



PRE-INSPECTION AGREEMENT

METHODICAL HOME INSPECTIONS, LLC

175 Kinderkamack Road #1017

Park Ridge, New Jersey 07656

Telephone: (201) 972-0892

Email: info@methodicalinspection.com

THIS AGREEMENT is made {{CURRENT_DATE}}, by and between Methodical Home Inspections, LLC (hereinafter "Company") and {{CLIENT_NAME}} ("Client"), (each a "Party" and collectively referred to herein as the "the Parties")." Any reference to a Home Inspector assumes that he or she is employed by the Company. 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. The Parties understand and voluntarily agree as follows:

1. Authorization: Client has hereby requested and authorized a primarily visual but not technically exhaustive home inspection in all readily accessible and visible areas of the property located at the address listed above to be conducted by the Company and has assumed responsibility for any damages that may occur, or has occurred during the time of the actual home inspection. Client fully understands that the inspection and subsequent report is intended to be used for informational purposes only and is not intended to be used as a tool for negotiating the purchase price of the property. Client understands fully that he or she is bound by the home inspection contract entitled "Pre-Inspection Agreement" and hereby agrees that he/she has reviewed same for at least 24 hours prior to the inspection. Client warrants that he or she has read, agrees with, and understands the terms and conditions of said agreement as evidenced by his or her signature. Client understands that execution of the Pre-Inspection Agreement and consent to performance of the home inspection acceptance and possession of the

home inspection report constitutes acceptance of the terms and conditions of the Pre-Inspection Agreement and has agreed to the negotiated price above.

2. Fees: Based on the information provided, the total fee for the home inspection and additional services is \${{PRICE}}.

3. Client Attendance and Participation: The inspection is conducted on the property and is a valuable exchange of information between the Client and the Company. Any concerns of the Client can be addressed by the Company at the time of inspection. The written report should not substitute for the buyer's presence. It is virtually impossible to fully profile any building with any reporting system. Unless the Client attends the inspection and participates in the process itself, the Client may not fully understand important aspects of the dwelling or its components and systems. Therefore, the Company encourages the Client to attend and participate accordingly. In the event that the Client cannot attend the inspection at the scheduled date and time, the Company shall proceed and complete the inspection in the buyer's absence. The Parties agree acceptance and possession of the written report by the Client constitutes acceptance of the terms and conditions of the Pre-Inspection Agreement.

4. Financial Interest of Real Estate Transaction: The Company warrants that neither the Company nor the individual Home Inspector assigned to perform the home inspection at the Inspected Property has any financial interest in the transfer of the Property. The sole consideration being paid to the Company and/or the individual Home Inspector is the fee for the home inspection as set forth above in Section 13 below.

5. Non-Transferable: The inspection and report are performed and prepared for the sole, confidential and exclusive use and possession of the Client. The Company assumes no responsibility to any third parties in connection with the inspected property, inspection, or report. The Parties agree the report will be issued to the Client and will not be transferable to or relied upon by another third party without the Company's express written authorization.

6. Permission to Enter Property: The Client is responsible for ensuring the Company has permission to enter the Inspected Property from the title owner of same to perform the home inspection on the scheduled date. The Company is not responsible for any disruption in the inspection process caused by construction, renovations, painting, cleaning, or any other activity occurring at the Inspected Property during the scheduled inspection time.

7. Assumption of Risk of Injury: The Company has no knowledge or information concerning the conditions of the Inspected Property and will not see any conditions until the scheduled date and time of the home inspection. The Client is encouraged to attend the home inspection but assumes all risks and responsibility for any injury (including, but not limited to, personal injury, bodily injury, disability, and death), illness, damage,

loss, claim, liability, or expense of any kind that Client, or any of Client's agents, representatives, or invitees, may experience or incur in connection with attending the home inspection. Client, and any third party claiming through Client, hereby releases, discharges, and holds harmless the Company, its employees, agents, and representatives, of and from any such claims, including all liabilities, claims, actions, damages, costs, or expenses of any kind arising out of or relating to attending the home inspection.

