

PRE-INSPECTION AGREEMENT

Subject Property to be Inspected: _____
 (outbuildings excluded unless otherwise ordered and paid for)

Inspection Date: _____ **Inspection Time:** _____

Client(s) Name: _____

Client(s) Present Address: _____

Inspected By: _____

PLEASE READ THIS DOCUMENT AND ATTACHED ADDENDUM(S) 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 AND ATTACHED ADDENDUM(S) YOU SHOULD DISCUSS THEM WITH THE INSPECTOR PRIOR TO SIGNING THIS AGREEMENT.

The Client authorizes (**New Jersey Property Inspections**), hereinafter referred to as "The Company", to provide the following inspection services at the above identified Subject Property, and agrees to pay the price stated to The Company for the performance of the inspection(s) and issuance of the inspection report(s). Please Note: This Pre-Inspection Agreement and any attached Addendums must be signed by the Client(s) before the start of the inspection(s.)

ONLY THOSE SERVICES CHECKED OFF WITH A WRITTEN PRICE WILL BE PROVIDED

- | | |
|---|----|
| 1. <input checked="" type="checkbox"/> Property Condition Assessment (Building Inspection as defined by ASTM E 2018-08) | \$ |
| 2. <input checked="" type="checkbox"/> Structural Engineer | \$ |
| 3. <input checked="" type="checkbox"/> Elevator | \$ |
| 4. <input checked="" type="checkbox"/> Phase One Environmental | \$ |
| 5. <input checked="" type="checkbox"/> Fire & Safety: _____ | \$ |

The total fee for our service(s) is \$_____. All expenses incurred in collecting any overdue payments or returned checks are the responsibility of the Client. There is a \$150.00 service charge for returned checks. A finance charge of ___ percent (20%) per month, _____ percent (20%) per year, will apply to all obligations not paid pursuant to the terms contained herein. **A deposit of 50% is owed prior to or day of inspection**

Payment is made by: () Check No. _____ () Cash / Money Order () Date _____

REPORT DISTRIBUTION: The Client controls the distribution of all inspection reports and authorizes the Company to release copies of the report or summary to the following:

- (X) CLIENT () CLIENT'S Real Estate Agent () CLIENT'S Attorney () Other _____

NOTE: IMPORTANT LIMITATIONS AND EXCLUSIONS OF THIS PRE-INSPECTION AGREEMENT ARE CONTAINED IN THE ATTACHED ADDENDUM ENTITLED *LIMITATIONS AND EXCLUSIONS OF THE PROPERTY CONDITION ASSESSMENT AND REPORT*. PLEASE THE READ THE ADDENDUM

CAREFULLY. PLEASE FEEL FREE TO ASK ANY QUESTIONS. For all other services provided by the Company, the terms and conditions of such services are contained in the additional attached Agreements and/or Addendums.

I / WE have read and agree to each of the terms, conditions, limitations and exclusions of this Pre-Inspection Agreement and the attached addendum(s).

Client's Signature: _____

Date: _____

Client's Name: _____

Please Print

Client's Signature: _____

Date: _____

Client's Name: _____

Please Print

(Please also sign the attached addendums)

LIMITATIONS AND EXCLUSIONS OF THE PROPERTY CONDITION ASSESSMENT AND REPORT

CLIENT AND COMPANY (Company is also defined to include any and all inspectors who perform the contracted-for inspections as an employee or independent contractor of the Company) agree to the following terms and conditions:

1. This Pre-Inspection Agreement (the Agreement) contains the terms and conditions of the Client's contract with *your company name* (the Company) for a Property Condition Assessment (PCA) of the Property at the captioned address, and describes the scope of the Inspection, limitations of liability, and remedies. The Company agrees to perform a limited visual inspection of the systems and components of the building at the Property, using normal operating controls and opening readily operable access panels, and included in the inspection as they exist at the time of the inspection and for which a fee has been agreed upon. The Client and The Company agree that the Company, and its inspector(s), will prepare a written PCA Inspection Report.

