



PRE-INSPECTION AGREEMENT

Pursuant to N.J.A.C. 13:40-15.15(a), this Agreement must be executed prior to the start of the home inspection.

Date of this Agreement:

Inspection No.:

Time and Date of Inspection:

Inspection Address:

Client's Name:

Client's Telephone No.:

Client's Email Address:

Client's Mailing Address:

Total Fee For Requested Services (see Exhibit A): \$

THIS PRE-INSPECTION AGREEMENT (the "Agreement") is made effective as of the date entered at the top of this Agreement by and between Prime Building Inspections, LLC (the "Home Inspector") and the undersigned client (the "Client," and collectively, the "Parties"). Terms not defined herein shall have the meaning ascribed by P.L. 1997, c.323 (N.J.S.A. 45:8-61 et seq.), the Home Inspection Professional Licensing Act. The Parties understand and voluntarily agree as follows:

1. HOME INSPECTION AND ADDITIONAL INSPECTION SERVICES: The Home Inspector agrees to perform a Home Inspection of the residential building located at the Inspection Address specified at the top of this page (the "Home"). The Home Inspector also agrees to provide Client with a home inspection report (the "Report") after performing the Home Inspection. As specified on Exhibit A attached to and incorporated as part of this Agreement, the Home Inspector shall also perform Additional Inspection Services agreed to by Client.

2. FEE: Client agrees to pay the Total Fee For Requested Services (the "Fee") specified on Exhibit A for the Home Inspection and Additional Inspection Services. The Fee shall be paid in full at or prior to the completion of the Home Inspection and Additional Inspection Services, unless otherwise agreed to in writing by the Parties. Any adjustments to the fee will be made at the conclusion of the inspection for changes in property description, number of rooms, structures, equipment or services requested. If Client fails to timely pay the Fee, Client shall be responsible for paying all fees and costs associated with collection of the Fee, including but not limited to administration costs, attorneys' fees, and costs of litigation.

3. SCOPE OF THE HOME INSPECTION: The Home Inspection will be performed to the best of the Home Inspector's ability in accordance with the standards of practice set forth in New Jersey Administrative Code ("N.J.A.C.") 13:40-15.16 (the "Standards of Practice"). A copy of the Standards of Practice is available from the Home Inspector upon request or online at www.state.nj.us/lps/ca/laws/hiacregs.pdf. The Standards of Practice are hereby incorporated by reference in their entirety and are hereby made a part of this Agreement. New Jersey home inspectors are governed by the rules in the contained at N.J.A.C. 13:40-15, and the Home Inspector shall comply with those rules. Failure to comply with the rules may subject the Home Inspector to disciplinary action. Pursuant to N.J.A.C. 13:40-15.15(c), the Home Inspector may agree to, but is not required to, return at a later date to inspect any systems or components which were not inspected because of unforeseen circumstances at the initial home inspection. An additional fee shall be paid in accordance with Exhibit A

for such subsequent inspection. Any subsequent inspection is also subject to all terms and conditions set forth in this Agreement.

