



INSPECTION SERVICE AGREEMENT WITH RESPECT TO A CHIEFLY RESIDENTIAL IMMOVABLE

FILE NUMBER

1. PARTIES

BETWEEN: _____ AND: _____

_____ (Hereinafter referred to as **THE CLIENT**)

Telephone No.: _____

Represented by: _____ (Hereinafter referred to as **THE INSPECTOR**) Member No. _____ e-mail: _____

2. PURPOSE OF THE AGREEMENT

THE INSPECTOR'S services are hereby retained by the purchaser (**THE CLIENT**) to perform a **PRE-PURCHASE** inspection of **THE IMMOVABLE** covered by this Inspection Service Agreement.

3. WAIVER OF EXHAUSTIVE INSPECTION

THE CLIENT hereby confirms that he has been duly advised of the limits of the present inspection as well as of the advantages of an exhaustive inspection of the Immovable involving the services of several professionals requiring an average of 24 to 36 hours of work. This information having been supplied, **THE CLIENT** hereby refuses to have performed such an exhaustive inspection of the **THE IMMOVABLE** covered by this Agreement.

Client's initials	

4. DESCRIPTION OF THIS IMMOVABLE

The inspection shall be performed on the chiefly residential building located at:

If applicable:

- The immovable is held in divided co-ownership (condominium) and the present inspection shall be subject to the terms and conditions contained in Appendix C attached hereto to form an integral part hereof.
 YES AC - NO
- The immovable, although chiefly residential, includes premises that are operated by a business and the present inspection shall be subject to the terms and conditions contained in Appendix E attached hereto to form an integral part hereof.
 YES AC - NO

5. PERFORMANCE OF SERVICES

5.1 Date and Time of the inspection

THE IMMOVABLE shall be inspected on _____ at _____

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5.2 Preparation of the Inspection Report

THE INSPECTOR shall prepare the inspection report within _____ day(s) following the visual inspection of **THE IMMOVABLE**.

THE CLIENT hereby pledges to **THE INSPECTOR** that he will take no decision to purchase **THE IMMOVABLE** until he has obtained the written inspection report, carefully read, and if required, discussed the same with **THE INSPECTOR**, in order to ensure that he fully understands the report.

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Client's initials

5.3 Content of the Inspection

The inspection includes one (1) visit of **THE IMMOVABLE** and the preparation of one (1) inspection report.

5.4 Scope and limitations of the inspection

- The inspection consists of a visual examination of the readily accessible systems and components of **THE IMMOVABLE**, as listed in the *Standards of Practice of the Quebec Association of Building Inspectors (QABI)* attached hereto. Such an examination shall be careful but brief and is intended to provide **THE CLIENT** with the necessary information required for a better understanding of the condition of **THE IMMOVABLE**, as observed at the time of the inspection.
- The inspection is not aimed at discovering, nor to allow for the discovery of latent defects affecting **THE IMMOVABLE**, but is aimed at discovering apparent defects and signs revealing problems that could substantially affect the integrity and the usefulness of **THE IMMOVABLE**, as well as meeting the requirement of a prudent and diligent examination of **THE IMMOVABLE** that is imposed on a given buyer by article 1726 of the *Civil Code of Quebec*, printed on the reverse, all in order to protect **THE CLIENT**'s right to allow claims for latent defects against the seller.
- The costs of eventual repairs referred to in the unit cost table annexed to the inspection report, if applicable, are to be understood as being approximate only and may vary from region to region. Moreover, such costs do not constitute any firm tender and consequently must be checked by a licensed contractor.

6. COMPLIANCE WITH QABI'S STANDARDS OF PRACTICE

The inspection shall be performed in accordance with the *Standards of Practice of the Quebec Association of Building Inspectors*, which forms an integral part of the present Agreement.

THE CLIENT hereby declares, having received at the signing of the present Inspection Service Agreement, a copy of the "*Professional Standards of Practice for the Visual Inspection of Chiefly Residential Buildings*" which is annexed to the present Agreement, having been given all the necessary time to review and discuss its content and having been given the opportunity to ask all the necessary questions for its complete understanding.

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Client's initials

The professional services provided herein shall be performed in accordance with the State-of-the-Art by **THE INSPECTOR**.

THE INSPECTOR pledges to act in a prudent and diligent manner in the best interests of **THE CLIENT**. In this regard, **THE INSPECTOR** confirms also that he does not have any financial interest in **THE IMMOVABLE** covered in the present inspection.

In addition, **THE INSPECTOR** declares having an insurance policy which covers errors and omissions.

