

AMK Home Inspection, LLC
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 Marc Abramson - Home Inspector License No. 24GI00055600

PRE-INSPECTION AGREEMENT & INSPECTION CONFIRMATION DETAILS

- READ THIS DOCUMENT CAREFULLY -

IN COMPLIANCE WITH THE NEW JERSEY ADMINISTRATIVE CODE, N.J.A.C. § 13:40-15.15, THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION, (SPECIFICALLY ¶ 15), 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.

- 1 This Pre-Inspection Agreement (the Agreement) contains the terms and conditions of the Client's contract with AMK Home Inspection, LLC (the Company) for inspection of the Home/Property **The fee for inspection is subject to change due to the actual Home/Property differing materially than what had been previously agreed to.** Further this Agreement describes the scope of the Inspection, limitations of liability, and remedies. 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.
- 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 **Services to be Provided:** The Company agrees to perform a limited noninvasive visual inspection, (a.k.a. "Home Inspection") and prepare a home inspection report 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 that licensee shall comply with these rules and failure to comply with these rules may subject the licensee to discipline.
- 4 (A) **Exclusions:** 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:**

Nothing in this section shall be construed to require a Licensee (home inspector) to:

1. Enter any area or perform any procedure that is, in the opinion of the licensee, unsafe and likely to be dangerous to the inspector or other persons; 2. Enter any area or perform any procedure that will, in the opinion of the licensee, likely damage the property or its systems or components; 3. Enter any area which does not have at least 24 inches of unobstructed vertical clearance and at least 30 inches of unobstructed horizontal clearance; 4. Identify concealed conditions and latent defects; 5. Determine life expectancy of any system or component, 6. Determine the cause of any condition or deficiency; 7. Determine future conditions that may occur including the failure of systems and components including consequential damage; 8. Determine the operating costs of systems or components; 9. Determine the suitability of the property for any specialized use; 10. Determine compliance with codes, regulations and/or ordinances; 11. Determine market value of the property or its marketability; 12. Determine advisability of purchase of the property; 13. 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; 14. Identify the presence of, or determine the effectiveness of, any system installed or method utilized to control or remove suspected hazardous substances; 15. Operate any system or component which is shut down or otherwise inoperable; 16. Operate any system or component which does not respond to normal operating controls; 17. Operate shut-off valves; 18. Determine whether water supply and waste disposal systems are public or private; 19. Insert any tool, probe or testing device inside electrical panels; 20. Dismantle any electrical device or control other than to remove the covers of main and sub panels; 21. Inspect, identify, or disclose ancillary electrical devices and/or systems, such as, but not limited to, Arc Fault Circuit Interrupters (AFCIs), standby generators, and photovoltaic (solar) panels; 22. Walk on unfloored sections of attics; and 23. Light pilot flames or ignite or extinguish fires.
- 4 (B) **Client Acknowledgements with respect to Exclusions:** The Client understands that the inspection does not include the discovery of concealed latent defects, the removal of drywall and/or any wall products, 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 and/or any wall products, paneling, suspended ceiling tiles, insulation, carpeting, furniture or any other items stored in or on the property at the time of the inspection. Further, Client understands that the inspection does not include the operation or testing of any appliance inside or outside the home whenever requisite connections including yet not limited to piping, electrical outlets, and or the component itself is not visible and/or readily accessible.
- 4 (C) **Client Acknowledgement with respect to Additional Services:** The Client agrees that any additional inspection services, as defined in *N.J.A.C. §13:40-15.2* such as, but not limited to, water sampling, inspection of wells, inspection of water storage systems, inspections of private waste disposal systems and cesspools, inspections of free standing warning devices, detection of rodents or pests, inspection of asbestos, inspections for lead paint, radon, wood destroying insect inspections, and those systems or components that require technically exhaustive or technically intrusive measures and requested by the Client, shall be performed for an additional fee that are NOT part of the Home Inspection.
- 4 (D) **Environmental:** 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.
- 4 (E) **No Intent to Detect Illegal Systems or Components:** 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.

4 (F) **Web page Disclaimer:** Information provided on the Official Company Website and/or any Social Media type advertising is for information purposes only and subject to change without notice. Only areas defined by this Contract and specifically authorized by the Client will be inspected. No contractual obligations are created or imposed by advertising, website advertising, or otherwise. Only those obligations and agreements specifically contracted by and between the parties shall be imposed and legally enforceable.

4 (G) **Specific Exclusions:** 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:
Areas to be excluded: N/A

5 **Limitations of Inspection**

5 (A) **Heating and Cooling:** 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.

5 (B) **Water Penetration:** 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.

5 (C) **Unforeseen Circumstances Necessitating Additional Visits:** 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 **\$250.00** to conduct the desired subsequent inspection.