The Home Inspection is a limited visual, functional, non-invasive examination of certain readily accessible systems and components (as designated for inspection herein) using normal operating controls and opening readily openable access panels. The Home Inspector examines a representative sample of components that are identical and numerous, such as electrical outlets, bricks, shingles and windows, and does not examine every single one of these items; therefore, some detectable deficiencies may go unreported. The Home Inspection and Additional Inspection Services are not intended to be technically exhaustive. The Home Inspection, Additional Inspection Services and the Report are based on the observed conditions of the Home existing and apparent at the time of the Home Inspection and Additional Inspection Services. Not all conditions may be apparent on the inspection date due to weather conditions, inoperable systems, or inaccessibility of areas of the Home. A defect that was apparent on any date prior to the inspection date may not be apparent on the inspection date. Without dismantling the Home or its systems and components, there are limitations to the inspection. Throughout any inspection, inferences are drawn which cannot be confirmed by direct observation. Clues and symptoms often do not reveal the extent or severity of problems. While some of the less important deficiencies are addressed, an all-inclusive list of minor building flaws is not provided within the scope of the Home Inspection or Additional Inspection Services. The Home Inspection and Additional Inspection Services exclude, and the Home Inspector will not be responsible or liable for, any hidden or latent defects in materials, workmanship, or other conditions of the property, or any other problems which may occur or may become evident after the time of the inspection. The Home Inspector is not an insurer or guarantor against defects in the Home and improvements, systems or components inspected. The Home Inspector makes no guarantee or warranty, expressed or implied, as to the fitness for use or condition of the Home, its systems or components inspected. The Home Inspector assumes no responsibility for the cost of repairing or replacing any unreported defects or conditions, nor is the Home Inspector responsible or liable for any future failures or repairs of the Home. If the Home Inspection or Additional Inspection Services involve the use of outside laboratories or similar experts, including but not limited to laboratories for the detection of radon, the Home Inspector shall assume no liability for inaccurate data furnished by the outside laboratory. The Client agrees to abide by instructions provided by the Home Inspector for the proper testing, detection and analysis (but not mitigation) of radon and radon progeny gas levels in the Home, and the Home Inspector shall not be liable for any negligence or other interference in this regard by the Client or his invitees.

The Report will be provided to the Client after the Home Inspection and Additional Inspection Services. The Report will describe to the Home Inspector's opinion of the following systems and components: structural components (including foundation and framing), exterior, roof system, plumbing system, electrical system, heating system, installed central and through-wall air conditioning systems, interiors, insulation and ventilation, and fireplaces and solid fuel burning appliances. The Report will identify the following: (a) which systems and components designated for inspection herein are significantly deficient or near the end of their service lives, (b) why the inspector deems the system or component to be significantly deficient or near the end of its service life, (c) whether further evaluation, correction or monitoring may be needed, and (d) whether any system or component described herein was not inspected and why it was not inspected. The Home Inspector reserves the right to modify or revise the Report for a period of time that shall not exceed five (5) business days after the Report has been first delivered to the Client. Should the Home Inspector, as a courtesy, exceed any particular requirement set forth in this Agreement, the Home Inspector shall not be obligated to exceed any other requirements. The Home Inspector accepts no responsibility for the use or misinterpretation of the Report by third parties.

If the Home Inspector recommends further action by the Client, including but not limited to consulting with specialized experts and/or licensed qualified professionals, the Client may take such further action at no expense or liability to the Home Inspector, or otherwise assume all risks associated with failure to do so.

The Home Inspection and Additional Inspection Services are not an inspection, examination, or investigation for compliance or non-compliance of building codes, fire codes, mechanical codes, plumbing codes, or zoning regulations, ordinances, community/association by-laws or laws of any kind in any jurisdiction. The Home Inspection, Additional Inspection Services, and Report are also not intended to and shall not be used for, to be part of, or to be in support of any real estate assessment, appraisal, or guarantee of deed and title.

4. EXCLUSIONS: A system or component is not readily accessible if inspection requires moving personal property, dismantling, destructive measures, or any action that will, in the opinion of the Inspector, likely involve risk to persons or property. Anything not readily observable because it is concealed or inaccessible due to obstructions including (but not limited to) floor coverings, suspended ceiling tiles, insulation, furniture or other personal property, soil, vegetation, water, ice or snow cannot be inspected. The Home Inspector is not required to move or disturb such items in order to diminish or eliminate the obstruction. The Home Inspector is not required to report on or engage in any practice or act that is not included or that is specifically excluded in the Standards of Practice unless otherwise agreed to in writing signed by the

