



100-Day Inspection Coverage

Agreement Between Mountain and the Inspector



IMPORTANT LEGAL DOCUMENT – PLEASE READ IMMEDIATELY

100-Day Inspection Coverage Agreement

This is a private, limited agreement ("agreement") between two parties: Mountain Inspection Support Association ("MISA") and a member of Mountain - the home inspector ("Inspector" or "Member") - whose name, signature, and ID appear on the last page of this document. The limitations and protections afforded herein for "MISA" also apply to MISA's agents, employees, officers, directors, shareholders, and owners.

Coverage: MISA agrees to provide a reimbursement payment for the covered costs to repair or replace the items listed in this document as being covered if any such items fail or become inoperable during the term of this agreement due to mechanical failure caused by routine wear and tear, subject to the terms and conditions of this agreement. "Mechanical failure" occurs when an item becomes inoperable or unable to perform its designed function. Mechanical failure is not covered if it is due to: conditions that existed prior to the inspection date; lack of routine maintenance and care; misuse; and rust and/or corrosion. This agreement provides coverage only for those items (appliances, systems or components) listed as being covered. The lists of items in the following sections titled "Examples of items/conditions not covered" are not meant to be all-inclusive and are provided for example and illustration. They do not limit the right of MISA to decline coverage for items not on the lists. The claim payment will be pro-rated according to the age and condition of the item. Determination of the amount of the cost of repair or replacement will be made solely by MISA. Determination of the operating condition and the nature of any failure or inoperability will be made solely by MISA. Determination of coverage for any claim will be made solely by MISA.

Not Insurance. Not Warranty. The inspector is required to carry his/her own Errors and Omissions (E&O) Insurance and General Liability (GL) Insurance (if required by their state) as a requirement. Inspector understands that MISA does not offer, provide or sell home warranties. Inspector understands that MISA does not offer, provide or sell home insurance policies. Inspector understands that MISA does not provide products or services to Inspector's clients or the general public. Inspector understands that MISA does not offer, provide or sell products or services that can be transferred to Inspector's clients or the general public.

I. One Hundred-Day Limit / \$1,000.00 Limit: This 100-day limited inspection coverage promise is effective from the date of the home inspection for period of 100 days. The date of the inspection is the first day of the 100-day period. If closing occurs after the expiration of the one 100-day period, the agreement will extend twenty-one (21) days following the closing, provided that the closing takes place within 121 days of the inspection. MISA must receive any notice of a problem on or before the expiration of the 100-day period (or, if applicable, the 21-day period following the closing) or the agreement is no longer valid. MISA's maximum liability, in the aggregate, for any and all claims submitted pursuant to this agreement for any and all covered appliances, systems and components shall not exceed \$1,000.00.

II. Agreement. Inspector understands the 100-Day Inspection Coverage Promise is a private agreement between Mountain and the Inspector. That agreement being generally summarized: If the Inspector promises to follow and make use of all of MISA's customer-service guidelines, education and training

It is assumed that inspector has attained membership to MISA in order to add value to their inspection service. This agreement is effective on the day that the inspection is performed. The reimbursement payment will be provided to the Inspector.

Inspector understands that MISA is not an employee, agent, supervisor, or representative of the Inspector, and MISA bears no responsibility for the acts or omissions of the Inspector.

courses, arbitration, consultation, and documentation, Inspector will significantly reduce customer complaints and demands for refunds. If Inspector promises to do all that, Inspector should not have to pay their client any refund or any out-of-pocket expenses. If they do, MISA will reimburse the inspector (limitations apply). This private agreement is intended to provide for the cost of reimbursing the inspector, which may include the demand for a refund or the out-of-pocket expenses incurred including the cost of paying for the repairs of certain types of failures of specific items at the property inspected by the Inspector.

III. Kitchen Appliances: Description of items covered: The item covered must be an installed and permanent appliance in the primary kitchen limited to the range/stove/cook-top, oven, garbage disposal, exhaust fan unit located above the range, and built-in dishwasher. On the day of the inspection, the item must be visually observable and readily accessible; inspected by the inspector; not reported in need of

correction, repair, or improvement; not reported in need of monitoring or further evaluation; not reported with any deficiency; not older than ten (10) years of age; not approaching, near, or at the end of its service life expectancy. **Examples of items/conditions not covered:** Commercial, high-end, or professional grade appliances; clothes washer and dryer; refrigerator; freezer; cooler; trash compactor; damage to cookware; doors; door seals and glass; filters and screens; food spoilage; ice makers; ice and liquid dispensers; water supply lines; knobs and handles; light bulbs and fixtures; locks and handles; cabinetry and panels; racks; rollers; rooftop or through-wall exhaust units; timers and clocks; self cleaning feature; any appliance 10 years of age or older.

