

## 5- Point Inspection



Elite Inspection Group  
P.O. Box 2205  
Frisco, TX 75034  
469-818-5500

## Property Inspection Report

Prepared For: Smart Home Buyer

Concerning: 5- Point Inspection

By: Steve Woodward - TREC License #21106

Date: 7/20/2018

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### 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, and 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 REPORT 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.

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Promulgated by the Texas Real Estate Commission (TREC), P.O. Box 12188, Austin, TX 78711-2188 (512) 936-3000 (<http://www.trec.texas.gov>)

**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*

## Report Identification: 5- Point Inspection

*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.

#### ADDITIONAL INFORMATION PROVIDED BY INSPECTOR

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Inspection Time In: \_\_\_\_ 10:00 \_\_\_\_ Time Out: \_\_\_\_ 12:15 \_\_\_\_ Property was: ☒ Occupied ☐ Vacant

Building Orientation (For The Purpose Of This Report, the Front Faces): North

Weather conditions During Inspection: ☒ Sunny ☐ Raining ☐ Cloudy ☐ Snow/Ice Temp: 92°

Parties present at inspection: ☒ Client/Relative ☐ Buyer's Realtor ☐ Pool Tech ☐ HVAC Tech

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**THIS REPORT IS NOT TRANSFERABLE FROM THE CLIENT NAMES ABOVE**

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### **SCOPE OF INSPECTION**

These standards of practice define the minimum levels of inspection required for substantially completed residential improvements to real property up to four dwelling units. A real estate inspection is a non-technically exhaustive, limited visual survey and basic performance evaluation of the systems and components of a building using normal controls and does not require the use of specialized equipment or procedures. The purpose of the inspection is to provide the client with information regarding the general condition of the residence at the time of inspection. The inspector may provide a higher level of inspection performance than required by these standards of practice and may inspect components and systems in addition to those described by the standards of practice

### **GENERAL LIMITATIONS**

**The inspector is not required to:**

**(A) inspect:**

- (i) items other than those listed within these standards of practice;
- (ii) elevators;
- (iii) detached buildings, decks, docks, fences, or waterfront structures or equipment;
- (iv) anything buried, hidden, latent, or concealed;
- (v) sub-surface drainage systems;
- (vi) automated or programmable control systems, automatic shut-off, photoelectric sensors, timers, cocks, metering devices, signal lights, lightning arrestor system, remote controls, security or data distribution systems, solar panels, refrigerators (built-in or free standing), wine coolers, ice makers or smart home automation components; or
- (vii) concrete flatwork such as; driveways, sidewalks, walkways, paving stones or patios

**(B) report:**

- (i) past repairs that appear to be effective and workmanlike except as specifically required by these standards;
- (ii) cosmetic or aesthetic conditions; or
- (iii) wear and tear from ordinary use;

**(C) determine:**

- (i) insurability, warrantability, suitability, adequacy, compatibility, capacity, reliability, marketability, operating costs, recalls, counterfeit products, product lawsuits, life expectancy, age, energy efficiency, vapor barriers, thermostatic performance, compliance with any code, listing, testing or protocol authority, utility sources, or manufacturer or regulatory requirements except as specifically required by these standards;
- (ii) the presence or absence of pests, termites, or other wood-destroying insects or organisms;
- (iii) the presence, absence, or risk of asbestos, lead-based paint, **MOLD**, mildew, corrosive or contaminated drywall "Chinese Drywall" or any other environmental hazard, environmental pathogen, carcinogen, toxin, mycotoxin, pollutant, fungal presence or activity, or poison;
- (iv) types of wood or preservative treatment and fastener compatibility; or
- (v) the cause of source of a conditions;

**(D) anticipate future events or conditions, including but not limited to:**

- (i) decay, deterioration, or damage that may occur after the inspection;
- (ii) deficiencies from abuse, misuse or lack of use;
- (iii) changes in performance of any component or system due to changes in use or occupancy;
- (iv) the consequences of the inspection or its effects on current or future buyers and sellers;
- (v) common household accidents, personal injury, or death;
- (vi) the presence of water penetrations; or