Parties. The Home Inspector is not required to inspect anything identified in the Standards of Practice as limitations or exclusions to the Home Inspection. The following specific exclusions are not an exhaustive list; see the Standards of Practice for additional exclusions and limitations. The Home Inspector is not required to determine the following: remaining life of any system or component, the causes of any condition or deficiency, methods and costs of corrections, suitability of the property for a specialized use, market value or marketability, advisability of purchase of the property, the presence of pests such as wood damaging insects (including termites), rodents or insect, rot/decay, fungus including mold and mildew, decorative items, underground items, breached vacuums seals in insulated glass, or items not permanently installed. The Home Inspector is not required to perform the following: predict future conditions including (but not limited to) failure of systems or components, operate any system or component that is shut down or otherwise inoperable, ignite pilot lights, determine the presence of hazardous substances, enter hazardous areas, or perform engineering, architectural, plumbing, or any other job function requiring an occupational license or professional certification, unless the Home Inspector holds such valid license or certification and the Parties agree in writing signed by the Parties and the Client pays an additional fee before the commencement of such performance. The Home Inspector is not required to inspect fences, soil conditions, spas, saunas, steam baths, pools (and related equipment), outbuildings (other than garage or carport), sprinkler systems, private and community waste disposal systems, telephones, cable television, intercoms, security systems, low voltage lighting systems, timing systems, water well systems, window-unit air conditioning systems, furnace heat exchangers, and heating or cooling systems when weather conditions or other circumstances may cause equipment damage. The Home Inspector is not required to inspect cosmetic items such as paint, wallpaper, carpet, or other finishes on walls, ceilings or floors, and any type of window treatment (such as blinds or draperies). The Home Inspector is not required to determine compliance or non-compliance with manufacturer's specifications or applicable regulatory requirements. Water/moisture, leaks, seepage and drainage problems are often only visible during or after a certain amount of rain. It is thus impossible to observe water/moisture, leaks, seepage and drainage problems unless the inspection is conducted during or immediately after a rain sufficient to reveal such problems. It is beyond the scope of the Home Inspection and Additional Inspection Services to determine if any system or component is, has been, or will be part of any product, component or system recall in the future. The Client may wish to subscribe or contact the Consumer Product Safety Commission for recall information regarding any system or component.

5. HAZARDOUS SUBSTANCES AND MATERIALS EXCLUSION: The Home Inspector shall not responsible for the discovery, investigation, examination, analysis or reporting on the presence or absence of potentially hazardous substances and materials including but not limited to mold, mildew or fungal growth, radon gas, "Chinese drywall," asbestos, lead, urea formaldehyde, and polychlorinated biphenyls (PCB's). Furthermore, the Home Inspector shall not responsible for any claims and/or damages that may arise from or are related to these potentially hazardous substances and materials, even if such potentially hazardous substances and materials are a direct consequence of a condition upon which the Home Inspector is required to report as set forth in this Agreement.

6. ADDITIONAL INSPECTION SERVICES: Exhibit A contains a list of Additional Inspection Services designated and agreed to by the Parties. Unless the Client requests Additional Inspection Services by indication on the appropriate line beside the desired service and the Home Inspector agrees to perform the Additional Inspection Services by executing this Agreement, this Agreement is only for a general home inspection and does not include any Additional Inspection Services, including but not limited to the following: mold, mildew and other fungal growth tests, termite and wood destroying insects inspection, radon gas test, alarm system testing and inspection, water analysis, on-site septic system inspection, basic energy assessment, pool and spa inspection, invasive testing of Exterior Insulated Finishing Systems (also known as "EIFS" or synthetic stucco) to determine the existence of moisture and damage related thereto, or non-destructive/non-invasive infrared thermographic imaging to determine concealed moisture intrusion and to ascertain thermal insulative qualities.