IV. Systems and Components: The item covered must be an installed and permanent system or component of the home. On the day of the inspection, the item must be within the scope of a home inspection as defined by the Standards of Practice to which the inspection was performed; visually observable and readily accessible; inspected by the inspector; turned on or activated; not reported in need of correction, repair, or improvement; not reported in need of monitoring or further evaluation; not reported with any deficiency; not older than fifteen (15) years of age; not approaching, near, or at the end of its service life expectancy.

1. Roof Covering: Description of items covered: The standard materials that make up the roof covering that are in need of repair or replacement to correct a water leak; flashing around sewer vent pipes; flashing at chimney; flashing at wall-to-roof intersection. The roof system must be inspected at the time of the inspection. **Examples of items/conditions not covered:** Replacement of the entire roof covering; sheathing or deck boards under the roof covering; tar or felt paper; drip edge material; structural components damaged by excessive roof covering weight; any roof covering material that is 15 years of age or older.

2. Primary Central Air Conditioning (Cooling) System: Description of items covered: Standard mechanical parts and components of one (1) centrally ducted air conditioning system. One system with maximum capacity of five tons, and designed for residential application. The system must be turned on and activated during the home inspection. If the outside temperature or weather restricts the inspection, then the system is not covered. **Examples of items/conditions not covered:** Systems not turned on; wall units; window units; condensate drain pans, pumps, and lines; asbestos insulated ductwork or piping; embedded, encased, or inaccessible ductwork; duct cleaning; dampers; air or fuel filters; fossil fuel control systems; energy management systems; geothermal or water source systems and components, including wells, pumps, coils and piping; heat recovery units; humidifiers; refrigerant gas lines internal and external of the equipment; gas or water filters; maintenance and cleaning; panels and cabinetry; registers, grills, diffusers; structural components; water pumps; valves and lines external of the equipment; water cooling towers; gas or chilled water systems; any noise without a related mechanical failure; any air conditioning system that is 15 years of age or older.

3. Primary Central Heating System: Description of items covered: Standard mechanical parts and components of one system, either hot-water/steam heating system or centrally ducted forced-air heat pump/electric/gas-fired/oil-fired heating system. Electric baseboard units are covered, if they are the primary source of heating the property. The system must be turned on and activated during the home inspection. If the outside temperature or weather restricts the inspection, then the system is not covered. **Examples of items/conditions not covered:** Chimneys, flues, and liners; condensate drain pans, pumps, and lines; asbestos insulated ductwork or piping; inaccessible water/steam pipes; embedded encased or inaccessible ductwork; duct cleaning; dampers; air filters; fuel control systems; energy management systems; geothermal or water source systems and components, including wells, pumps, coils, and piping; heat/air recovery units; humidifiers; refrigerant gas lines external of the equipment; panels and cabinetry; registers, grills, diffusers; structural components; water pumps; valves and lines internal and external of the equipment; fuel storage tanks, lines, and filters; fuel filters; individual space heaters; secondary units; free-standing or portable heating units; maintenance and cleaning; pressure regulators; radiant heating systems in walls, floors, or ceilings; any noise without a related mechanical failure; solar heating systems; gas log systems, including gas lines and valves; fossil or solid fuel burning or gas burning stoves, fireplaces, inserts and units; wall units; window units; any heating system that is 15 years of age or older.