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- (vii) future performance of any item;
- (E) operate shut-off, safety, stop, pressure or pressure-regulating valves or items requiring the use of codes, keys, combinations, or similar devices;
- (F) designate conditions as safe;
- (G) recommend or provide engineering, architectural, appraisal, mitigation, physical surveying, realty, or other specialist services;
- (H) review historical records, installation instructions, repair plans, cost estimates, disclosure documents, or other reports;
- (I) verify sizing, efficiency, or adequacy of the ground surface drainage system;
- (J) verify sizing, efficiency, or adequacy of the gutter and downspout system;
- (K) operate recirculation or sump pumps
- (L) remedy conditions preventing inspection of any item;
- (M) apply open flame or light a pilot to operate any appliance
- (N) turn on decommissioned equipment, systems, or utility services; or
- (O) provide repair cost estimates, recommendations, or re-inspection services

**THE CLIENT, BY ACCEPTING THIS PROPERTY INSPECTION REPORT OR RELYING UPON IT IN ANY WAY, EXPRESSLY AGREES TO THE SCOPE OF INSPECTION AND GENERAL LIMITATIONS INCLUDED IN THIS INSPECTION REPORT**

This inspection report is made for the sole purpose of assisting the purchaser to determine his and/or her own opinion of feasibility of purchasing the inspected property and does not warrant or guarantee all defects to be found. If you have any questions or are unclear regarding or findings, please call our office prior to the expiration of any time limitations such as option periods.

This report contains technical information. If you were not present during this inspection, please call the office to arrange for a consultation with your inspector. If you choose not to consult with the inspector, this inspection company cannot be held liable for your understanding or misunderstanding of the reports content.

The contents of this report are for the sole use of the client named above and no other person or party may rely on this report for any reason or purpose whatsoever without the prior written consent of the inspector who authored the report. Any person or party who chooses to rely on this report for any reason or purpose whatsoever without the express written consent of the inspector does so at their own risk and by doing so without the prior written consent of the inspector waives any claim of error or deficiency in this report.

This report is not intended to be used for determining insurability or warrantability of the structure and may not conform to the Texas Department of Insurance guidelines for property insurability. *This report is not to be used by or for any property and/or home warranty company.*

The digital pictures within this report are a representative sample of inaccessible areas, deficiencies, or damages in place and should not be considered to show all of the inaccessible areas, deficiencies or damages observed. There will be inaccessible areas, deficiencies, or damages not represented with digital imaging.

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I=Inspected NI=Not Inspected NP=Not Present D=Deficiency

I	NI	NP	D
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## I. STRUCTURAL SYSTEMS

☒ ☐ ☐ ☒ **A. Foundations**

Type of Foundation(s)

☐ Post-Tension ☒ Slab on Grade ☐ Pier and Beam ☐ Bois d'arc

☒ I recommend further evaluation of the foundation by a structural engineer or foundation company

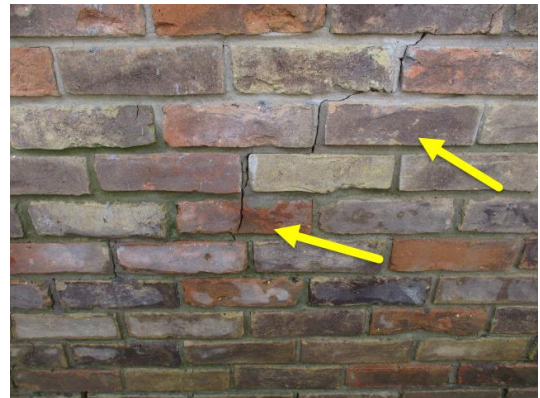
☒ Binding, out-of-square, non-latching doors

☒ Framing or frieze board separations



☒ Window, wall, floor, or ceiling cracks or separations

☒ Rotating, buckling, cracking, or deflecting masonry cladding  
- North and west side



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**Notice:** This inspection is one of first impression and the inspector was not provided with any historical information pertaining to the structural integrity of the inspected real property. This is a limited cursory and visual survey of the accessible general conditions and circumstances present at the time of this inspection. Opinions are based on general observations made without the use of specialized tools or procedures. (*Unless otherwise noted*) Therefore, the opinions expressed are one of apparent conditions and not of absolute fact and are only good for the date and time of this inspection.

