly or removal of any portion of the structure, mechanical equipment, plumbing equipment, or electrical equipment is beyond the scope of this inspection.

The components of the property included, if applicable, in the scope of the inspection:

Report Identification: Hermann-1400-Hennings-12.9.16  
I=Inspected NI=Not Inspected NP=Not Present D=Deficiency  
I NI NP D

Mechanical:

Air conditioning and heating systems, water heater, built-in appliances, and garage door opener.

Plumbing:

Water and gas supply lines that are visible, sinks, toilets, tubs, showers, visible drain lines, and vents.

Electrical:

Service entrance conductors, electric meter, distribution panel, visible wiring, light fixtures, switches, and accessible receptacle outlets.

Lawn Sprinkler:

Control panel, solenoid valves, backflow prevention device, visible piping, and sprayer heads.

Pool:

Basin, deck, tile, pumps, filters, piping, heater, timer, and electrical.

The following items, even if present in the subject property, are not inspected and do not constitute any part of the inspection services to be performed hereunder unless a specific notation is made on this report stating its condition.

Alarm Systems, Clock Timers, Landscape Lighting, Sump Pumps, Wood Destroying Insects/Pests, Antennas, Environmental Hazards, Laundry Equipment, Water Filters, Geological faults/subsidence, Automatic Oven Cleaners, Fire Sprinklers System, Mold/Microbial, Water Wells, Mosquito Misting Systems, Buried/Concealed Plumbing, Fire/Smoke Alarm Systems, Septic Systems, Indoor Air Quality Asbestos, Low Voltage and data Systems, Lights on Photo-cell/timers, Carbon Monoxide Alarms, and Water Softeners/water treatment systems and all related piping.

Limitations of Inspection

A visual inspection method will generally produce a competent first impression assessment of the apparent past structural, mechanical, plumbing, and electrical components, provided repairs have not been performed which would cover distress patterns normally produced by problems. Because the inspection procedure is visual only, and is not intended to be diagnostic and/or technically exhaustive, an inherent residual risk remains that undiscovered problems exist and/or future problems will develop.

This report is provided solely for the use of the person to whom this report is addressed, and is in no way intended or authorized to be used by a third party, who may have different requirements, and to whom we have not contracted with to perform an inspection. If a third party chooses to use this inspection report, they do so without HEDDERMAN ENGINEERING, INC. permission or authorization, and they do so at their own risk.

Reinspections:

HEI typically does not perform reinspections on the property. However, if we agree to return to the property, it is with the understanding that we are not certifying the adequacy of any repair work that has been done, and there will be an additional fee charged.

Dispute Resolution

In the event of a complaint concerning the inspection services provided, Client must notify HEDDERMAN ENGINEERING, INC. in writing of such complaint within ten (10) business days of the date of discovery and thereafter allow a prompt re-inspection of the item relating to the claimed condition. Client further agrees that client and its agents, employees or independent contractors will make no alterations, repairs or replacements to the claimed condition prior to a re-inspection by the inspector. Failure to comply with this procedure shall constitute a complete bar and waiver of any and all claims client may have against inspector related to the alleged act, omission or claimed condition.

Mediation:

In the event a dispute, controversy or claim arising out of or relating to this agreement, the inspection, or the report, and if the dispute cannot be settled through direct discussions the Client and HEDDERMAN ENGINEERING, INC, the parties agree to endeavor first to settle the dispute by mediation before resorting to arbitration. If the mediation does not result in a settlement of the dispute, then any unresolved controversy shall be submitted to arbitration, as set forth below. The parties shall share equally the costs of the mediator.

Arbitration:

Any and all disputes, not resolve by direct discussions or mediation, concerning the interpretation of this Agreement or arising from the inspections and report shall be resolved by final, binding, non-appealable arbitration conducted in Harris

County, Texas in accordance with the rules of the American Arbitration Association, except that the parties shall mutually agree upon an Arbitrator who is familiar with the real estate inspection industry and the TREC Standards of Practice. At the arbitration, the parties may adjudicate all claims and issues, as provided for or limited herein, that could have been raised before a court of law, including but not limited to, lawful attorneys' fees and costs, where provided by statute. The decision of the Arbitrator shall be final and binding. The parties shall share equally the costs of the arbitrator. Either party may demand arbitration by written notice to the other. Such demand for arbitration must be made less than one year after the date of the inspection. This arbitration provision is intended to be a substitute for a trial in a court of law, and the parties expressly waive their right to a trial by judge or jury in a court of law, except that proceedings may be brought in a court of competent jurisdiction to enforce an arbitration award.

**LIMITATION OF LIABILITY:**

**In any event the inspector fails to fulfill the obligations under this agreement, CLIENTS EXCLUSIVE REMEDY AT LAW OR IN EQUITY AGAINST INSPECTOR IS LIMITED TO A MAXIMUM RECOVERY OF DAMAGES EQUAL TO THE INSPECTION FEE PAID HEREIN. CLIENT VOLUNTARILY AGREES TO WAIVE THEIR RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ. BUSINESS & COMMERCE CODE. This limitation of liability applies to anyone, including client, who is damaged or has to pay expenses of any kind, including attorney fees and costs. Client assumes the risk of losses greater than the refund of the fee paid herein. Client acknowledges that this limitation of liability is reasonable in view of the relatively small fee that inspector charges for making the inspections when compared with the potential of exposure that inspector might otherwise incur in the absence of such limitation of liability, and that a much higher fee would be charged if the inspector were subject to greater liability.**

Statute of Limitations

The parties agree that no claim, demand, or action, whether sounding in contract or in tort, may be brought to recover damages against the inspector, or its officers, agents, or employees MORE THAN ONE YEAR AFTER THE DATE OF THE INSPECTION. TIME IS EXPRESSLY OF THE ESSENCE HEREIN. Client understands that this time period may be shorter than otherwise provided by law.

Acceptance of Report

By signing I confirm that I have read, understood, and agree to the above pre-inspection service agreement, and that I agree to be bound by these terms and conditions. In the absence of Client to sign this service agreement prior to or at the time of the inspection, then acceptance of the report and/or payment for the inspection shall constitute agreement with all of the terms of this agreement. The report to be prepared by inspector shall be considered the final and exclusive findings of the inspector regarding the inspection of the property. Client shall not rely on any oral statements made by the inspector prior to issuance of the printed report.

**NOTE: IF THE INSPECTION IS CANCELLED LESS THAN ONE FULL BUSINESS DAY BEFORE THE SCHEDULED TIME, THE BUYER WILL BE CHARGED ½ OF THE ORIGINAL INSPECTION FEE.**

**I HAVE READ AND ACCEPT THIS AGREEMENT**