5 (D) **Audio and Video Recordings: It is understood that any communications and conversations between the Home Inspector and Client is confidential and privileged information. It is incumbent upon the Client to ensure that any security video/audio recording devices within the home being inspected have been deactivated at the time of inspection.**

5(E) **Smart Home Technology Systems: High Technology and Smart House Systems, including, but not limited to: Wi-Fi Thermostats, Lighting Controls Systems, Door Locks Entertainment systems and other Wi-Fi or remotely controlled systems or devices are excluded from this report.** If smart systems or devices are installed in the home, the Owner of the property and / or their representative must be present to operate all controls to ensure that the system or its components function as intended.

6 **Definitions**

6 (A) **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 (B) **Client:** means any current or prospective homeowner who engages, or seeks to engage, the services of a licensee for the purpose of obtaining an inspection of, and a written report regarding the condition of a residential building.

6 (C) **Company:** the party to this agreement who has been requested to perform the services pursuant to this Agreement for the benefit of the Client.

6 (D) **Home Inspector/licensee:** means any person licensed as a home inspector pursuant to N.J.S.A. §45:8-61 et seq., and this subchapter who practices as a home inspector and inspects the condition of a residential building on behalf of a client for which the client is charged a fee.

6 (E) **Home inspection means:** 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 readily-accessible elements of the following components of a residential building: structural components, exterior components, roofing system, plumbing system, electrical system, heating system, cooling system, interior components, insulation components and ventilation systems, fireplaces and solid fuel burning appliances, or any other related residential housing component as determined by the Board, in consultation with the Committee, by rule, but excluding recreational facilities and outbuildings other than garages or carports.

6 (F) **Material defect means:** 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.

7 **Additional Inspection Services:** Tests performed by the licensee that are not part of a home inspection but which, in the opinion of the licensee, are warranted and/or which the Client requests. Such tests include, but are not limited to, radon, asbestos, lead paint, carbon monoxide, or urea-formaldehyde testing, wood destroying insect inspections, commonly referred to as "termites" or other pests/vermin.

Such testing may be performed providing the licensee has the relevant experience, education, training, and/or licensing, and/or certification to perform such additional tests as set forth in *N.J.A.C. §13:40-15.22*. Inspecting systems and components that the licensee is not required to inspect, but is not prohibited from inspecting, pursuant to the standards of practice, *N.J.A.C. §13:40-15.16*.

The Client agrees that any additional inspection services, as defined in *N.J.A.C. §13:40-15.2* and requested by the Client, shall be performed for an additional fee and are NOT part of the home inspection. If the Client requests and the Company agrees to perform any additional inspection services those services, and all associated fees, shall be identified in an Addendum to the Agreement and attached hereto and incorporated herein.

Additional inspection services requested: Yes No

Type of Additional Inspection Service Requested: Radon Testing: WDI Eval: Mold Testing:

- 8 **No Financial Interest:** The Company warrants that neither the Company nor the individual Inspector assigned to perform the home inspection at the Property has any financial interest in the transfer of the Property. The sole consideration being paid to the Company and/or the individual Inspector is the fee for the home inspection as set forth herein.
- 9 **No Guarantees or Warrantees:** 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.
- 10 **Consideration:** 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 as contained in the Home Inspection Report.
- 11 **Client's Duty to Take Action:** The Client understands that the Home Inspection Report shall contain recommendations and instructions that will either be necessary to detect conditions or protect the structure from future damage. **The Client agrees to take action on these recommendations and/or instructions and understands that his/her failure to do so can result in either undetected conditions or future damage to the structure and does so at his/her own risk.**

Client acknowledges that conditions may change from the time of the original inspection to the time of closing. As such, Client agrees to conduct a thorough pre-closing inspection and ensure the functionality of all systems and components. Client understands that a failure to seek professional advice with the same may potentially result in harm against him/her. Client further acknowledges that the failure to seek the professional advice of an attorney or realtor of his or her choosing is done so knowingly, intelligently, and at his/her choosing.

Client understands and agrees that any failure to notify the Company and/or follow advice as documented in the Home Inspection Report by the Inspector as stated above shall constitute a waiver of any and all claims Client may have against the Company.

