

CONTRACT NUMBER: _____

AMK Home Inspection, L.L.C.

Marc Abramson, NJ Home Inspector License # 24GI00055600

102 North Edward St., Sayreville, New Jersey 08872

Phone 732-553-9481

PRE-INSPECTION AGREEMENT

READ THIS DOCUMENT CAREFULLY. IT CONTAINS PROVISIONS THAT LIMITS CERTAIN OF YOUR RIGHTS, INCLUDING YOUR RIGHT TO MAINTAIN A COURT ACTION. IF YOU HAVE ANY QUESTIONS REGARDING THE TERMS OF THIS PRE-INSPECTION AGREEMENT YOU SHOULD DISCUSS THEM WITH THE INSPECTOR PRIOR TO SIGNING THIS AGREEMENT.

In compliance with the provisions of The New Jersey Administrative Code, *N.J.A.C. §13:40-15.15*, this Pre-Inspection Agreement must be signed by the Client prior to start of the inspection.

1. This Pre-Inspection Agreement (the Agreement) contains the terms and conditions of the Client's contract with AMK Home Inspection, L.L.C. for inspection of the Property at the captioned address, and describes the scope of the Inspection, limitations of liability, and remedies.

2. The Client acknowledges that Client and/or any authorized representative has been encouraged to attend and participate in the inspection and recognizes that failure to do so may result in less than complete understanding of the findings. Client further acknowledges that such participation is at the Client's own risk for falls, injuries, property damage, etc. Client warrants that permission has been secured for the Company to enter and inspect the Property.

3. The Company agrees to perform a limited visual inspection of the systems and components included in the inspection as they exist at the time of the inspection and for which a fee has been agreed upon. Home Inspectors, including the Company, are governed by the rules in the New Jersey Administrative Code contained at *N.J.A.C. §13:40-15* and the licensee shall comply with these rules. Failure to comply with these rules may subject the licensee to discipline.

4. The inspection is limited by the limitations, exceptions and exclusions as contained in the Standards of Practice, *N.J.A.C. §13:40-15.16*, and this Pre-Inspection Agreement.

5. A **home inspection** is a limited visual, functional, non-invasive inspection, conducted for a fee or any other consideration, and performed without moving personal property, furniture, equipment, plants, soil, snow, ice, or debris, using the mandatory equipment and including the preparation of a home inspection report of the accessible elements of the following systems and components of a residential building: structural, exterior, roofing, plumbing, electrical, heating, cooling, interior, insulation and ventilation, fireplaces and solid fuel burning appliances, as described more fully in *N.J.A.C. §13:40-15.16(c)*, but excluding recreational facilities and outbuildings other than garages or carports. The purpose of the **home inspection** is to identify and report on **material defects** found in those systems and components. A **material defect** is a condition, or functional aspect, of a structural component or system that is readily ascertainable during a home inspection that substantially affects the value, habitability or safety of the dwelling, but does not include decorative, stylistic, cosmetic, or aesthetic aspects of the system, structure or component. **Accessible** means available for visual inspection without requiring the moving of personal property, dismantling, destructive measures, or any action which will likely involve risk to persons or property.

