

PRE-INSPECTION AGREEMENT

(N.J.A.C. 13:40-15.15)

INSPECTION COMPANY: **LEWIS HOME INSPECTION, INC., P.O. BOX 941, PENNINGTON, NJ 08534**

ADDRESS PROPERTY TO BE INSPECTED: _____

CLIENT NAME AND ADDRESS: _____

DATE AND TIME OF INSPECTION: _____

---- PLEASE READ BOTH SIDES CAREFULLY ----

This is a binding contract (hereinafter the "Agreement") between the Client and Inspection Company named above. Client authorizes Company to provide the following inspection services at the Property and agrees to pay the price stated. (Please Note: this Agreement must be signed by Client and Inspection Company before the start of the Inspection. A copy of this is available online at www.lhinspection.com.):

Seller Disclosure Form Requested and Provided Not Provided

PLEASE NOTE: THE INSPECTION SERVICES WILL ONLY BE PERFORMED BY COMPANY IF THE INSPECTOR POSSESSES THE REQUIRED ADDITIONAL EXPERIENCE, EDUCATION, TRAINING, LICENSE OR CERTIFICATION.

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

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|----|--------------------------|--|--------|----------|
| 1. | <input type="checkbox"/> | Home Inspection (as defined by N.J.A.C. 13:40-15.2) | Price: | \$ _____ |
| 2. | <input type="checkbox"/> | Presence of Radon | Price: | \$ _____ |
| 3. | <input type="checkbox"/> | Presence of Wood Destroying Insects | Price: | \$ _____ |
| 4. | <input type="checkbox"/> | Wells, Wells Pumps | Price: | \$ _____ |
| 5. | <input type="checkbox"/> | Private Waste Disposal System (septic and/or cesspool) | Price: | \$ _____ |
| 6. | <input type="checkbox"/> | Other Inspections (_____) | Price: | \$ _____ |
| | | | Total: | \$ _____ |

INSPECTION REPORT DISTRIBUTION: The Company will issue the reports for the requested services to the client only and those reports are the confidential property of the Client. If the Client desires to have his/her agent receive a copy, initial: _____ attorney: initial: _____.

ONE YEAR LIMITED HOME WARRANTY: Provided Not Provided

The Company offers a One Year Limited Home Warranty, the terms, conditions, limitations and exclusions of which are set forth in the LHI One Year Home Warranty Agreement (the "Warranty"). If the Warranty is provided, the Warranty Agreement is mailed with the home inspection report. If the Client desires the Warranty, the Client must sign the Warranty Agreement and return to LHI before closing. The agreement begins after the Warranty Agreement is signed by the client and LHI representative. If the Client desires the Warranty, the Client must initial here: _____ If the Client does not initial where indicated the Warranty will not be provided to the Client.

IMPORTANT LIMITATIONS AND EXCLUSIONS OF THIS AGREEMENT ARE SET FORTH ON BOTH SIDES OF THIS AGREEMENT. PLEASE TURN THE AGREEMENT OVER AND READ THEM CAREFULLY. PLEASE FEEL FREE TO ASK ANY QUESTIONS.

LIST OF EXCLUSIONS During the Home Inspection, the Home Inspector Will Not: (N.J.A.C. 13:40-15.16 (b))

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| 1. 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; | 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; |
| 2. 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; | 14. Determine the amount and/or frequency of water penetration; |
| 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; | 15. Determine the effectiveness of any system installed or method utilized to control or remove suspected hazardous substances; |
| 4. Identify concealed conditions and latent defects; | 16. Operate any system or component which is shut down or otherwise inoperable; |
| 5. Determine life expectancy of any system or component; | 17. Operate any system or component which does not respond to normal operating controls; |
| 6. Determine the cause of any condition or deficiency; | 18. Operate shut-off valves; |
| 7. Determine future conditions that may occur including the failure of systems and components including consequential damage; | 19. Determine whether water supply and waste disposal systems are public or private; |
| 8. Determine the operating costs of systems or components; | 20. Insert any tool, probe or testing device inside electrical panels; |
| 9. Determine the suitability of the property for any specialized use; | 21. Dismantle any electrical device or control other than to remove the covers of main and sub panels; |
| 10. Determine compliance with codes, regulations and/or ordinances; | 22. Walk on un-floored sections of attics; or |
| 11. Determine market value of the property or its marketability; | 23. Light pilot flames or ignite or extinguish fires. |
| 12. Determine advisability of purchase of the property; | |

I HAVE READ AND AGREE TO THE TERMS, LIMITATIONS AND EXCLUSIONS FOUND ON BOTH SIDES OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THE LIMITATION OF LIABILITY; ARBITRATION; AND ONE YEAR TIME PERIOD TO INITIATE A LEGAL ACTION SET FORTH IN PARAGRAPHS 6, 7 & 8 ON THE REVERSE SIDE. I UNDERSTAND THAT I HAVE THE RIGHT TO HAVE AN ATTORNEY OF MY CHOICE REVIEW THIS AGREEMENT BEFORE I SIGN IT. I UNDERSTAND THAT IF I DO NOT AGREE WITH ANY OF THE TERMS, LIMITATIONS AND EXCLUSIONS OF THIS AGREEMENT I DO NOT HAVE TO SIGN IT. RATHER, I MAY NEGOTIATE WITH THE COMPANY OR HIRE ANOTHER COMPANY TO PERFORM THE INSPECTIONS.