The Home Inspector may market and sell the services or products of other companies that may be of interest to its clients. The Home Inspector may be paid a fee by these companies based on a good faith estimate of the reasonable value of its services and expenses incurred by the Home Inspector in promoting, selling, processing, or advertising the services or products of these companies. The Client acknowledges that the performance of services by these companies and the nature, quality and performance of any of their products is the sole responsibility of the respective companies, and that the Home Inspector shall not be liable for the Client's dissatisfaction or any damages or losses arising thereof. The Client is encouraged to contact the relevant companies with questions or concerns regarding their services or products. The Inspector may also arrange for these companies to send literature or make post-inspection contact with the Client. If the Client does not wish to receive materials from or be contacted by a company, the Client must expressly notify the Home Inspector. Likewise, the Home Inspector may, where permitted by law, pay fees to third-party companies for marketing and selling the Home Inspector's services or products. Such fees will be based on a good faith estimate of the reasonable value of the services and expenses incurred by the third-party company in promoting, selling, processing, and advertising the services or products of the Home Inspector.

7. PROFESSIONAL CERTIFICATIONS: The Client understands that the Home Inspector is a home inspector licensed by the State of New Jersey's Home Inspection Advisory Committee. The Client understands and agrees that the Home Inspection and any Additional Inspection Services shall be conducted solely under the auspices and within the scope of the Home Inspector's license as a home inspector. The Client understands and agrees that the Home Inspector does not undertake, and shall not be obligated, to provide any services, warranties, or guarantees, either express or implied, that may be authorized by any other professional licensure, including but not limited to licensure for the practice of architecture. To be clear, no architectural services, design services, engineering services, or interior design services are provided under this Agreement.

8. CLAIMS OR DISPUTE RESOLUTION AND REMEDY LIMITATION:

Notice of Claims or Disputes – The Client understands and agrees that any claim or dispute arising out of or related to any alleged act, error or omission of the Home Inspector in connection with the Home Inspection and Additional Inspection Services shall be reported to the Home Inspector, in writing, within ten (10) business days of the Client's discovery, but in no event more than one (1) year from the date of the Home Inspection unless prohibited by law. Except in the event of an emergency, or to protect personal safety from imminent danger, or to prevent increased damage to the property, the Client agrees to allow the Home Inspector access to the property for a reasonable period of time to examine and investigate the Client's claim or dispute before Client authorizes and/or commences any repairs, replacements, alterations or modifications to the Home, its systems or components that are related to the claim or dispute. The Home Inspector's right of examination and investigation established herein is a mandatory and material condition precedent to the commencement of any claim, dispute, complaint, grievance, litigation, mediation or arbitration by the Client against the Home Inspector for any reason whatsoever, including negligence or breach of contract. The Client understands and agrees that any failure to timely notify the Home Inspector and allow adequate time to examine and investigate as stated above shall constitute a complete bar and waiver of any and all claims and/or damages that the Client may have against the Home Inspector related to the alleged act, error, or omission unless otherwise prohibited by law.

Limitations Period – Any legal action arising from, relating to, or concerning this Agreement, including but not limited to any 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. The Parties understand that this time limitation period may be shorter than provided by state law.

Negotiation and Arbitration - In the event of any controversy, dispute, claim, question, or disagreement arising from relating to, or concerning this Agreement or the breach thereof, the Parties shall use their best efforts to settle the controversy, dispute, claim, question, or disagreement. To this effect, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to the Parties. If they do not reach such solution within a period of 30 days, then, upon written notice by either Party to the other, all controversies, disputes, claims, questions, or disagreements, except disputes based on payment of the Fee, shall be finally settled by arbitration administered by Construction Dispute Resolution Services, LLC or Resolute Systems, Inc. in accordance with their respective rules of arbitration. A sole arbitrator selected by the Parties who is knowledgeable and familiar with the professional home inspection industry shall administer and settle the arbitration, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute. If the Parties are unable to mutually select an arbitrator, the Parties or their attorneys may request Construction Dispute Resolution Services, LLC or Resolute Systems, Inc. to appoint a neutral arbitrator. Consistent with the expedited nature of arbitration, each Party will, upon the written request of the other party, promptly provide the other with copies of documents relevant to the issues raised by any claim or counterclaim submitted for arbitration. Any dispute regarding discovery, or the relevance or scope thereof, shall be determined by the arbitrator, which determination shall be conclusive. All discovery shall be completed within 45 days following the appointment of the arbitrator. Except as may be required by law, neither the Parties nor the arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of the Parties.