6. The following are services and/or procedures that **ARE NOT INCLUDED** as part of the inspection and must be stated in this Pre-Inspection Agreement pursuant to *N.J.A.C. §13:40-15.15*. Pursuant to *N.J.A.C. §13:40-15.16*, the Company **IS NOT REQUIRED TO**: a. enter any area or perform any procedure which is, in the opinion of the home inspector, unsafe and likely to be dangerous to the inspector or other persons; b. enter any area or perform any procedure which will, in the opinion of the home inspector, likely damage the property or its systems or components; c. enter any area which does not have at least 24 inches of unobstructed vertical clearance and at least 30 inches of unobstructed horizontal clearance; d. identify concealed conditions and latent defects; e. determine life expectancy of any system or component, condition and/or operation of any appliance where connecting piping, wiring and/or components are not readily accessible and visible; f. determine the cause of any condition or deficiency; g. determine future conditions that may occur including the failure of systems and components including consequential damage; h. determine the operating costs of systems or components; i. determine the suitability of the property for any specialized use; j. determine compliance with codes, regulations and/or ordinances; k. determine market value of the property or its marketability; l. determine advisability of purchase of the property; m. determine the presence of any potentially hazardous plants, animals or diseases or the presence of any suspected hazardous substances or adverse conditions such as mold, fungus, toxins, carcinogens, noise, and contaminants in soil, water, and air; n. determine the effectiveness of any system installed or method utilized to control or remove suspected hazardous substances; o. operate any system or component which is shut down or otherwise inoperable; p. operate any system or component which does not respond to normal operating controls; q. operate shut-off valves; r. determine whether water supply and waste disposal systems are public or private; s. insert any tool, probe or testing device inside electrical panels; t. dismantle any electrical device or control other than to remove the covers of main and sub panels; u. walk on unfloored sections of attics; and v. light pilot flames or ignite or extinguish fires.

7. The Client understands that the inspection does not include the removal of drywall, paneling, suspended ceiling tiles, insulation, carpeting, moving of furniture or other items. The Company cannot and will not render an opinion as to the condition of any systems or components of the Property that are concealed by walls, drywall, paneling, suspended ceiling tiles, insulation, carpeting, furniture or any other items stored in or on the property at the time of the inspection.

8. The Client understands that due to prevailing weather conditions, and time constraints in performing the home inspection, the Company cannot warrant that the Property is completely free from any water penetration, whether the water penetration relates to the roof, eaves, exterior wall cladding, interior wall cladding, defects in window installation, landscaping, exterior drainage issues, interior plumbing, or any other system or component at the Property. The Client understands that the Company will use its best efforts to determine, based solely on visible conditions at the time of the inspection, whether there are ongoing water penetration issues at the Property that constitute a material defect. The Client should inquire of the Sellers of the Property whether the Property has been subject to water penetration at any time prior to purchase by the Client, the source and extent of the water penetration, and whether any efforts were made to correct water penetration problems. The Client further understands that the Client should make an additional visual inspection of the Property subsequent to the home inspection and prior to closing so as to determine whether there is any visible evidence of water penetration at the Property not disclosed in the Inspection Report or by the Seller.

9. **BINDING ARBITRATION PROVISION. PLEASE READ CAREFULLY.**

Any dispute, controversy, interpretation, or claim, including claims for, but not limited to, breach of contract, any form of negligence, fraud or misrepresentation, and/or any violation of the New Jersey Consumer Fraud Act, *N.J.S.A. §56:8-1* through *§56:8-20*, or any other theory of liability arising out of, from or related to this Pre-inspection Agreement or arising out of, from or related to the Inspection or Inspection Report shall be submitted to final and binding arbitration as conducted by Construction Dispute Resolution Services, LLC or Resolute Systems, Inc., utilizing their respective Rules and Procedures. A NJ Licensed Home Inspector shall be a member of the Arbitration Board. The decision of the Arbitrator shall be final and binding and judgment on the decision may be entered in any Court of competent jurisdiction. **NOTICE: YOU AND WE WOULD HAVE A RIGHT OR OPPORTUNITY TO LITIGATE DISPUTES THROUGH A COURT AND HAVE A JUDGE OR JURY DECIDE THE DISPUTES BUT HAVE AGREED INSTEAD TO RESOLVE DISPUTES THROUGH BINDING ARBITRATION.**

10. **LIMITATION ON TIME TO FILE A LAWSUIT OR CLAIM. PLEASE READ CAREFULLY.**

Any legal action arising out of, from or related to this Pre-inspection Agreement or arising out of, from or related to the Inspection or Inspection Report, including (but not limited to) the arbitration proceeding more specifically described above, must be commenced within one (1) year from the date of the home inspection. Failure to bring such an action within this time period shall be a complete bar to any such action and a full and complete waiver of any rights, or claims based thereon. **This time limitation period may be shorter than provided by state law.**