4. Plumbing System: Description of items covered: Standard mechanical parts and components of the following items that are located within the perimeter of the main foundation and outer load-bearing walls: water valves; shower and tub valves; toilets; leaks at water supply pipes and leaks at drain, waste, and vent pipes, except those caused by plumbing stoppages/blockages. All fixtures, including but not limited to tubs, showers, sinks, faucets, and toilets, must be inspected and turned on with running water and then drained during the home inspection. **Examples of items/conditions not covered:** All plumbing in or under the ground, foundation, floor, or concrete slab; inaccessible plumbing; all piping and plumbing outside the perimeter of the foundation and outer load-bearing walls; any piping or plumbing related to detached structures; geothermal or water source systems and components, including wells, pumps, coils, and piping; bath tubs; bidets; caulking or grout; embedded plumbing; conditions of insufficient or excessive water pressure; conditions of water flow restriction due to scale, rust, minerals and other deposits; holding or pressure tanks; pressure regulators; plumbing stoppages/clogs/blockages; conditions, leaks, or breaks causing or caused by plumbing stoppages/clogs/blockages; exterior hose bibs; faucets; freeze damage; jet pumps; laundry tubs; lawn sprinkler systems; repair and finish of any walls, floors, or ceilings; septic systems on-site tanks and components; sewage ejector or grinder pump systems; gray water drainage or pump systems; sewer, water, and gas laterals; shower enclosures and base pans; shower heads; sinks; sink cabinetry; solar systems; toilet tank lids and seats; water damage; any noise without a related mechanical failure; color or quality of the water; water filters; water purification systems; water softeners; private wells, pumps, lines and related components; polybutylene plumbing; whirlpools, spas, saunas, hot tubs, and their plumbing and mechanical components; swimming pools and related structures, components, and systems; gas pipes or lines; gas leaks; replacement of gas pipes, lines, valves, or components.

5. Hot Water Source System: Description of items covered: Standard mechanical parts and components of one hot water source (water heater), including electric or fuel-fired water heater tank, tankless water heater, and domestic coil of a boiler. The hot water source must be turned on and producing hot water during the home inspection. **Examples of items/conditions not covered:** Solar and heat recovery units; auxiliary and secondary holding/storage tanks; geothermal or water source systems and components, including wells, pumps, coils, and piping; base pans; color or quality of the water; flues; vent pipes; insulation; any noise without a related mechanical failure; point of service and/or instant hot water dispensers; racks; straps; timers; meters; sediment build-up; conditions of insufficient or excessive water pressure; conditions of water flow restriction due to scale, rust, minerals and other deposits; domestic coil unit separate from a boiler system; boiler mates; secondary tanks; any hot water source that is 10 years of age or older.

6. Electrical System: Description of items covered: Standard mechanical parts or components located within the perimeter of the main foundation and outer load-bearing walls, including standard light switches, main breaker panel/box, and wall receptacles. A representative number of wall receptacles, lights, and switches must be inspected. The electricity and supply at the entire property must be turned on and fully operable and active during the inspection. **Examples of items/conditions not covered:** Attic, bathroom, and/or whole house exhaust/ventilation fans; direct current (DC) wiring and systems; back-up power systems; door bells and chimes; exterior wiring and components; any wiring or components servicing a detached structure; exhaust fans; fire, smoke, or carbon monoxide alarm and/or detection systems and batteries; intercom or speaker systems; lighting fixtures; surge protectors; load control devices; low voltage systems; service entrance cables; telephone systems; timers; touch pad components; transmitters and remote controls; utility meter base pans; wall and ceiling fans; knob & tube wiring; aluminum branch circuit wiring. Failures, damage, and conditions caused by incorrect, improper, or inadequate wiring installation, wiring capacity, circuit overload, power failure/shortage or surge, and corrosion caused by moisture are not covered.

7. Garage Door Opener: Description of items covered: Standard mechanical parts and components of a single primary unit as follows: drive trains, motor, receiver, relays, switches and sensors. The garage door opener must be activated and inspected during the home inspection. **Examples of items/conditions not covered:** Batteries; damage caused by door malfunctions; all door parts including door panels, tracks, rollers, hinges, cables and springs; lights; touch pads/buttons; transmitters and remote controls; electrical supply wiring; any opener that is 10 years of age or older.

8. Sump Pump: Description of items covered: Standard mechanical parts and components of the pump assembly located within the perimeter of the main foundation and outer load-bearing walls. The pump system must be installed and inspected during the home inspection. **Examples of items/conditions not covered:** Any unit located outside the property or inside window wells; any unit not professionally or adequately installed; back-up power units; sump buckets or containers; underground piping; pumps not professionally installed to code or standard.

9. Jetted Bathtub: Description of items covered: Mechanical parts and components of the bathtub as follows: accessible electrical controls; accessible plumbing lines; primary circulating pump and motor; drain pipes; gaskets; jets. The tub must be filled and the jets turned on during the inspection. **Examples of items/conditions not covered:** Bathtub shell itself; caulking and grout; conditions of water flow restriction due to scale, rust, minerals and other deposits; failures due to dry operation of equipment; gaining access to electrical and plumbing parts; tiles and marble; tub enclosure.