8. Scope of Services: The Company agrees to provide professional home inspection services to the Client in conformance with the provisions of N.J.A.C. §13:40-15.16 ("NEW JERSEY Standards"), and this Pre-Inspection Agreement. Home Inspectors, including those who represent the Company, are governed by the rules in the New Jersey Administrative Code contained at N.J.A.C. §13:40-15.2, et al., and the Company shall comply with these rules. Failure to comply with these rules may subject the Company and/or its Home Inspectors to discipline. Although the Company agrees to follow the NEW JERSEY Standards, Client understands that these Standards contain limitations, exceptions, and exclusions. The inspection is a limited visual, functional, non-invasive inspection, 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 aside from 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. A complete list of the NEW JERSEY Standards can be found [here](#).

9. Home Inspection Report: The Client and the Company agree that the Company will prepare a home inspection report that shall: (a) disclose those systems and components which are/were designated for inspection pursuant to the NEW JERSEY Standards and are/were present 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 N.J.A.C. §13:40-15.16; (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(s) and/or component(s), or obtain examination and analysis by a qualified professional, tradesperson, and/or service technician.

10. Contractor Repairs: Client agrees to obtain a qualified professional, tradesperson, service technician, and/or licensed contractor for repairs, at the Client's expense, or as agreed upon between the Seller and Buyer, regarding any items discovered at the property and further agrees to confirm that the proper repairs were completed with the hired contractor and verify local code compliance issues. Homeowner repairs are not advised and the Client understands that cost estimates should be obtained before closing and/or the end of their inspection objection deadline. No legal action may be brought against the Home Inspector or the Company, monetary or otherwise, more than three months after the date of the original inspection. Client understands that this time period may be shorter than allowed by law.

11. General Exclusions: An inspection IS NOT technically exhaustive. An inspection WILL NOT identify concealed or latent (hidden) defects, or deal with aesthetic concerns or what could be deemed matters of taste, cosmetic defects, etc. An inspection DOES NOT include items not permanently installed. The inspection services DO NOT INCLUDE any action, system or component specifically excluded from the scope of work in any provision of the New Jersey Standards. The Home Inspector 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 Home Inspector or other persons; (b) enter any area or perform any procedure which will, in the opinion of the Home Inspector, likely damage the Inspected 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; (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 Inspected Property for any specialized use; (j) determine compliance with codes, regulations and/or ordinances; (k) determine market value of the Inspected Property or its marketability; (l) determine advisability of purchase of the Inspected Property; (m) determine the presence of any potentially hazardous plants, animals or diseases, or the presence of any suspected hazardous substances or adverse conditions including, but not limited to: mold; fungus; toxins; carcinogens; noise; contaminants in soil, water, or air; asbestos; radon; lead; urea formaldehyde; toxic or flammable chemicals; water or air quality; PCBs; electromagnetic fields; hazardous materials associated with leaks from underground storage tanks; proximity to toxic waste sites or sites being monitored by any state or federal agency; carbon monoxide; the presence of or any hazards associated with the use or placement of contaminated drywall at the Inspected Property; or any other environmental or health hazards; (n) determine the presence or 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; (v) light pilot flames or ignite or extinguish fires; or (w) 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. The Company **IS NOT REQUIRED TO DETERMINE** whether any system or component of the Inspected Property has been affected by the illegal manufacture, distribution, storage, possession or sale of any illicit drugs, products or by-products, including, but not limited to, methamphetamines, and including any and all chemicals, tools, household fixtures or appliances used to facilitate such illegal activities. The Client and the Company agree that the scope of the inspection to be performed pursuant to this Agreement **DOES NOT INCLUDE** decay of the interior of logs in log walls, log foundations or roofs, or similar defects in log homes, log structures or similar log construction. The Parties agree the Company **IS NOT REQUIRED TO PERFORM** any action or task specifically excluded from the scope of a general home inspection as contained in the New Jersey Standards, whether or not specifically identified herein.

12. No Liability for Third-Party Service Providers: The Company may, where appropriate, recommend third-party service providers to supply goods and/or services to Client in accordance with the home inspection services. Client understands and agrees that the Company bears no legal or contractual responsibility to the Client for any actions or inactions of any such third-party service provider. No third-party service provider shall have the authority to incur or create any liability or obligation in the name of the Company, or for which the Company shall be liable to another.

13. Information Release to Third-Party Service Providers: Your inspector has an affiliation with Residential Warranty Services (RWS), a third party service provider, in order to offer you additional value-added services including a complimentary RecallChek to help determine if the inspected property has any potentially dangerous recalled appliances, as well as a complimentary Home Warranty. By entering into this agreement you (a) authorize your inspector to provide your contact information (including telephone number) to RWS and/or its affiliate, (b) waive and release any restrictions that may prevent RWS and/or its affiliate from contacting you (including by telephone using automated dialing technology), and (c) authorize RWS and/or its affiliate to contact you regarding home services.