11. Client agrees that any claim for failure of the Company to fulfill its obligations under this Contract shall be made in writing to the Company upon discovery using a claim form provided by the Company for this purpose. Client agrees to allow the Company ten (10) days to come to the Property to inspect and take pictures and evaluate any condition reported by the Client to the Company and not to make or allow others to make any alteration to the claimed condition until the Company has had the opportunity to inspect and evaluate the claimed condition. Client understands and agrees that any failure to notify the Company using their claim form as stated above will constitute a waiver of any and all claims Client may have against Company. Client also agrees to release AMK Home Inspection LLC and/or any of its agents for any and all liability if any repair and/or renovations are conducted prior to filing a written claim. **Should litigation ensure, client agrees to reimburse AMK Home Inspection, LLC for all costs of defending such claim including, but not limited to: attorney fees and all other expenses occurred should AMK Home Inspection LLC prevail in any legal proceeding.**

12. The Client specifically acknowledges that this **home inspection** is not an environmental survey and is not intended to detect, identify, disclose or report on the presence of any actual or potential environmental concerns or hazards in the air, water, soil or building materials. Such environmental concerns and hazards include, but are not limited to: asbestos, radon, lead, urea formaldehyde, mold, mildew, fungus, odors, noise, toxic or flammable chemicals, water or air quality, PCBs or other toxins, electromagnetic fields, underground storage tanks, proximity to toxic waste sites, carbon monoxide, the presence of or any hazards associated with the use or placement of Chinese drywall at the Property, any adverse condition which may affect the Property, including conditions due to the installation of suspect stucco/synthetic stucco and/or EIFS, or any other environmental or health hazards, unless otherwise agreed to and an additional fee paid.

13. The Client understands that this home inspection is not intended to discover or disclose whether any system or component of the Property has been affected by the illegal manufacture, distribution, storage, possession or sale of any controlled dangerous substances, including, but not limited to, methamphetamines, and including any and all chemicals, tools or household fixtures or appliances used to facilitate such illegal activities, and the Client further understands that the Company cannot determine whether any environmental hazards exist at the Property resulting from any activities related to any controlled dangerous substances.

14. The Client understands that the adequacy of heat and air conditioning distribution is difficult to determine on a one time visit to the Property and that the Company cannot warrant that the heating or air conditioning systems present at the time of the inspection adequately distribute heat or air conditioning throughout the Property. The Client should inquire of the Seller as to the adequacy of heat and air conditioning distribution at the Property prior to closing.

15. The Client understands that the Inspection and Inspection Report do not, in any way, constitute a guarantee, warranty of merchantability or fitness for a particular purpose, express or implied warranty, or an insurance policy. Additionally, neither the Inspection nor Inspection Report is a substitute for any real estate transfer disclosures that may be required by law.

16. The Client agrees that any claim for failure of the Company to fulfill its obligations under this Agreement shall be made in writing to the Company upon discovery. Client also agrees to allow the Company ten (10) days to come to the Property to inspect and evaluate any condition complained of by the Client to the Company and not to make or allow others to make any alteration to the claimed condition until the Company has had the opportunity to inspect and evaluate the claimed condition, except in case of emergency.

17. This Pre-Inspection Agreement shall be governed by New Jersey law. If any portion of this Agreement is found to be invalid or unenforceable by any court or arbitrator the remaining terms shall remain in force between the parties.

18. The Company's agreement to perform the Inspection is contingent on Client's agreement to the provisions, terms, conditions, and limitations of this Pre-Inspection Agreement. Client warrants they will read the entire Inspection Report when received and shall promptly call with any questions or concerns Client may have regarding the Inspection or Inspection Report. The Client further warrants that they will follow all of the recommendations and advice given to the Client by the Company either as contained in the Home Inspection Report or made verbally at the time of the inspection.

