**LETTER OF PURPOSE AND PROCEDURE,**

 **Pre-Offer Limited Visual Property Evaluation and Consultation**

You have contracted with Five Stars General Contracting LLC (hereafter referred to as FSGC) for a limited visual property evaluation and consultation of a property on the terms and conditions set forth below. We want to point out the procedures followed in making this limited visual property evaluation and consultation on your behalf, the extent, nature and limitations.

PURPOSE:

A pre-offer consultation is a Verbal Reporting based upon a limited scope which is performed by a licensed general contractor and home improvement contractor. A pre-offer consultation is only conducted prior to a buyer’s and seller’s mutual acceptance of a Contract to Purchase agreement for the residence/building being inspected.

PROCEDURES:

The limited visual property evaluation and consultation will be limited in time and scope to (1 hour at the property) and is essentially visual. The observations are based on the experience and opinions of the general contractor as he examines the readily observable, exposed-to-view portions of the major systems and components, both inside and outside of the building. The verbal reporting covers only what was observed at the time of the inspection. (note checklist at end of this document)

Destructive inspections involving disassembly of materials or systems in place is not performed. Barriers, obstacles, pictures, wall coverings, furniture, or stored items will not be moved. The evaluation is limited to conditions that are readily observable at the time of the review, it does not include any identification or evaluation for future defects, and our evaluation is not a code compliance inspection. Cosmetic items will not be addressed.

NO WRITTEN REPORT INTENDED:

The general contractor will not “pass or fail” a building, but will simply verbally describe its present condition under the procedures outlined. If a problem is observed, it doesn’t necessarily mean you should not purchase the building, only that you should investigate further to determine what type of repairs to anticipate. We encourage you to express any questions, observations, or concerns in regards to the condition of the subject property with the general contractor. This verbal reporting is not intended to replace your own observations and assessments as to the condition of the property and may not advise on obvious items that should be readily visible. The system/component evaluation is not intended to uncover errors, omissions, fraud or misrepresentations by the property owner or others, and you are not to rely upon it for that purpose. You agree that your sole and exclusive remedy for errors, omissions, fraud or misrepresentation by the seller shall be against the seller and not against BB. We do not review any written or oral disclosures or representations by the property seller or others.

LIMITS OF LIABILITY:

Reasonable effort will be made to visually determine the observable property condition within the time and scope limitations described in this agreement. The visually-based conclusions are determined without knowledge of pre-existing conditions or representations by the property owner or others, nor do they contain any forecast as to the effect of future events. NO

WARRANTIES OR GUARANTEES ARE EXPRESSED OR IMPLIED. FSGC does not claim, warrant, represent or ensure that all defects in the building will be observed or commented upon, and our fee reflects that limitation.

IMPORTANT: IN THE EVENT OF FUTURE QUESTIONS:

This general contractor will advise on all defects noted at the time of the inspection. The buyer/seller/agent should be prepared to take notes, photos, ask questions, discuss observations or concerns at that time. The general contractor does not keep details of the verbal only consultation. Please call with any questions regarding this property within 5 days.

WHAT YOU SHOULD EXPECT:

 You should be ready to take notes and ask questions as you walk through with the general contractor

 This is a faster paced reporting than a full written inspection

 This is not a substitute for a full home inspection

 Payment and the signed Letter of Purpose and Procedures are due before the consultation commences

 No photos will be supplied by FSGC

LIMITED SCOPE OF PRE-OFFER PROPERTY EVALUATION and CONSULTATION

As agreed by the Client and the General Contractor, this pre-offer consultation and verbal only report is limited in scope to the following systems and/or components of the Residence.

Please write in yes or no next to three systems/components you would like evaluated at the property:

1. Structure -

The visible foundation; floor framing; roof framing and decking; other support and substructure/superstructure components; stairs; ventilation (when applicable); and exposed concrete slabs in garages and habitable areas).

 2. Exterior-

The visible wall coverings, trim, protective coatings and sealants, windows and doors, attached porches, decks, steps, balconies, handrails, guardrails, carports, eaves, soffits, fascia boards and visible exterior portions of chimneys.

1. Roof-

The roof covering materials; gutters and downspout systems; visible flashings; roof vents; skylights, and any other roof penetrations; and the portions of the chimneys and flues visible from the exterior).

1. Plumbing System-

Visible water supply lines, visible waste line, visible vents, fixtures and faucets, toilet function, tub/shower condition, domestic hot water system and fuel source, age of hot water tank/tankless

1. Electrical System-

View accessible electrical panel(s), feeders, branch circuits, breakers, service, grounding, safety concerns

1. Heating Systems-

Type of heat source, function, safety concerns, proper venting, flue pipes, chimneys

1. Air Conditioner/Heat Pumps-

Type and age, function (A/C’s not checked if under 65 degrees), overall condition

1. Interiors (no cosmetic comments)-

Damaged areas of floors/walls/ceilings, window condition/function, stairs, fireplaces (type, condition, safety), railings, balconies, ovens, dishwasher, disposals, ventilation, door function, locks and weather-stripping

1. Insulation and Ventilation: Attic and Crawl Space-

Type and condition of insulation in attic and crawl space, proper ventilation

1. Site Elements-

The building perimeter, land grade, and water drainage directly adjacent to the foundation; trees and vegetation that adversely affect the structure; walks, grade steps, driveways, patios, and retaining walls contiguous with the structure.

1. Garages (attached and detached, carports)-

Fire walls, fire ceilings, door to living areas, concrete slab, garage doors, auto openers, resistance feature, electric eyes

SPECIFIC EXCLUSIONS:

Without limiting the definitions, procedure, and information set forth above, the following are specifically not included in the scope of this evaluation unless otherwise agreed to in writing, in advance, for an additional fee:

Soils, soils conditions, soils evaluation and testing.

Landscape lighting & watering systems; interior and exterior fountains, waterfalls, fish ponds, etc.

Central vacuum, intercom, fire alarm, fire suppression systems, security or audio and visual systems.

Private or public sewage and waste systems, including septic leach fields, cesspools, holding tanks, pumping systems, etc.

Private or public water systems, including wells, pressure and holding tanks, pumps, water softeners and conditioners.

The volume and quality of the water supply.

The drainage of the property, including private or public drains, conduits, wetlands, French drains, dry wells or similar facilities, or the potential for water accumulation or flooding.

Solar systems, including collector panels, storage tanks, pumps or other alternate energy systems, domestic water supply, pool/spa/hot tub heating.

Swimming pools, hot tubs, hydrotherapy spas and tubs, saunas, steam baths.

Washers, dryers, refrigerators or freezers.

Radio-controlled devices, automatic entry gates, or remote activators of any kind.

Elevators, lifts, dumbwaiters.

Gas BBQs.

Gas furnace heat exchangers.

Thermostatic and time clock controls.

Radon, asbestos, formaldehyde, mold and other toxic material identification, evaluation and testing.

Engineering services.

Invasive siding inspections (i.e. Exterior Insulated and Finish Systems or “EIFS”, LP, etc.)

THE ABOVE INFORMATION IS UNDERSTOOD AND AGREED TO, AND CLIENT ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT. ELECTRONIC AND SCANNED SIGNATURES ARE ACCEPTED AS ORIGINALS.

**PLEASE NOTE – The Letter of Purpose and Procedures must be signed and given to a BB representative prior to releasing information. You are welcomed to electronically sign this agreement prior to your consultation.**

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Consultation Fee: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Property Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Client Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_­­­­­\_Printed Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

General Contractor Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Printed Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Revised, Dec.2018