- 12 **Exclusive Benefit of Client:** This Inspection is being performed for the exclusive use and benefit of the Client. There is no intent to benefit any third parties known or unknown.
- 13 **Reports:** Client agrees that any report provided by Company, remains the sole property of the Company and Client and cannot be released to any party without written authorization. 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.
- 14 **Hold Harmless Provision:** The Client expressly agrees to defend, hold harmless and indemnify Company/Inspector and all of its employees, agents, servants and inspectors with regard to the claims of any third party associated with any claims for damages, including but not limited to, claims evolving out of any of the conditions set forth in Paragraph (4A) entitled "Exclusions". Should a third-party lawsuit result from the unauthorized release of any report, client agrees to be responsible for all damages that may result. Furthermore, Client agrees to be responsible for all attorneys' fees and legal expenses associated with the defense of such claims against the Company, its employees, agents, servants or inspectors by either the Client him/herself or third parties. Client further agrees to defend, indemnify and hold Company and/or Inspector harmless for any and all claims which in any way relate to conditions that the Company/Inspector advised the Client to take action, that Client failed to perform.
- 15 **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. Where possible, 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.**
- Client agrees that if litigation occurs through arbitration or otherwise and the Company and/or any of its agents, inspectors, etc. prevail in any legal proceeding. Client shall reimburse Company for all of its fees, attorney fees and/or other expenses that are incurred. Further, Company shall be entitled to receive all legal expenses it incurs in any and all attempts to collect the same.
- Any party failing to follow the dispute resolution process as identified above, shall be liable for all fees and costs associated with compelling/enforcing compliance with the dispute resolution process.
- 16 **NJ Law Applies:** 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.
- 17 **Non-waiver:** If any party fails to seek enforcement of any particular provision of this contract that shall not be deemed to be a waiver of any rights to enforce the same.
- 18 **Merger Clause:** 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.
- 19 **Paragraph Headings:** Section headings appearing in this Agreement are inserted solely as reference aids for the ease and convenience of the reader; they shall not be deemed to modify, limit or define the scope or substance of the provisions they introduce, nor shall they be invoked in construing the intent or effect of such provisions.
- 20 **Severability:** If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability, and all other terms hereof shall remain in full force and effect.

- 22 **Notice of Claims:** 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. The Company will provide a claim form to the Client to help facilitate and understand the Clients concerns. Client also agrees to allow the Company ten (10) days to inspect and evaluate all conditions as presented on the claim form. Client will not make or allow others to make any repairs and/or alterations to the claimed conditions until the Company has had the opportunity to inspect and evaluate the conditions, except in case of emergency.
- Client agrees to allow the Company and/or any of its agents, inspectors, etc. to re-visit the Property to inspect the conditions as claimed. If the condition constitutes a potential emergency, client agrees to contact the Company immediately/simultaneously with any repair contractor that may be contacted to make an emergency repair appointment.
 - Client agrees to allow the company the right to take pictures of the claimed conditions prior to conducting any type of repair work
 - If any repairs and/or renovations are conducted prior to the Client filing a Claim and/or submitting the claim form and allowing the Company to document all conditions as stated in this contract, Client agrees to release the Company and/or any of its agents, inspectors, etc. from any and all liability.
 - Client understands that the purpose of the notice is to provide the company/inspector an opportunity to inspect the alleged condition and that the Client's failure to provide said notice will be prejudicial to the preservation of evidence and the Company's defense.

As such, Client agrees that his/her failure to provide notice as required herein shall be a bar to any claim against the Company and any of its employees, agents, servants and inspectors.

- 23 **Limitation of Liability:** The parties agree that the inspector and its employees are limited in liability to five (5) times the fee paid for the inspection services and report in the event that Client or any third party claims that the Inspector is in any way liable for negligently performing the inspection or in preparing the Inspection Report.

- 24 **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 in the arbitration clause, 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.

- 25 **Independent Attorney Review:** Client has been advised to review the Inspection report with both his/her attorney and realtor and to seek advice with respect to the contents of the home inspection report, prior to closing.

- 26 **By signing this Agreement, the undersigned Client(s) agree that he/she/I/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.**

- 27 **The client(s) authorize the following person(s) to receive a copy of the Home Inspection Report as well as the results of any other inspections or evaluations conducted as part of this inspection:**

Clients Attorney: Clients Realtor: Other (must be specific): _____

CLIENT NAME (Print) _____

CLIENT ADDRESS (Print) _____

ADDRESS OF PROPERTY TO BE INSPECTED _____

DATE OF INSPECTION SERVICES: _____ TIME: _____ AM PM

BASED ON INFORMATION SUPPLIED FOR INSPECTION OF THE CAPTIONED PROPERTY

STRUCTURE/MECHANICAL: \$ _____ WDI: \$ _____ RADON TESTING: \$ _____ MOLD TESTING: \$ _____

THE INSPECTION FEE WILL TOTAL: \$ _____

In the event that the dwelling size or any systems & components, etc., were misstated by the client or their representative, additional fees may apply and adjustments may be made to the pricing for the home inspection services. This will be discussed at the inspection when discovered and will be contingent upon agreement by both parties. If no agreement can be met, this contract shall be rendered invalid.

CLIENT'S SIGNATURE: _____ DATE _____

CLIENT'S SIGNATURE: _____ DATE _____

CLIENT'S SIGNATURE: _____ DATE _____

COMPANY / INSPECTOR: _____ DATE _____

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