CLIENT's Signature

COMPANY's Signature NJ License # 24GI00019400

IMPORTANT LIMITATIONS AND EXCLUSIONS OF THE PRE-INSPECTION AGREEMENT

Any person who accepts, uses or relies on the Inspection Report for any purpose whatsoever, agrees to and accepts all of the limitations and exclusions of this Agreement.

CLIENT and COMPANY (Company is also defined to include any and all home inspectors and/or associate home inspectors who perform the contracted for inspections as an employee or independent contractor of the Company) agree to the following limitations and exclusions:

1. The Company is governed by the rules in the New Jersey Administrative Code contained at N.J.A.C. 13:40-15 and that the Company and its home inspectors and/or associate home inspectors shall comply with these rules and failure to comply with the rules may subject the licensee to discipline.
2. Client understands and agrees that the Company will perform a Home Inspection (if checked off on the front of this Pre-Inspection Agreement) as defined by N.J.A.C. 13:40-15, and in accordance with the Standards of Practice at N.J.A.C. 13:40-15.16.
3. The Home Inspection shall include, if applicable to the Subject Property, inspection of the following systems and components as described in, and in the manner provided by, N.J.A.C. 13:40-15.16: Structural Components; Exterior Components; Roofing System; Plumbing System; Electrical System; Heating System; Cooling System; Interior Components; Insulation Components and Ventilation System; and Fireplaces and Solid Fuel Burning Appliances.
4. Client understands and agrees that the Company shall not, as part of the Home Inspection, perform any of the twenty-three (23) functions or services set forth on the list of EXCLUSIONS on the reverse side and defined under N.J.A.C. 13:40-15.16 (b).
5. Client requests and authorizes Company to exclude from the scope of the Home Inspection, the following Systems or Components identified in paragraph 3 above and in N.J.A.C. 13:40-15.16 (c): Client understands and agrees that inspection of the foregoing Systems and/or components should be performed by other licensed specialists of Client's choice and hire.
6. CLIENT AGREES AND UNDERSTANDS THAT IF COMPANY OR ANY OF ITS HOME INSPECTORS, ASSOCIATE HOME INSPECTORS, EMPLOYEES OR INDEPENDENT CONTRACTORS (COLLECTIVELY "COMPANY") ARE FOUND LIABLE FOR ANY LOSS OR DAMAGE DUE TO NEGLIGENCE OR THE FAILURE TO PERFORM OBLIGATIONS IN THIS AGREEMENT OR UNDER THE HOME INSPECTION LICENSING ACT OR THE RULES IN N.J.A.C. 13:40-15, INCLUDING THE IMPROPER OR NEGLIGENT PERFORMANCE OF THE INSPECTIONS OR THE IMPROPER OR NEGLIGENT REPORTING OF CONDITIONS OF THE SUBJECT PROPERTY, COMPANY'S MAXIMUM LIABILITY SHALL BE LIMITED TO THREE (3 TIMES) THE FEE PAID TO COMPANY FOR THE INSPECTION AT ISSUE, AND THIS LIABILITY SHALL BE EXCLUSIVE. THIS LIMITATION OF LIABILITY SPECIFICALLY COVERS LIABILITY FOR: DAMAGED PROPERTY, LOSS OF USE OF THE PROPERTY, REPAIR OR REPLACEMENT OF PROPERTY, LOST PROFITS, CONSEQUENTIAL DAMAGES, SPECIAL DAMAGES, INCIDENTAL DAMAGES AND GOVERNMENTAL FINES AND CHARGES, PERSONAL INJURIES, PUNITIVE DAMAGES AND ATTORNEYS FEES AND COURT COSTS. IF REQUESTED BY CLIENT, COMPANY MAY ASSUME A GREATER LIABILITY, BUT ONLY FOR AN ADDITIONAL CHARGE TO BE AGREED UPON BY CUSTOMER AND COMPANY. IF COMPANY AND CLIENT SO AGREE, A RIDER WILL BE ATTACHED TO THIS AGREEMENT. COMPANY'S INSPECTIONS AND THE INSPECTION REPORT ARE IN NO WAY TO BE CONSIDERED AS A GUARANTEE OR WARRANTY, EXPRESS OR IMPLIED, REGARDING THE PRESENT OR FUTURE CONDITION OF THE SUBJECT PROPERTY. ANY AND ALL WARRANTIES, EXPRESS AND IMPLIED, ARE EXPRESSLY EXCLUDED BY THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING, COMPANY WILL HONOR THE TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE ONE YEAR LIMITED HOME WARRANTY, IF THE CLIENT CONTRACTS FOR SUCH A WARRANTY ON THE FRONT SIDE OF THIS AGREEMENT. CLIENT ACKNOWLEDGES THAT CONDITIONS OF THE SUBJECT PROPERTY ON THE DATE OF THE INSPECTIONS MAY CHANGE AND REQUIRE SUBSEQUENT REPAIR OR REPLACEMENT.