2. **SCOPE OF INSPECTION:** The Client understands and agrees that the Company will perform a Property Condition Assessment (PCA) of the visible and accessible material defects of the subject property in accordance with *ASTM E 2018-08, the Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process*, which is available upon request. The PCA shall include, if applicable to the Subject Property, a visual inspection of the following accessible systems and components as described in, and in the manner provided by, ASTM E 2018-08: site; structural frame and building envelope including roofing; mechanical and electrical systems including the plumbing, heating, air conditioning and ventilation; and interior elements. The Client also understands that the Company utilizes inspectors who are knowledgeable in a variety of areas. However, they are not "experts" in every field.

3. The Client understands and agrees that the Company cannot and does not probe, bore, pry, poke or otherwise invade any physical structure. Equipment, items and systems will not be dismantled. Company cannot and does not look behind dry wall, paneling, wall papering, under carpeting or other floor covering, above suspended ceilings, or other areas which may be blocked or impeded by furniture, personal items or other structures. Inaccessible, non-visible, difficult to reach, latent or concealed defects or problems are excluded from this Agreement and the PCA Inspection Report. While it is rare, some owners may purposefully conceal damage or defects in the Subject Property. This type of concealment is particularly difficult to detect in a visual inspection and therefore is excluded by this Agreement and the PCA Inspection Report.

BASIC PROPERTY CONDITION ASSESSMENT:

Areas to be inspected:

- The structure.
- The electrical system.
- The heating system.
- The air conditioning system.
- The ventilation system.
- The plumbing system and fixtures.
- The roof surface (weather permitting), including flashings, drainage and chimneys.
- Interior components (concentrating on non-cosmetic considerations).
- The exterior wall components, from the exterior, including doors, windows and signage.
- Landscape components including walkways, driveways (excluding sewers) and retaining walls.
- Insulation spot-checks.

4. 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. The Client further acknowledges that such participation is at the Client's own risk for falls, injuries, property damage, etc. The Client warrants that permission has been secured for the Company to enter and inspect the Property.

5. If immediate threats to health or safety are observed during the course of the inspection, the Client hereby consents to allow the Company to disclose such immediate threats to health or safety to the Property owner and/or occupants of the Property.

6. **PCA INSPECTION REPORT:** The Client and The Company agree the Company, and its inspector(s), will prepare a written PCA Inspection Report which shall:

- A. Disclose those systems and components which are/were designated for inspection pursuant to *ASTM E 2018-08* 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 *ASTM E 2018-08*;
- C. State and identify what material defects were found in the previously described 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 component, or obtain examination and analysis by a qualified professional, tradesman and/or service technician.

7. **EXCLUSIONS:** The Client understands and agrees that the Company shall not, as part of the PCA, unless specifically agreed upon otherwise, perform an engineering evaluation, or inspection or evaluation of the following: wood destroying insects and organisms; building code or zoning ordinance violations; geological stability or soils conditions or structural stability; tenant equipment; any type of environmental and/or health problem or hazardous substances on the land, in the air or water, and/or building materials including, but not limited to soil contamination, radon, asbestos, mold/mildew, electromagnetic fields, etc.; compliance with the Americans With Disabilities Act or any such similar statute, law or regulation; concealed floor cracks or roofing membrane integrity; easements; underground components (including storage tanks); timers; clocks; thermostats; safety device operation; lawn sprinklers; detached structures; fencing; low voltage wiring or components; radiant heat system performance; product recalls or other such notices; building security and security systems; solar water heating components; performance or evaluation of appliances, freezers or similar storage compartments; and any area(s) not visible and/or accessible at the time of inspection; vertical transportation including elevators and/or lifts; life safety/fire protection systems including sprinklers and standpipes, alarm systems and other similar systems or components; low voltage wiring; review of municipal documents related to the subject property; flood plain maps; interviews with tenants; municipal code compliance review; proximity to toxic waste sites; and sound transmission factor(s). Other limitations may be listed in the written report to be provided to you. The Client understands and agrees that inspection of the foregoing items and substances should be performed, detected and evaluated by other qualified specialists of Client's choice and hire.