The inspection of the foundation may show it to be providing adequate support for the structure or having movement typical to this region at the time of the inspection. This does not guarantee the future life or failure of the foundation.

**The Inspector is not a structural engineer. This inspection is not an engineering report or evaluation and should not be considered one, either expressed or implied.** If any cause of concern is noted on this report, or if you want further evaluation, you should consider an evaluation by an engineer of your choice.

☐ ☒ ☐ ☐ **B. Grading and Drainage**

☒ ☐ ☐ ☒ **C. Roof Covering Materials**

Type of Roof Covering: ☒ Composition ☐ Metal ☐ Tile

Viewed from: ☒ Roof ☐ Ladder ☐ Ground with binocular

Roof Condition: ☐ New ☒ Good ☐ Average ☐ Aged

☒ Rusted flashing observed. Flashing should be painted, repaired/replaced as necessary to prevent leaks



**Notice:** Life expectancy of the roofing material is not covered by this property inspection report. If any concerns exist about the roof covering life expectancy or potential for future problems, a roofing specialist should be consulted. The Inspector cannot offer an opinion or warranty as to whether the roof has leaked in the past, leaks now, or may be subject to future leaks, either expressed or implied.

The inspection of this roof may show it to be function as intended or in need of minor repairs. This inspection does not determine the insurability of the roof. You are strongly encouraged to have your Insurance Company physically inspect the roof, prior the expiration of any time limitations such as option or warranty periods, to fully evaluate the insurability of the roof.

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- ☐ ☒ ☐ ☐ **D. Roof Structures & Attics**
- ☐ ☒ ☐ ☐ **E. Walls (Interior and Exterior)**
- ☐ ☒ ☐ ☐ **F. Ceilings and Floors**
- ☐ ☒ ☐ ☐ **G. Doors (Interior and Exterior)**
- ☐ ☒ ☐ ☐ **H. Windows**
- ☐ ☒ ☐ ☐ **I. Stairways (Interior and Exterior)**
- ☐ ☒ ☐ ☐ **J. Fireplaces and Chimneys**
- ☐ ☒ ☐ ☐ **K. Porches, Balconies, Decks, and Carports**

## II. ELECTRICAL SYSTEMS

☒ ☐ ☐ ☒ **A. Service Entrance and Panels**

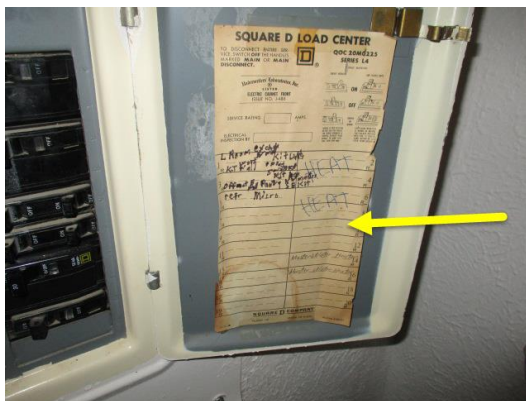
Main disconnect rating Amps = ☒ 200 ☐ 150 ☐ 125 ☐ 100 ☐ Unknown

Electrical panel location ☒ Garage ☒ Pantry ☒ Outside

Service entrance wire type: ☐ Copper ☒ Aluminum ☐ Unknown

Comment: 3 service panel boxes were inspected, pantry, garage and outside on NE corner