CUSTOMER AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS LHI FROM AND AGAINST ALL CLAIMS, DEMANDS, LIABILITIES, DAMAGES, LOSSES AND EXPENSES, INCLUDING, WITHOUT LIMITATION, ATTORNEY'S FEES AND COSTS, WHICH MAY BE ASSERTED AGAINST OR INCURRED BY LHI BY OR DUE TO ANY PERSON NOT A PARTY TO THIS AGREEMENT, INCLUDING CUSTOMER'S INSURANCE OF BONDING COMPANY OR REAL ESTATE AGENT FOR ANY EXPENSE, LOSS OR DAMAGE, ARISING OUT OF SERVICES BEING PERFORMED HEREUNDER, WHETHER DUE TO SOLE, JOINT OR SEVERAL NEGLIGENCE (INCLUDING GROSS NEGLIGENCE) OF LHI OR ITS AGENTS, SERVANTS, EMPLOYEES, SUPPLIERS OR SUBCONTRACTORS, BREACH OF CONTRACT, EXPRESS OR IMPLIED, BREACH OF WARRANTY, EXPRESS OR IMPLIED, PRODUCT OR STRICT LIABILITY, AND/OR ANY CLAIM FOR CONTRIBUTION OR INDEMNIFICATION, WHETHER IN CONTRACT, TORT OR EQUITY.
7. Any controversy or claim arising out of or relating to this Agreement, the inspections performed hereunder or the inspection report shall be submitted to final and binding arbitration under the American Arbitration Association, and judgment on the award rendered by the arbitration panel may be entered in any court having jurisdiction hereof. If Client submits or files any lawsuit, claim or controversy with any Court or forum other than the American Arbitration Association, then Client agrees to pay all reasonable attorney's fees and costs incurred by Company in the defense of the lawsuit, claim or controversy. Notwithstanding the Rules and Procedures of the AAA, all Arbitrator's Fees shall be paid equally by the CLIENT and COMPANY.
8. THE CLIENT MUST INITIATE ANY LAWSUIT AGAINST COMPANY WITHIN 1 (ONE) YEAR AFTER THE DATE THE HOME INSPECTION REPORT IS DELIVERED TO THE CLIENT OR CLIENT'S AGENT. IF THE CLIENT DOES NOT, THE CLIENT HAS NO RIGHT TO INITIATE A LEGAL ACTION AGAINST COMPANY AND COMPANY HAS NO LIABILITY TO CLIENT. IT IS CRITICAL THAT CLIENT BRINGS ANY LAWSUIT IN A TIMELY MANNER. TIME IS OF THE ESSENCE. CLIENT GUARANTEES COMPANY THE RIGHT TO EXAMINE THE SUBJECT MATTER AND AREA OF ANY CLAIM PRIOR TO ANY REMEDIAL MEASURES OR REPAIRS.
9. If the Inspection Report provides any repair estimates, then Client understands and agrees that those estimates shall not be considered as a bid or the actual costs to perform the repairs. Client further agrees to Release and Hold Company Harmless against any estimates which may understate or overstate the actual cost of repair, even if due to the negligence of Company.
10. CLIENT understands and agrees that COMPANY will not return at a later date to inspect any systems or components which are not inspected on the date and time of the inspections identified on the front page of this Agreement because of unforeseen circumstances. Any such systems or components which were not inspected because of unforeseen circumstances shall be referenced in the Home Inspection Report, and Client understands that it should have those systems and/or components inspected by other licensed specialists of Client's choice and hire.
11. The person signing this Agreement warrants and represents to Company that he or she is expressly authorized to sign this Agreement by the other spouse, if applicable, or by the person or entity purchasing the Subject Property, if applicable.
12. This Agreement represents the entire agreement between the Company and Client. No change or modification shall be enforceable unless it is in writing and signed by all parties. If any provision of this Agreement is found to be invalid or unenforceable, such a finding shall not affect any other part of this Agreement. This Agreement shall be governed by the laws of the State of New Jersey.

I HAVE READ AND AGREE TO THE TERMS, CONDITIONS, LIMITATIONS AND EXCLUSION FOUND ON BOTH SIDES OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, THE LIMITATION OF LIABILITY; ARBITRATION; AND ONE YEAR TIME PERIOD TO INITIATE A LEGAL ACTION SET FORTH IN PARAGRAPHS 6,7 & 8. I UNDERSTAND THAT I HAVE THE RIGHT TO HAVE AN ATTORNEY OF MY CHOICE REVIEW THIS AGREEMENT BEFORE I SIGN IT. I UNDERSTAND THAT IF I DO NOT AGREE WITH ANY OF THE TERMS, LIMITATIONS AND EXCLUSIONS OF THIS INSPECTION AGREEMENT I DO NOT HAVE TO SIGN IT. RATHER, I MAY NEGOTIATE WITH THE COMPANY OR HIRE ANOTHER COMPANY TO PERFORM THE INSPECTIONS.

CLIENT's Signature

COMPANY's Signature NJ License # 24GI00019400