Legal Expenses – In the event the Client fails to prove any adverse claims or disputes against the Home Inspector either in arbitration or in a court of law, the Client agrees to pay all legal costs, expenses, and fees associated with the Home Inspector's defense, including the deductible costs of any insurance coverage(s).

9. OTHER PROVISIONS:

Confidentiality - The Report is owned by the Inspector and all copyrights are reserved. The Client understands that the Home Inspection and Additional Inspection Services will be performed and the Report will be prepared and licensed for the Client's sole, confidential and exclusive benefit and use only. The Report, in its entirety or any portion thereof, is not

intended to benefit any person who is not a named Party to this Agreement, including but not limited to the seller or the real estate agents involved in any real estate transaction. If the Client directly or indirectly allows or causes the Report or any portion thereof to be disclosed or distributed to any one not a Party to this Agreement, the Client agrees to indemnify, defend, and hold the Home Inspector harmless for any claims, damages or actions arising from such disclosure or distribution.

Headings – Section and subsection headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

Severability and Entire Agreement - The Parties agree that if an arbitrator, court, or other tribunal determines that any provision(s) in this Agreement is void, voidable, or unenforceable, then the remaining portions shall remain in full force and effect. This Agreement (including Exhibit A) is the entire agreement between the Parties. No prior or subsequent other representations, warranties, or commitments form a part of this Agreement, and no statement or promise of the Home Inspector shall be binding unless reduced to writing and signed by the Home Inspector. This Agreement supersedes any and all representations, discussions, and understandings, whether or not written, among the Parties and their agents and representatives relating to this Agreement. This Agreement and its terms may not be waived, terminated, modified, altered or amended unless agreed to in writing and signed by the Parties.

No Assignment – This Agreement is not transferable or assignable unless mutually agreed to in a separate executed writing by the Parties.

No Third Party Beneficiary – This Agreement is not intended to confer upon any person other than the Parties any rights or remedies hereunder.

Drafting – Should any provision of this Agreement require interpretation by an arbitrator, court or other tribunal, no term shall be more strictly construed against one party or the other by reason of the rule of construction that a document is to be construed more strictly against the party who prepared it.

Counterparts and Electronic Signatures – This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall be considered one and the same agreement. Execution by electronic means shall constitute effective execution of this Agreement.

Governance – THIS ENTIRE AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED TO BE IN ACCORDANCE WITH THE LAWS OF MERCER COUNTY IN THE STATE OF NEW JERSEY.

THIS AGREEMENT, THE HOME INSPECTION, ADDITIONAL INSPECTION SERVICES, AND THE REPORT DO NOT CONSTITUTE A WARRANTY, AN INSURANCE POLICY, OR A GUARANTEE OF ANY KIND; AND DOES NOT SUBSTITUTE FOR ANY DISCLOSURE STATEMENT AS MAY BE REQUIRED BY LAW.

By signing below,

1. The Parties agree to the terms and conditions of this entire Agreement;
2. The Client acknowledges that the Client has fully and carefully read, and understands, the full terms and conditions of this Agreement;
3. The Client authorizes the Prime Building Inspections, LLC to inspect the property;
4. The Client represents that the Client has secured all approvals necessary for entry into the Home. The Client further agrees to defend, indemnify, and hold harmless Prime Building Inspections, LLC and the assigned Home Inspector from any demands or claims alleging trespass upon the Home and its surrounding areas;
5. The Client authorizes Prime Building Inspections, LLC to release a copy of the Report, and discuss the contents and bases of the Report, to the Client's real estate agent and attorney for the Client's sole and exclusive benefit;
6. The Client agrees to pay the entire Fee; and
7. The Client acknowledges the Client's receipt of a copy of this Agreement.

CLIENT:

Printed Name

Signature

Date

Printed Name

Signature

Date

HOME INSPECTOR:

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