10. Structure System: Description of items covered: Standard parts and components as follows: Load-bearing components of the home which are the foundation system, beams, girders, lintels, columns, floor joists, plates, roof framing rafters and trusses that were readily visible and inspected during the inspection; sections of the poured concrete and concrete block foundations that were readily visible and inspected during the inspection are covered. **Examples of items/conditions not covered:** Foundations other than poured concrete and concrete block; defects caused by settlement or movement of the structure; any and all parts of the foundation and load-bearing components not readily visible during the home inspection; footings; defects, failure, problems caused by hydrostatic pressure or other forces coming from the ground outside the foundation exterior surface; exterior drainage systems; grading of soil or the ground outside; damage caused by wood-destroying insect infestation; non-load bearing components; wall coverings; plaster, lath, drywall; flooring and sub-flooring material; brick, stucco, stone or veneer; any type of exterior siding material, including wood, vinyl, EIFS, and stucco; trim and finish boards; basement, crawlspace, and garage concrete floor slabs; interior concrete floor slabs; concrete cracks or scaling.

V. General Exclusions and Limitations:

1. This agreement between Mountain and Inspector provides coverage for the mechanical failure of only those appliances, systems, and components listed as covered. This agreement does not cover any items not specifically listed as covered.
2. This agreement shall not cover any items if they are determined to be defective by the Consumer Product Safety Commission or the manufacturer.
3. This agreement does not cover failures that may result from causes other than ordinary wear and tear, including but not limited to: improper installation; lightning strikes; missing parts; animal, pet, or pest damage; power failure; power surge; fire; acts of God or Nature; flood; freeze damage; water damage; or the tortious or criminal acts of others.
4. This agreement does not cover failures, damage, or conditions resulting from or caused by mold, mildew, mycotoxins, fungus, bacteria, virus, condensation, water, water leaks, water penetration, moisture, wet or dry rot regardless of the source, origin, or location and any other cause or condition contributing concurrently or in any sequence to the mechanical failure.
5. This agreement does not cover upgrading or making modifications or improvements.

6. This agreement does not cover costs associated with construction, carpentry, or other modifications made necessary by the repair or replacement of existing equipment or installing equipment. This agreement does not cover cosmetic repairs.
7. This agreement does not cover the removal and disposal of old appliances, systems, or components.
8. This agreement does not cover appliances, systems, or components deemed by MISA as commercial-grade or not standard grade.
9. This agreement does not cover asbestos insulation.
10. This agreement does not cover any secondary, incidental, consequential, special and/or punitive damages that results from or was caused by a failure, defect, or problem.
11. This agreement does not cover repairs or replacements of any item covered by other insurance, warranties, or guarantees.
12. This agreement does not cover insulation in the attic, walls, ceilings, or floors. This agreement does not cover the absence, presence, inadequate thickness, or improper installation of insulation.
13. This agreement does not cover systems or components that are beyond the scope of a home inspection according to the Standards of Practice to which the inspection was performed. The Standards of Practice should be clearly identified in the home inspection report.
14. This agreement does not cover auxiliary or detached structures, and all systems and components related to those structures; playground structures and equipment; landscaping structures, ponds, and water pools; and swimming pools and related systems and components.
15. This agreement does not cover water penetration or moisture infiltration into the structure, including flooding, water leaks, and roof leaks.
16. This agreement does not cover any property damaged resulting from or caused by water or moisture.
17. This agreement does not cover potentially hazardous plants or animals including, but not limited to, rodents, vermin, wood-destroying insects, wood destroying organisms or diseases harmful to humans including molds or mold-like substances.
18. This agreement does not cover the presence of any environmental hazards including, but not limited to, asbestos, radon, lead, toxins, carcinogens, noise, and contaminants in paint, soil, water, air, and building material.
19. This agreement does not cover the removal, repair, or replacement of walls, ceiling, flooring, roof covering, or masonry in order to repair or correct.
20. This agreement does not cover improvements, modifications, upgrades and bringing-up to code, rule, or regulation.
21. This agreement does not cover damages or conditions caused by violations of code or building standards, whether federal, state, or local.
22. This agreement does not cover regular maintenance, service, and care of systems, components, and appliances. This agreement does not cover conditions, damage, failure, or inoperability caused by or resulting from lack of regular maintenance, service, and care. This agreement does not cover conditions that existed prior to the inspection date; lack of routine maintenance and care; misuse; and rust and/or corrosion.
23. This agreement does not cover interior flues of chimneys, stoves, or fireplaces.
24. This agreement does not cover failure caused by rust, corrosion, or moisture.
25. This agreement does not cover improvement or correction of the soil or ground, or grading.