14. No Liability for Third-Party Reliance on Inspection Report: The inspection and home inspection report are for the Client's use only. The Company may also provide a

copy of the home inspection report to the Client's real estate agent or attorney if the Client wishes. The Company has permission to discuss observations with real estate agents, owners, repair persons, and other interested parties only with the Client's verbal consent. Client shall be the sole owner of the report and all rights to it. Company accepts no responsibility for use or misinterpretation of the content therein by third parties, and third parties who rely on it in any way do so at their own risk and release Company from any liability whatsoever.

15. Additional Fees: The Inspection Fee identified above is due prior to the physical inspection of the Inspected Property. If the Inspection Fee is not paid as required herein, the Company has no obligation to release the home inspection report, or any other information concerning the inspection or the Inspected Property, until the Inspection Fee is paid in full. All expenses incurred in collecting any overdue payments or returned checks are the responsibility of the Client. There is a \$75.00 service charge for returned checks. A finance charge of one and one-half percent (1.5%) per month, eighteen percent (18%) per year, will apply to all obligations not paid pursuant to the terms contained herein. Client agrees that in addition to any service charges or interest, the Client shall be responsible for all legal fees and costs incurred by the Company to collect the fees due under this Agreement.

16. Cancellation Policy: Company reserves the right to charge a cancellation fee of \$125.00 for appointments cancelled less than 24-hours before the scheduled start time of the inspection.

17. Severability: If any portion of this Agreement is found to be invalid or unenforceable by any court, the remaining terms shall remain in force between the Parties. The indemnities and assumptions of liabilities and obligations herein shall continue in full force and effect after and notwithstanding the termination of this Agreement.

18. Systems & Components Excluded By Agreement: The Parties agree the Client may exclude some systems and/or components of the Inspected Property. Requests for exclusion shall be made in writing at any point prior to the conclusion of the inspection.

19. Responsibility for Return Inspections: The Client understands that if any systems and/or components of the Inspected Property cannot be inspected due to unforeseen circumstances during the inspection, it is the Client's duty to contact the Company should the Client want the Company to return to the Inspected Property later in 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. The fee for the Company to return to the Inspected Property is \$150.00. It is understood and agreed to by the Parties 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. Pre-Settlement Inspection: Client accepts that this home inspection is not a substitute for a pre-settlement inspection. Damages, symptoms, clues, mechanical failures, or other problems may appear after the home inspection is performed and before closing. Client agrees to conduct a pre-settlement inspection of the dwelling as close as possible to time of closing. Client waives any right to make a claim against Company if Client did not diligently performed a pre-settlement inspection or if Client did not initiate more extensive investigation and follow through with specialists on all problems noted in the report.

21. Disclaimer of Warranties: Unless specified in this Agreement, all express or implied conditions, representations, and warranties, including any implied warranty of merchantability, fitness for a particular purpose or non-infringement are disclaimed, except to the extent that these disclaimers are held to be legally invalid. Client understands the inspection and subsequent report are **NOT** technically exhaustive and are **NOT** to be considered a **GUARANTEE OR WARRANTY**, expressed or implied, regarding the conditions of the property, its components, or any systems, and should not be relied upon as such.

22. Disclaimer of Third Party Warranty Services: The Parties agree the Company may, at its own expense, purchase a third party limited warranty on behalf of the Client. The Client understands any such warranties are purchased as a courtesy and the Company disclaims any such warranties and the actions or inactions of the third party warranty provider.

23. 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 and submitted to the Company via Certified Mail upon discovery. The Client also agrees to allow the Company ten (10) days from date of receipt to come to the Inspected Property to observe, photograph, 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.

24. Governing Law & Jurisdiction: All issues and questions concerning the construction, validity, enforcement, and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the state where the Inspected Property is situated State of New Jersey, without giving effect to any choice of law or conflict of law rules or provisions that would cause the application of the laws of any jurisdiction other than the state where the Inspected Property is located. The Parties agree that, subject to Section 25, any litigation arising out of this Agreement, or any services provided by the Company shall be filed only in the New Jersey Superior

Court, Bergen County vicinage having jurisdiction in the county in which the Company has its principal place of business.

