

Home Inspection Technologies, Inc.
7 Beechnut Lane
Willingboro, NJ 08046
PRE-INSPECTION AGREEMENT

PLEASE READ THIS PRE-INSPECTION AGREEMENT CAREFULLY.
THIS IS A LEGALLY BINDING CONTRACT
AND CONTAINS AN ARBITRATION CLAUSE.
BY ENTERING INTO THIS CONTRACT YOU BIND YOURSELF TO THE TERMS
AND CONDITIONS SET FORTH HEREIN.
THIS CONTRACT WILL AFFECT YOUR RIGHTS!

Subject Property to be inspected Sample Agreement

Client name: _____

Client's current address: _____

Inspection Date: _____ Inspection Time _____

Sample agreement, hereinafter the "The Client," authorizes Home Inspection Technologies, Inc., hereinafter "The Company," to provide a Home Inspection, as defined by N.J.A.C. 13:40-15.2, at the above identified property, and agrees to pay the sum of _____ (for a Home Inspection). The Company for the performance of the within described Home Inspection and the issuance of a Home Inspection Report, as defined by N.J.A.C. 13:40-15.2.

1. **Standards of Practice:** The Client understands and agrees that The Company will perform the Home Inspection, as defined by N.J.A.C. 13:40-15.2, in accordance with the Standards of Practice set forth at N.J.A.C. 13:40-15.16. The Client further understands and agrees that The Company and its home inspectors are governed by the Rules set forth at N.J.A.C. 13:40-15, and that The Company and its home inspectors shall comply with these Rules. The Client further understands that failure to comply with these Rules may subject The Company and its home inspectors to discipline.

2. **Scope of Inspection:** For the purposes of this agreement, The Client and The Company agree that the scope of the Home Inspection shall consist of the performance by The Company of a limited visual, functional, non-invasive inspection of the readily-accessible elements of the following components of a residential building:

- | | |
|---|---|
| A. Structural Components | B. Exterior Components System |
| C. Roofing System | D. Plumbing |
| E. Electrical System | F. Heating System |
| G. Cooling System | H. Interior Components |
| I. Insulation Components and Ventilation System | J. Fireplaces and solid fuel burning appliances |

3. **Exclusions:** The Client acknowledges receipt of a copy of The Addendum of Exclusions, as defined by N.J.A.C. 13:49-15.16(b). The Client further acknowledges that He/She has read The Addendum of Exclusions and has affixed his/her initials to The Addendum of Exclusions. The Client and The Company agree that The Addendum of Exclusions, which is attached hereto, its terms and conditions, are incorporated into and are a part of this contract.

4. **Client Exclusions:** The Client requests and authorizes The Company to exclude from the scope of the Home Inspection, as defined and set forth in Paragraph 2, above, the following Systems or Components identified in Paragraph 2, above, and as further identified in N.J.A.C. 13:40-15.16(c): _____

The Client understands and agrees that inspection of the foregoing Systems and/or Components should be performed by other licensed specialists of The Client's choice and hire.

5. Inspection Report: The Client and The Company agree The Company and its home inspector will prepare a written report which shall:

- A. Disclose those systems and components which are/were designated for inspection pursuant to N.J.A.C. 13:40-15.2 and are/were present in the above identified Subject Property at the time of the inspection, as well as those systems and components which are/were present at the time of the inspection but are/were not inspected and the reason(s) they were not inspected;
- B. Describe the systems and components as defined in N.J.A.C. 13:40-15.2;
- C. State and identify what material defects were found in the aforescribed systems and components;
- D. State the significance of the findings; and
- E. Provide recommendations regarding the need to repair, replace and/or monitor a system and/or compnoent, or obtain examination and analysis by a qualified professional, tradesman and/or service technician.

6. Inspection Report Distribution: The Company will issue the Inspection Report only to The Client and it is agreed and understood by The Client and The Company that the Inspection Report is the confidential property of The Client. If The Client desires to have his/her agent and/or attorney receive a copy of the Inspection Report, The Client shall specifically identify the person(s) authorized to receive the Inspection Report in the space provided at the end of this Paragraph. The Client's initials shall constitute authorization to The Company to release the Inspection Report as directed by The Client. **The Client's initials:** _____

7. Payment: The Client understands and agrees that payment to The Company for performance of the Home Inspection and preparation of the Home Inspection Report is due prior to the commencement of the Home Inspection. The Client understands and agrees that all costs and/or expenses incurred and associated with the collection of any outstanding balance, including, but not limited to, any and all service charges incurred by The Company with respect to any checks returned to The Company as uncollected, are the sole responsibility of The Client.