7. CUSTOMER'S OBLIGATIONS

7.1 Duty to disclose

THE CLIENT pledges to provide all documents and information that are required for the performance of **THE INSPECTOR**'S services, namely the Promise to Purchase and its Annexes if these contain information related to the condition of **THE IMMOVABLE**, the Owners / Seller's declaration and all warranty documents. **THE CLIENT** also pledges to disclose to **THE INSPECTOR** any known defects, whether apparent or not, and any problem that may affect the integrity and use of **THE IMMOVABLE** of which he is aware.

7.2 Inspection Completion Certificate

THE CLIENT pledges, upon completion of the inspection, to sign or have signed by any person that he may appoint to accompany **THE INSPECTOR** on the day of the inspection, a form entitled "*Chiefly residential Immovable Inspection Completion Certificate*".

7.3 Fees and additional services

In consideration of the professional services provided in the present Agreement, **THE CLIENT** shall pay to **THE INSPECTOR** the fees indicated in article 16 of the present Agreement, plus applicable taxes.

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THE CLIENT shall pay the fees to **THE INSPECTOR** on the day the inspection is performed as per paragraph 5.1.

It is understood that additional services not provided for in the present Agreement, such as additional visits of the premises, preparation of an additional inspection report or, by request of **THE CLIENT**, the appearance of **THE INSPECTOR** as a witness before a court of law, shall be subject to an additional Agreement between the parties, specially with respect to additional fees **THE CLIENT** will have to pay, according to the rates indicated in article 16 of the present Agreement.

8. DISCLAIMER OF WARRANTY AND LIMITATION OF LIABILITY

THE INSPECTOR hereby disclaims any and all risks related to a real estate transaction. An inspection performed in accordance to the state-of-the-art shall not constitute any warranty or insurance policy against repairs, improvements, or work, whether they be past, present or future, performed on **THE IMMOVABLE**.

9. OWNERSHIP AND TRANSMISSION OF THE INSPECTION REPORT

The inspection, including the production of the written report, shall be performed solely for and on behalf of **THE CLIENT** in relation to a potential real estate transaction. Consequently, **THE INSPECTOR** will only deliver a copy of the inspection report to a third party with **THE CLIENT**'s prior written consent or pursuant to a court order, or if requested by the "Quebec Association of Building Inspectors".

However, **THE INSPECTOR** hereby acknowledges, that the inspection report that he provides to **THE CLIENT** under the present Agreement is intended to become the sole property of **THE CLIENT**.

10. OBSERVANCE OF THE LAW

THE INSPECTOR shall comply with all laws, regulations or orders applicable to the kind of services that he provides.

11. SUPERIOR FORCE

No party shall be considered in default in the performance of the obligations herewith where such performance is delayed, prevented or hindered as a result of absolute necessity, that is, any event that is beyond the parties' control, that the parties could not foresee or prevent and that rendered the performance of the obligation herewith absolutely impossible.

12. APPLICABLE LAWS

This Agreement shall be governed by the applicable laws in the Province of Quebec.

13. INTERPRETATION

Where applicable, the use of a word in masculine form shall apply also to the feminine form and vice versa and any word in singular form shall apply also to the plural form and vice versa.

14. CONTINUATION OR CANCELLATION

In such case that the present Agreement contains any prohibited provision, all other provisions shall remain in full force and shall be binding to the parties unless the provision that derogates from applicable laws is essential to the proper utilization of the Agreement or to the balance of the respective obligations of the parties thereof, and unless an interpretation compatible with applicable laws cannot correct this deficiency, in which case the Agreement shall be declared null and void *ad initio*.

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15. ADDITIONS OR MODIFICATIONS

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16. FEES

For the professional services rendered, THE CLIENT shall pay THE INSPECTOR the following fees:

Payment received on: _____
By: _____

Fees: _____
GST: _____
QST: _____
TOTAL: _____

GST#: _____

QST#: _____

In the event that any additional service would be required, THE CLIENT shall pay THE INSPECTOR additional fees at an hourly rate of \$ _____, plus applicable taxes and for a minimum of four (4) hours of work.

17. SIGNATURES

IN WITNESS WHEREOF, THE PARTIES HAVE SIGNED AT _____, THIS THE _____ DAY OF _____, 20_____.