☒ Breakers are not adequately labeled – all 3 boxes

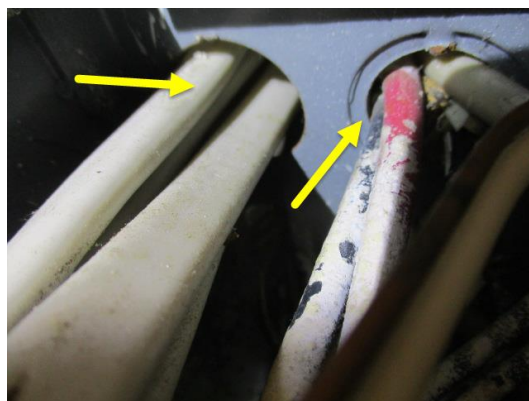




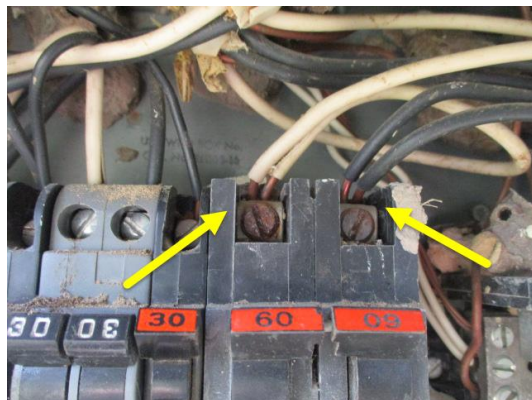
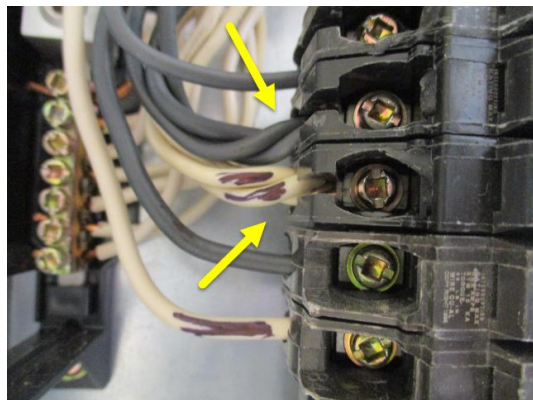
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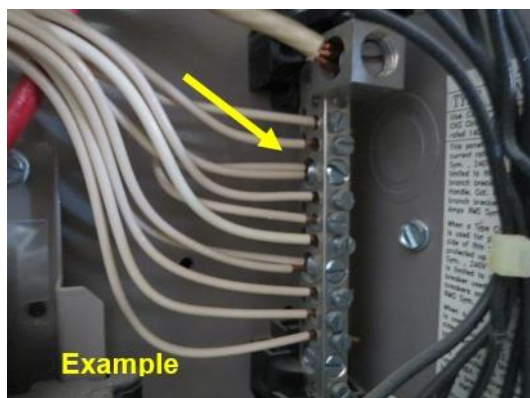
- ☒ Missing protective grommet at wire entrance to panel box
- Pantry and NE corner boxes



- ☒ Double tapped wires observed at circuit breakers
- Garage and NE corner boxes



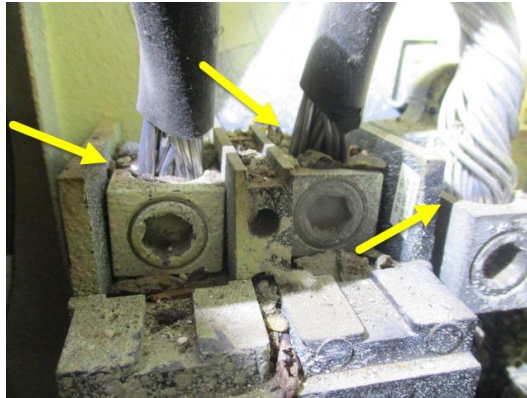
- ☒ Observed at least two neutral wires “double tapped” (two wires under one connection) on the neutral bus bar. Each wire should terminate to a separate connection.



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- . ☒ Absence of: Anti-oxidants on aluminum conductor terminations  
- Pantry box



- ☒ Improper fasteners – Screws for pantry box should have a flat tip, not pointed



- ☒ Missing service panel screw (2 of 6) – box in pantry

**Note: Electrical supply to the washer dryer is not inspected in a TREC inspection.**

**Note: Arc-fault circuit interrupter devices not tested when home is occupied.**

☐ ☒ ☐ ☐ **B. Branch Circuits, Connected Devices and Fixtures**

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

☒ ☐ ☐ ☒ **A. Heating Equipment**

Type of System ☐ Forced Air ☒ Heat pump

Number of units: ☒ 1 ☐ 2 ☐ 3 ☐ 4

Energy Source: ☒ Electric ☐ Natural gas ☐ Propane

☒ I recommend the unit be serviced and evaluated by license HVAC technician  
- Emergency heat did not come on