8. Record Retention: The Company shall retain this Agreement and the Home Inspection Report for five (5) years.

9. Disclaimer of Warranty: The Client understands and agrees that the Home Inpsection and Home Inspection Report do not, in any way, constitute (1) a guarantee; (2) a Warranty of Merchantability, Habitability, or Fitness for a Particular Purpose; (3) an express or implied warranty; and/or (4) an insurance policy. The Client further agrees that neither the Home Inspection nor the Home Inspection Report are substitutes for any real estate transfer disclosures, which may be required by law. The Client further understands and agrees that the condition of the Subject Property to be Inspected may change from the date of the Home Inspection and require subsequent repair(s) and/or replacement(s).

10. Environmental and/or Health Issues: The Client acknowledges and agrees that a Home Inspection is **NOT** an environmental survey. The Client further acknowledges and agrees that the Home Inspection is **NOT** intended to detect, identify, disclose and/or report on the presence of any actual and/or potential environmental concerns and hazards, including, but not limited to, asbestos, radon, lead, urea formaldehyde, mold, mildew, fungus, odors, noise, toxic or flammable chemicals, water and/or air quality, PCBs and/or other toxins, electro-magnetic fields, underground storage tanks, proximity to toxic waste sites, carbon monoxide in the air, water, soil, and/or building materials.

11. Reinspections: The Client understands and agrees that The Company **WILL NOT** return at a later date to inspect any systems and/or components that are not inspected on the date, and at the time of the Home Inspection identified and scheduled on the first page of this Agreement because of unforessen circumstances. Any such systems and/or components that are not inspected because of unforeseen circumstances shall be referenced in the Home Inspection Report identified in Paragraph 5 of this Agreement. The Client understands and acknowledges that He/She should have any such systems and/or components inspected by qualified, licensed specialists of The Client's choosing.

12. Cost Estimates and Limitations: If the Inspection Report described in Paragraph 5, above, includes, contains, and/or provides any estimates as to the costs associated with making any repairs, The Client understands and agrees that said estimates are included solely as a guide and are not to be considered, understood or utilized by The Client as representing the actual costs associated with marking any such repairs. The Client further acknowledges and agrees to Release and Hold Harmless The Company in connection with any estimate(s) that may overstate or understate the actual cost of repair(s), even if said overstatement and/or understatement is due to the negligence of The Company.

13. Notice and The Company's Right to Reentry and Reinspection: The Client and The Company agree that any claim, for negligence, breach of contract, or otherwise, must be made in writing and reported to The Company within ten (10) business days. The Client further agrees to allow The Company the opportunity to reinspect the claimed discrepancy, with the exception of emergency conditions, before The Client and/or The Client's agent, employees and/or independent contractors repair, replace, alter and/or modify the claimed discrepancy. The Client understands and agrees that any failure to notify The Company, as set forth herein, shall constitute a waiver of any and all claims The Client may have against The Company.

14. Dispute Resolution and Arbitration Clause: Notwithstanding that the laws of the State of New Jersey may provide for a different and/or other remedies, The Client understands and agrees that any dispute, controversy, interpretation and/or claim, including claims for, but not limited to, breach of contract, any form of negligence, fraud or misrepresentation and/or any other theory of liability arising out of, from, or related to this Contract, or arising out of, from, or related to the Home Inspection and/or the Home Inspection Report shall be submitted to final and binding arbitration under the rules and procedures of the Expedited Arbitration of Home Inspection Disputes of Construction Arbitration Services, Inc. The decision of the arbitrator appointed thereunder shall be final and binding, and judgment on the award may be entered in any court of competent jurisdiction. The Client hereby acknowledges that He/She has read, understands and accepts the above described Dispute Resolution and Arbitration Clause in its entirety. **The Client hereby affixes His/Her initials signifying the aforementioned review, understanding and acceptance of this provision of the Contract: _____.**