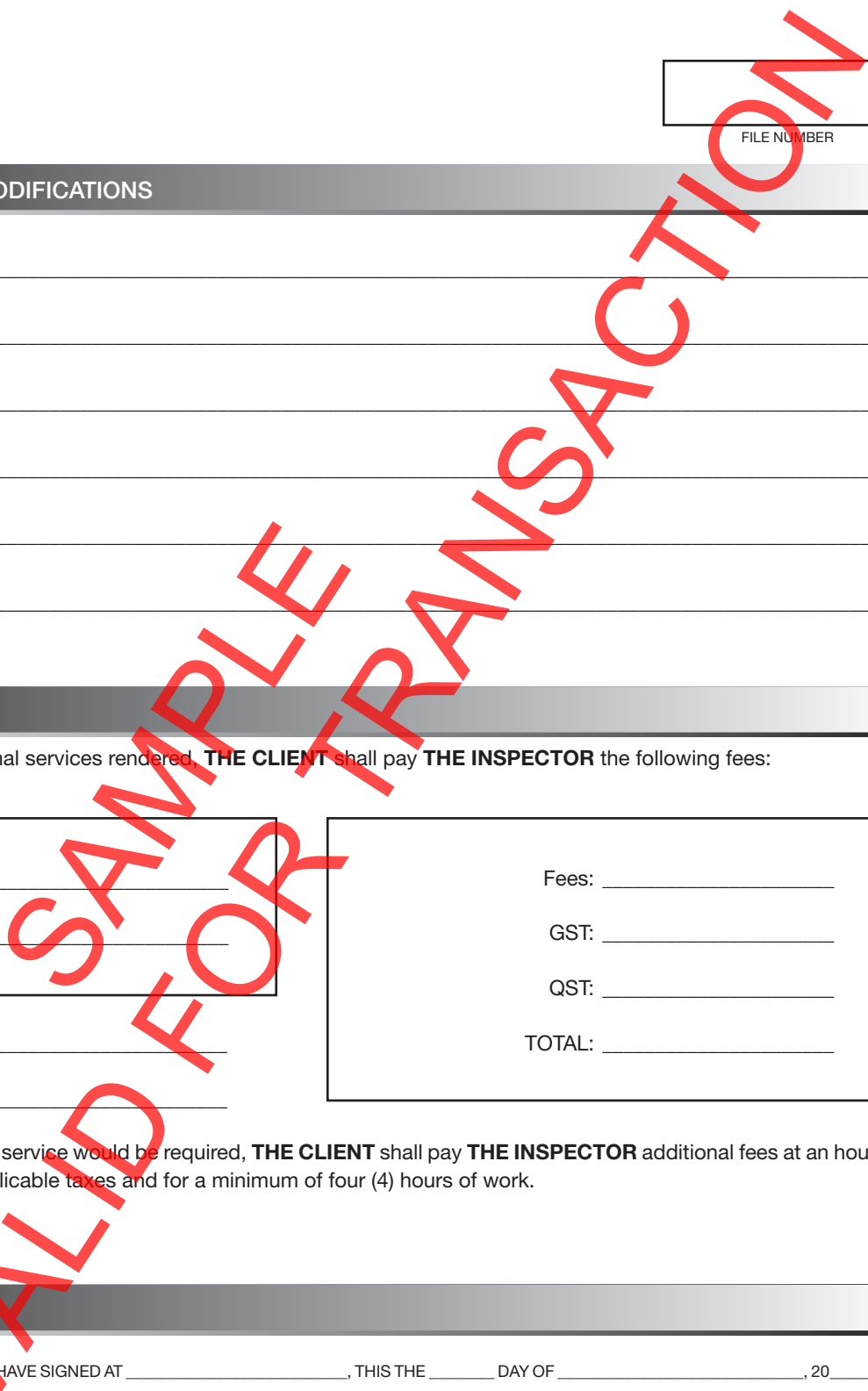
THE INSPECTOR

THE CUSTOMER

INSPECTOR

CUSTOMER 1 (or his authorized representative)

CUSTOMER 2 (if applicable)



CIVIL CODE OF QUEBEC

Art. 1726. The seller is bound to warrant the buyer that the property and its accessories are, at the time of the sale, free of latent defects which render it unfit for the use for which it was intended or which so diminish its usefulness that the buyer would not have bought it or paid so high a price if he had been aware of them.

Art. 1728. If the seller was aware or could not have been unaware of the latent defect, he is bound not only to restore the price, but to pay all damages suffered by the buyer.

Art. 1739. A buyer who ascertains that the property is defective may give notice in writing of the defect to the seller only within a reasonable time after discovering it. The time begins to run, where the defect appears gradually, on the day that the buyer could have suspected the seriousness and extent of the defect.

The seller may not invoke tardy notice from the buyer if he was aware of the defect or could not have been unaware of it.

NOT VALID FOR TRANSACTION



INSPECTION COMPLETION CERTIFICATE FOR A CHIEFLY RESIDENTIAL IMMOVABLE

FILE NUMBER

1. PARTIES

BETWEEN:

THE INSPECTOR

THE CLIENT

THE CLIENT

2. ADDRESS OF THE IMMOVABLE

3. CUSTOMER'S CERTIFICATION

3.1 **THE INSPECTOR** obtained from the seller and reviewed with **THE CLIENT** the document entitled "Declaration by the Seller"
Yes No State the reasons why the document was not obtained: _____

3.2 **THE INSPECTOR** visually examined the complete exterior of the building with the exception of: _____

3.3 **THE INSPECTOR** and **THE CLIENT** discovered _____ crack(s) during the inspection of the foundation.