☒ Heat pump system not operated in heat pump mode when outdoor temperature is above 70°. Heat pump system was only operated in "Emergency Heat"

☒ ☐ ☐ ☒ **B. Cooling Equipment (other than evaporative coolers)**

Note: The new Freon standards were implemented as part of the Clean Air Act, which is enforced by the U.S. Environmental Protection Agency. By the year 2020, R22 Freon will no longer be manufactured

Type of System: Central air conditioner

Number of units: ☒ 1 ☐ 2 ☐ 3 ☐ 4

Average Temperature drop ( $\Delta T$ ) as measured between supply air register and return air grill – 14°

Normal range is 15°-20°

☒ I recommend the unit(s) be serviced and evaluated by licensed HVAC technician

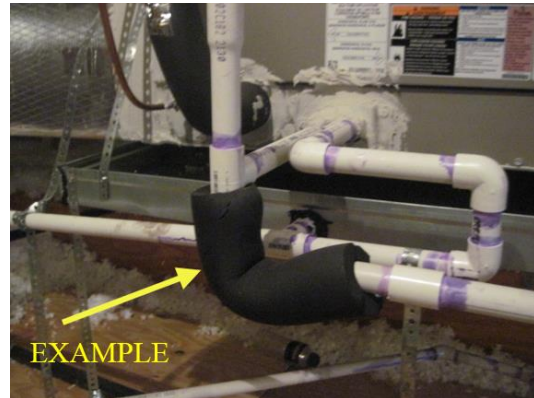
- Inadequate cooling as demonstrated by performance

**Notice:** Temperature differential readings are an accepted industry standard of practice for testing the proper operation of the cooling system. Normal acceptable range is considered approximately **between 15 to 20 degrees °F** total difference (Delta-T) measured between the return air and supply air within close proximity of the related coils of the system being evaluated. Conditions such as but not limited to; excessive humidity, high or low outdoor temperatures or restricted airflow may indicate abnormal operation even though the equipment is functioning basically as designed and occasionally may indicate normal operation in spite of an equipment malfunction. The inspector will not be able to anticipate future events, conditions or changes in performance of any component or system due to changes in use or occupancy. **The inspector makes no guarantee or warranty, express or implied, as to the future performance of any item, system or component**

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- ☒ Primary drain line not insulated. Insulating the drain line prevents condensation dripping in attic.



- ☒ Deficiencies in condensate drain and/or secondary pan and drain line
- Secondary drain outlet is plugged



- ☒ Based on the labeling of the panel, the conductor and/or the over-current protective devices are not appropriately sized for the condensing unit.

- Breakers are not adequately labeled, therefore could not determine if breakers are sized correctly, I recommend further evaluation by a licensed electrician

☐ ☒ ☐ ☐

### C. Duct System, Chases and Vents

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#### IV. PLUMBING SYSTEMS

☒ ☐ ☐ ☐ **A. Plumbing Supply, Distribution Systems and Fixtures**

Note: All interior plumbing fixtures are operated for 2-5 minutes during inspection

Location of water meter: ☒ Front curb ☐ Rear alley

Static water pressure is: 56 psi

Normal pressure: 40-80 psi

Type of Supply Lines:

☒ Copper ☐ Pex ☐ Galvanized Iron ☐ PVC/CPVC

☐ ☒ ☐ ☐ **B. Drains, Wastes, and Vents**

☒ ☐ ☐ ☒ **C. Water Heating Equipment**

Energy Source: ☐ Natural gas ☒ Electric ☐ Propane

Number of units: ☐ 1 ☒ 2 ☐ 3

☐ 29 gal ☐ 40 gal ☒ 50 gal ☐ 74.9 gal ☐ Tankless

☒ Safety pan and drain not installed. This might not have been required when the water heater was installed.

- Unit in rear storage area

☒ A temperature and pressure relief valve that:

☒ Valves not forced open at time of inspection. Forcing valve open can cause valve to leak because of sediment and corrosion build up in tank.