VI. Property Description: This agreement covers a single-family residence, including condominium or townhouse used solely for residential purposes. Two-unit multi-family property (duplex) owned and operated as a residential, income-producing property is also eligible for coverage. Multi-family residential income property of more than two units is not eligible for coverage. Any dwelling used in whole or in part for commercial purposes will not be covered. Mobile homes are not covered. Homes listed in any historical register are not covered. Common area items shared by other non-inspected units are not covered.

VII. Inspector Reimbursement Payment Limits

26. Under any and all circumstances, the maximum liability, in the aggregate, for any and all problems submitted per term of this agreement for any and all covered appliances, systems and components shall not exceed \$1,000.

27. The maximum liability, in the aggregate, for any and all claims submitted per term of this agreement for any and all covered appliances in the primary kitchen shall not exceed \$250.
28. The maximum liability, in the aggregate, for any and all claims submitted per term of this agreement for any and all covered items of the roof covering system and structure system shall not exceed \$500.
29. The maximum liability, in the aggregate, for any and all claims submitted per term of this agreement for any and all covered items of the air conditioning and heating systems shall not exceed \$500.
30. The maximum liability, in the aggregate, for any and all claims submitted per term of this agreement for any and all covered items of the electrical system, garage door opener system, sump pump system, and jetted bathtub system shall not exceed \$500.
31. The maximum liability, in the aggregate, for any and all claims submitted per term of this agreement for any and all covered items of the plumbing system and hot water source system shall not exceed \$250.

VIII. INFORMING MOUNTAIN OF A PROBLEM

Experiencing a problem with your inspection? The following must be completed immediately:
32. Contact MISA at 303-884-8488 or <http://www.mountainassociation.org/homebuyers/#experiencing-problem>. If you fail to notify MISA of any failure or problem prior to the expiration of the 100-day term of this agreement during which the failure occurred (or, if applicable, the 21-day period following the closing), the coverage is not valid.
33. Determination of the amount of the cost of repair or replacement will be made solely by MISA. Determination of the operating condition and the nature of any failure or inoperability will be made solely by MISA. Determination of coverage will be made solely by MISA.

IX. Other Legal Provisions

34. The exclusive venue for any legal action by any person or entity against MISA, its directors, officers, shareholders, agents, or employees arising out of this agreement or the facts and circumstances surrounding it shall be in the District Court of Boulder County, Colorado. If MISA substantially prevails in any such action, the other party shall pay MISA's reasonable attorneys fees and costs.
35. This inspection coverage promise is non-assignable.
36. This agreement may not be modified, except in a writing signed by an authorized officer of MISA.
37. This agreement correctly sets forth the final and entire terms and it is intended as a complete and exclusive statement of the terms of the inspection coverage agreement. Any prior communications between MISA and inspector and/or the homeowner are merged into this agreement.
38. Inspector is not authorized to alter the terms of this agreement.
39. The fact that MISA drafted this agreement should not be considered in determining the intent with regard to any term a court finds to be ambiguous.
40. Actions against MISA under this agreement may be covered by the provisions of the "Colorado Consumer Protection Act" or the "Unfair Practices Act", articles 1 and 2 of title 6, C.R.S., and a party to such a contract may have a right of civil action under such laws, including obtaining the recourse or penalties specified in such laws. Any person attempting to assert a claim against MISA pursuant to similar laws in other states may do so only in an action in the District Court for Boulder County, Colorado.
41. To the fullest extent permitted by law this agreement shall be governed by the laws of the State of Colorado.
42. All of the terms of this agreement are binding on the Inspector.
43. In any legal action of any kind by any person or entity against MISA arising out of this agreement, MISA's maximum liability shall not exceed \$1,000.00. In no event shall MISA be liable to Inspector, Inspector's client, or any other person for consequential or incidental damages of any kind whatsoever, regardless of the legal theory or theories relied upon.