3.4 **THE INSPECTOR** visually examined all interior installed systems and components that are part of his inspection report, with the exception of: _____

3.5 **THE INSPECTOR** visually examined the accessible areas of the interior of the building.

Traces of water infiltration are visible: No

Yes Location: _____

Water stains are visible: No

Yes Location: _____

Traces having an appearance of mold are visible: No

Yes Location: _____

Odors are detected: No

Yes Location: _____

If applicable, _____ crack(s) were discovered during the inspection of the foundation.

The following comments are provided: _____

3.6 **THE CLIENT** acknowledges having received the inspection contract entitled "Inspection Service Agreement with respect to a Chiefly Residential Immovable" and the standards of practice entitled "Professional Standards of Practice for the Visual Inspection of Chiefly Residential Buildings" on the day of the inspection or by: Fax Mail e-mail ____ day(s) prior to the inspection date.

3.7 Persons who were present during the inspection:

Seller 1: _____

Seller 2: _____

Client 1: _____

Client 2: _____

Broker 1: _____

Broker 2: _____

Other: _____

4. SIGNATURE OF THE CUSTOMER

THE CLIENT confirms that he followed **THE INSPECTOR** during the inspection and examined with him the building components as listed above. In witness whereof, I (we) signed, on this the _____ day of _____, 20____.

CLIENT 1

CLIENT 2

APPENDIX C - DIVIDED CO-OWNERSHIP

The terms and conditions as per present Appendix C will form an integral part of the inspection contract entitled Inspection Service Agreement with Respect to a Chiefly Residential Immovable Number ISA-_____, in regards to the Immovable located at: _____

C.1 In addition of the terms and conditions as stated in the Inspection Service Agreement with Respect to a Chiefly Residential Immovable, the present inspection covers the following.

[] The Unit exclusively, and, notwithstanding the definition given to the private portion of the declaration of co-ownership, will be limited for the purpose of the present inspection, horizontally, at the surface of the interior finish of the walls and, vertically, from the surface of the ceiling finish to the surface of the floor covering.

[] The Unit exclusively, and, notwithstanding the definition given to the private portion of the declaration of co-ownership, will be limited for the purpose of the present inspection, horizontally, at the surface of the interior finish of the walls and, vertically, from the surface of the ceiling finish to the surface of the floor covering, as well as for the installed systems and components listed below, which are part of the building:

- Exterior Yes No
- Structure, Foundations Yes No
- Roofing, Flashing and Chimneys Yes No
- Attic spaces Yes No
- Staircases/Hallways Yes No
- Garages/Underground parking Yes No
- Storage rooms/spaces Yes No
- Central heating system Yes No
- Central air-conditioning system Yes No
- Electrical room Yes No
- Elevators Yes No
- Swimming pools Yes No
- Automatic sprinkler systems Yes No
- Other fire protection systems Yes No
- Central plumbing system Yes No

Notwithstanding the preceding, the present inspection totally excludes: any private portion other than what is defined by the present Appendix, any common portion having restricted usage, and any common portion to which the Inspector does not have access to.

C.2 Other conditions: _____

I have read, fully understood and agree with the terms and conditions of the present Appendix

In witness whereof, I (we) signed, on this the _____ day of _____, 20_____.

CLIENT 1

CLIENT 2

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APPENDIX E - COMMERCIAL

The terms and conditions as per present Appendix E will form an integral part of the inspection contract entitled **Inspection Service Agreement with Respect to a Chiefly Residential Immovable** Number ISA-_____, in regards to the Immovable located at: _____

E.1 The commercial occupancy operating in the present immovable is located at the following address:

and operates in the following activities:

E.2 In addition of the terms and conditions as stated in the **Inspection Service Agreement with Respect to a Chiefly Residential Immovable**, the present inspection excludes all systems and components used for the operation of this commercial occupancy, with the exception of the following items:

- | | |
|---|--------------------------------|
| <input type="checkbox"/> Equipment | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Tooling | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Furniture | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Machinery | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Pressure Vessels | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Material | <input type="checkbox"/> _____ |

Notwithstanding the preceding provisions, the present inspection shall not constitute any guarantee in regards to the conformity of the operation of the commercial according to any law, bylaw, regulation or standard applicable for this type of commercial activity..

E.3 Additional conditions: _____

I have read, fully understood and agree with the terms and conditions of the present Appendix

In witness whereof, I (we) signed, on this the _____ day of _____, 20_____.

CLIENT 1

CLIENT 2