15. Statute of Limitations: Notwithstanding that the laws of the State of New Jersey may provide for a different and/or longer period of limitations, The Client understands and agrees that any claim arising from this Contract must be brought within two (2) years from the date of the issuance of the Home Inspection Report described in Paragraph 5, above. The Client understands and agrees that the failure to bring said claim within two (2) years of the issuance of the Home Inspection Report will constitute a full and complete waiver of any rights, actions, and/or causes of action that may have arisen under the terms of this Contract. The Client and The Company acknowledge and agree that time is of the essence. The Client hereby acknowledges that He/She has read, understands and accepts the above described Statute of Limitations in its entirety. **The Client hereby affixes His/Her initials signifying the aforementioned review, understanding and acceptance of this provision of the Contract: _____.**

16. Liquidated Damages: Notwithstanding that the laws of the State of New Jersey may provide for a different and/or other remedies, it is agreed and understood between the parties to this Contract that The Company is not an insurer, that the payment for the Home Inspection and Home Inspection Report is based solely on the value of the service provided by The Company in the performance of the limited visual inspection and the production of the Home Inspection Report as described herein, and that it is impracticable and extremely difficult to fix actual damages, if any, which may result from a failure to perform such services. The Client understands and agrees that, if The Company, its Home Inspectors, employees and/or independent contractors are found liable for any loss or damage due to negligence or the failure to perform obligations in this Contract or under The Home Inspection Professional Licensing Act or the Rules in N.J.A.C. 13:40-15, including the improper or negligent performance of the inspections or the improper or negligent reporting of conditions of the subject property, and in the case of a failure to perform such services and a resulting loss, The Company's liability hereunder shall be limited and fixed in an amount equal to twice the amount of the inspection fee, or to the sum of one thousand (\$1,000.00) dollars, whichever is less, as liquidated damages, and not as a penalty, and this liability shall be exclusive. This limitation of liability specifically covers liability for: damaged property, loss of use of the property, repair or replacement of property, lost profits, consequential damages, special damages, incidental damages and governmental fines and charges, personal injuries, punitive damages, and attorneys fees and court costs. If requested by The Client, The Company may assume a greater liability, but only for an additional charge to be agreed upon by The Client and The Company; if The Client and The Company so agree, a rider will be attached to this agreement. The Client hereby acknowledges that He/She has read, understands and accepts the above described Liquidation of Damages in its entirety. **The Client hereby affixes His/Her initials signifying the aforementioned review, understanding and acceptance of this provision of the Contract: _____.**

17. Governing Law and Severability: This Contract shall be governed by the laws of the State of New Jersey. If any portion of this Contract is found to be invalid or unenforceable by any court of competent jurisdiction, such a finding shall not affect the remaining terms and conditions of this Contract, and the remaining terms and conditions shall remain in full force between The Client and The Company.

18. Entirety of Agreement: This Contract, along with the attached Addendum of Exclusions, the terms and conditions of which are incorporated into this Contract, represents the entire agreement between the parties. No oral agreements, understandings and/or representations shall change, modify, and/or amend any part of this Contract. No change or modification shall be enforceable against any party unless such change or modification is in writing and signed by the parties and supported by valid consideration. This Contract shall be binding upon and inure to the parties hereto and their heirs, executors, administrators, successors, assigns and/or representatives of any kind whatsoever.

19. Authorization to Execute this Contract: The person executing this contract warrants and represents to The Company that He/She is expressly authorized to sign this Pre-Inspection Agreement by all other persons and/or entities purchasing the above identified Subject Property.

20. Right to Review by Counsel and Negotiation: The Client understands that He/She has a right to have an attorney of his/her choice review this Contract before signing it. The Client understands that if He/She does not agree with any of the terms, conditions, limitations and/or exclusions set forth in this Contract, He/She is free not to sign and/or execute it. The Client understands that He/She may negotiate with and/or retain another company to perform the services contemplated by this Contract. The Client further understands that, should He/She not agree to the terms and conditions set forth in this Contract, He/She may negotiate with The Company for different terms and conditions.

21. Singular/Plural, Gender: In all references herein to any parties, persons, entities or corporations, the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of this contract may require.

I/We have read, understand and agree to all of the terms and conditions of this Contract, including, but not limited to, the limitation on liability, the two (2) year period in which to bring a claim, the limitation on liquidated damages, the attached and incorporated Addendum of Exclusions, the timing of the required payment, and the right to review by counsel.

Client Signature: _____ Dated: _____
Client's Name: _____
(Please Print)

Client Signature: _____ Dated: _____
Client's Name: _____
(Please Print)

Company Signature: _____ Dated: _____
(Authorized Representative)

New Jersey License Number: 24Gi00034500