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☒ Lacks proper termination

- Unit in closet discharges into closet floor, should be connected to the copper pipe



- Could not visually locate discharge location for unit in rear storage area
- Missing 90° elbow toward the ground (old location by A/C)



☒ Improper relief line. A smooth copper pipe or CPVC drain line required

- Unit in front closet has standard PVC pipe

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- Unit in rear storage area has a braided hose



☐ ☒ ☐ ☐ D. Hydro-Massage Therapy Equipment

☐ ☒ ☐ ☐ E. Other

## V. APPLIANCES

☐ ☒ ☐ ☐ A. Dishwasher

☐ ☒ ☐ ☐ B. Food Waste Disposers

☐ ☒ ☐ ☐ C. Range Hood and Exhaust Systems

☐ ☒ ☐ ☐ D. Ranges, Cooktops, and Ovens

☐ ☒ ☐ ☐ E. Microwave Oven

☐ ☒ ☐ ☐ F. Mechanical Exhaust Vents and Bathroom Heaters

☐ ☒ ☐ ☐ G. Garage Door Operator(s)

☐ ☒ ☐ ☐ H. Dryer Exhaust Systems

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## VI. OPTIONAL SYSTEMS

- ☐ ☒ ☐ ☐ **A. Landscape Irrigation (Sprinkler) Systems**
- ☐ ☒ ☐ ☐ **B. Swimming Pools, Spas, Hot Tubs, and Equipment**
- ☐ ☒ ☐ ☐ **C. Outbuildings**
- ☐ ☒ ☐ ☐ **D. Private Water Wells (A coliform analysis is recommended)**
- ☐ ☒ ☐ ☐ **E. Private Sewage Disposal (Septic) System**

### IMPORTANT LIMITATIONS AND DISCLAIMERS

This Inspection Report reports only on the items listed and only on the condition of those items at the time of inspection. This Inspection Report reflects only if the items inspected are observed to be "operable" or "inoperable" at the time of inspection. Operable means that the item is observed to serve the purpose for which it is ordinarily intended. This Report reflects only those items that are reasonably observed at the time of inspection. No representation or comment is made concerning any later defect or defects not reasonably observable at the time of the inspection or of items, which require the removal of major or permanent coverings. The inspection of swimming pools and spas is limited to the above ground accessible equipment and plumbing. For example, but without limitation, recent repairs, painting or covering may conceal prior or present leak damage, which is not reasonably observable by the inspector and no representation, or comment can be made. No representation is made concerning any other condition or the future performance of any item. No representation is made as to items not specifically commented upon. All warranties, expressed or implied, not specifically stated herein are excluded and disclaimed. If a comment is made concerning the condition of any item, the Buyer is urged to contact a qualified specialist to make further inspections or evaluations of that item. Buyer must notify Elite Inspection Group LLC in writing of any complaints within seven (7) days of inspection and must thereafter allow prompt re-inspection of the item complained of; otherwise, all claims for damages arising out of such complaints are waived by Buyer. If Buyer institutes any legal action concerning this inspection, and fails to prevail on all of the causes of action alleged, Buyer shall be liable to Elite Inspection Group LLC for all legal fees incurred in such action. Actual damages for any breach of contract or warranty, negligence or otherwise are limited to the amount of the inspection fee paid. Buyer, by accepting this Report or relying upon it in any way, expressly agrees to these Limitations and Disclaimers. For more information concerning your rights, contact the Consumer Protection Division of the Attorney General's Office, District, or County Attorney, or your personal attorney of choice. If a dispute arises out of or relative to the independent inspector's performance and, if said dispute cannot be settled between the parties to this inspection by state standards, the parties hereto agree to settle the dispute through binding arbitration according to the Commercial Arbitration Rules of the Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All requests for arbitration shall be submitted to the Dallas Office of the American Arbitration Association and all arbitration administration costs shall be borne equally by all the parties to the dispute. Any event of waiver by this company of any right herein shall not constitute a continuing waiver or subsequent waiver of other rights. This Report constitutes the sole and only agreement of parties hereto and supersedes any prior understanding or written or oral agreements between the parties respecting the subject matter within. I fully and completely understand that this inspection is not a warranty or a guarantee. This inspection is essentially visual, it is not exhaustive, and it does not imply that every defect will be discovered. It is only a statement of operation and/or condition as of and on the date of inspection.

### INSPECTOR

Steve Woodward  
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PO Box 2205  
Frisco, TX 75034  
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