19. It is understood and agreed to by the parties hereto that all the provisions, terms, conditions, and limitations, exceptions and exclusions of this Pre-Inspection Agreement shall apply to any additional inspection or testing services purchased by the Client.

20. This Pre-Inspection Agreement and any subsequent report issued to Client by the Company represent the entire agreement between the parties. No oral agreements, understandings, or representations shall change, modify or amend any part of this Agreement. 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 Agreement shall be binding upon and inure to the parties hereto and their spouses, heirs, executors, administrators, successors, assigns, and representatives of any kind whatsoever. This Inspection is being performed for the exclusive use and benefit of the Client. The Inspection, including the written Report, is not to be transferred to, utilized or relied upon by any other person or entity without prior written permission of the Company.

21. By signing this Agreement, the undersigned client(s) agree that he/she/it/they have read, understand, and agree to all of the terms and conditions on all pages of this Agreement, including the provisions for arbitration, and limitations and exclusions, and agree to pay the fee shown according to the terms above. Client acknowledges that Client has had ample time and opportunity to review this Agreement prior to signing and that Client has signed this Agreement prior to the performance of the home inspection. Client further acknowledges that Client has been encouraged to attend the inspection and understands that Client will not receive the full benefit of the inspection if Client does not attend.

22. The Client and the Company agree that the following systems and/or components of the Property are specifically excluded from the home inspection at the request of the Client: N/A

23. The Client understands that if any systems and/or components of the Property cannot be inspected due to unforeseen circumstances during the initial Inspection it is the Client's duty to contact the Company should the Client desire the Company to return to the Property at a later date or time to inspect those systems and/or components. Any systems and/or components not inspected due to unforeseen circumstances will be identified in the Home Inspection Report. **If Client desires the Company to return at a later date or time the Client hereby agrees that the Company will charge the Client an additional fee in the amount of \$100.00 to conduct the desired subsequent inspection.**

24. **This inspection is CONFIDENTIAL and is solely between AMK Home Inspection, L.L.C. and the client for whom the inspection was performed. The findings in the inspection report are the sole property of the client and may not be used by any other person. AMK Home Inspection will not distribute any copies of this report without the authorization of the client. The client at the time of inspection has authorized distribution or copies, of the report to the following persons:**

25. Your inspector may have an affiliation with a third party service provider ("TPSP") in order to offer you additional value-added services. By entering into this agreement you (a) authorize your inspector to provide your contact information (including telephone number) to the TPSP, (b) waive and release any restrictions that may prevent the TPSP from contacting you (including by telephone), and (c) authorize the TPSP to contact you (including by telephone) regarding home services.

Client: Client Realtor: Client Attorney:

CLIENT NAME (Print) _____

CLIENT ADDRESS (Print) _____

ADDRESS OF PROPERTY TO BE INSPECTED _____

DATE OF REQUESTED INSPECTION SERVICES _____ **Start** Time: _____ Am/Pm

BASED ON INFORMATION SUPPLIED FOR INSPECTION OF THE CAPTIONED PROPERTY

STRUCTURE/MECHANICAL: \$ _____ TERMITE: \$ _____ RADON TESTING: \$ _____ TOTAL FEE: \$ _____

Prices quoted are based on the information provided by the client(s) or their agent at the time the inspection was scheduled. In the event the property size, number of rooms, additional structures, extensions, additional utilities and/or components were misstated, additional inspection fees may be charged.

CLIENT'S SIGNATURE _____ DATE _____

CLIENT'S SIGNATURE _____ DATE _____

AMK Home Inspection, L.L.C. _____ DATE _____

STANDARD INDUSTRY PRACTICES REQUIRE PAYMENT AT END OF INSPECTION AND PRIOR TO RELEASING REPORTS