8. **CLIENT'S RESPONSIBILITIES:** It is the Client's responsibility to make sure that at the time of the PCA all utilities (gas, electric, water, or other utilities) are turned on, and that all areas to be inspected are clear and accessible. If any attic, crawl space or other area is not completely visible or accessible, the PCA Inspection Report will refer only to visible and accessible areas. The Company will not be responsible for any damage discovered during remodeling. The Company will not turn on systems that have been shut down and assume no reporting responsibility whatsoever regarding such systems.

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 any law, statute, regulation, ordinance or consumer protection statute, or any other theory of liability arising out of, from or related to this PCA Pre-Inspection Agreement or arising out of, from or related to the PCA Inspection or PCA Inspection Report shall be submitted to final and binding arbitration under the applicable Rules and Procedures of the American Arbitration Association. The decision of the Arbitrator appointed by the American Arbitration Association 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. The Client understands that the PCA Inspection and PCA 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 PCA Inspection nor the PCA Inspection Report is a substitute for any real estate transfer disclosures that may be required by law.

11. 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.

12. 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.

13. This PCA Pre-Inspection Agreement and any subsequent report issued to Client by the Company represent the entire agreement between the parties relative to the PCA Inspection. 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.

14. The Client and the Company agree that the following systems and/or components of the Property are specifically excluded from the PCA Inspection at the request of the Client: _____

15. 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 PCA 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 \$ 200.00 to conduct the desired subsequent inspection.

16. **LIMITATION ON TIME TO BRING LEGAL ACTION:** Any legal action, including claims for, but not limited to, breach of contract, any form of negligence, fraud or misrepresentation, and/or any violation of any law, statute, regulation, ordinance or consumer protection statute, 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 PCA Inspection or PCA Inspection Report must be brought within one (1) year from the date of the Inspection, regardless of when the Client first discovers the facts supporting such possible claims as identified herein. Failure to bring said action within one (1) year of the date of services shall be a complete bar to any such action and a full and complete waiver of any rights, actions or causes of action that may have arisen. This time period may be shorter than otherwise provided by State law.

17. **LIMITATION OF LIABILITY. PLEASE READ CAREFULLY.** Client understands and agrees that the Company is not an insurer and that the payment for the PCA Inspection and PCA Inspection Report is based solely on the value of the service provided by the Company in the performance of the limited visual inspection and production of the PCA Inspection Report as described herein. Client further understands and agrees that it is impracticable and extremely difficult to fix actual damages, if any, which may result from a failure to perform such services. Thus, the client agrees that the sole and exclusive remedy for any claims against the Company, including claims for, but not limited to, breach of contract, any form of negligence, fraud or misrepresentation, and/or any violation of any law, statute, regulation, ordinance or any consumer protection statute, 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 PCA Inspection or PCA Inspection Report, is limited to an amount equal to the inspection fee multiplied by two (2), or to the sum of one thousand dollars (\$1,000.00), whichever sum shall be less, as liquidated damages and not as a penalty. The Client releases Company from any and all additional liability, whether based on contract, tort, or any other legal theory. There will be no recovery for consequential damages. The Client understands that the performance of the services without this limitation of would cost substantially more than the fee paid for this limited visual inspection. The Client understands that he/she/we/they is/are free to consult with another professional if the Client does not agree to this provision.

18. **COST ESTIMATES AND LIMITATIONS:** If the PCA Inspection Report described 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 making any such repairs. The Client further acknowledges and agrees to 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.

19. By signing this Agreement, the undersigned client(s) agree that he/she//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. The Client acknowledges that the Client has had ample time and opportunity to review this Agreement prior to signing and that the Client has signed this Agreement prior to the performance of the PCA Inspection.

Client's Signature: _____ Date: _____

Client's Name: _____
Please Print

Client's Signature: _____ Date: _____

Client's Name: _____
Please Print

Howard Altman

Company Signature: _____ Date: _____
Authorized Representative