25. Limitation on Time to Initiate Any Legal Action: Any legal action, 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 any other theory of liability arising out of, from or related to this Agreement or arising out of, from or related to the inspection or the home inspection report must be initiated within 120 days from the date of the delivery of the home inspection report to the Client, regardless of when the Client first discovers the facts supporting such possible claims as identified herein. Failure to initiate said action within 120 days of the date of services shall be a complete bar to any such action a full and complete waiver of any rights, actions or causes of actions that may have arisen thereon. Client understands that this period may be shorter than otherwise provided by state law.

26. Binding Arbitration Provision (Please Read Carefully): Any matter arising from, or concerning, this agreement and inspection or any claim as result from either, if deemed necessary, shall be subject to mediation between the Company and the Client by arbitration in accordance with the Construction Industry Arbitration rules from the American Arbitration Association, except for the rules pertaining to the arbitrator selection. Parties agree a New Jersey Licensed Home Inspector, with at least five years of experience, shall be a member of the Arbitration Board. **NOTICE: THE CLIENT AND COMPANY WOULD OTHERWISE HAVE THE RIGHT TO LITIGATE DISPUTES THROUGH A COURT AND HAVE A JUDGE OR JURY DECIDE THE MATTER BUT HAVE AGREED INSTEAD TO RESOLVE DISPUTES THROUGH BINDING ARBITRATION.**

27. Limitation of Remedy and Liability: The Parties agree Methodical Home Inspections, LLC shall not be liable for any losses or damages, whether direct, indirect, special, incidental, or consequential, regardless of the legal theory asserted, including negligence, warranty, or strict liability if the Client does not follow recommendations in the home inspection report or actual inspection, whether verbal or written.

28. No Assignments Permitted: Client may not assign all or any portion of his/her/their rights or obligations under this Agreement. Subject to the preceding, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties hereto and their respective heirs, legal representatives, successors, and assigns. This Agreement does not create and shall not be construed or deemed to create any rights or benefits enforceable by or for the benefit of any person or entity other than the Parties hereto and their respective heirs, legal representatives, successors, and assigns.

29. Wood Destroying Insect (WDI) Inspection: The Parties agree that the Wood Destroying Insect (WDI) Inspection is an additional service. The scope of the WDI Inspection shall consist of an inspection by the Company of a limited visual, functional, non-invasive inspection of the readily-accessible areas, as applicable to the Subject Property, including attics and crawlspaces which permit entry during the inspection. The inspection includes probing and/or sounding of unobstructed and accessible areas to determine the presence or absence of visual evidence of wood destroying insects. The Company is not responsible to repair any damage or treat any infestation at the Subject Property. The Client understands that wood destroying insect infestation and/or damage may exist in concealed or inaccessible areas. The Company cannot guarantee that any wood destroying insect infestation and/or damage disclosed by this inspection represents all of the wood destroying insect infestation and/or damage which may exist as of the date of the inspection. The Parties agree that the Company, and its inspector(s), will prepare a written WDI Infestation Report utilizing the Form NPMA-33 prepared by the National Pest Management Association. For purposes of this inspection, wood destroying insects include: termites, carpenter ants, carpenter bees, and re-infesting wood boring beetles. This inspection does not include mold, mildew or non-insect wood destroying organisms. The Client understands that as an additional service, the Company may elect to perform a WDI Inspection as part of a discount or promotional program. The Client understands that in cases where no fee is charged for such a service, the Client waives his or her right to pursue legal action.

30. Radon Testing: The Parties agree that Radon Testing is an additional service. The Company agrees to perform a short-term radon test using a radon measurement device approved by the State of New Jersey which will be exposed to the air in the home at the Property for a specified period of time and then sent to a laboratory approved by The State of New Jersey for analysis following the testing procedures and protocols established by the laboratory and/or the State of New Jersey. The Company and/or the laboratory will provide the results of the radon measurement to the Client on a form approved by The State of New Jersey. The Client understands that the results of the radon test are based on the conditions existing when the test was performed and that test results could be different due to changes in the weather, barometric pressure, living conditions or other unforeseen factors or conditions beyond the control of the Company. If a more accurate test is desired, the Client should consider long-term testing. This type of test is not practical during a routine real estate transaction. The Client understands that as an additional service, the Company may elect to perform Radon Testing as part of a discount or promotional program. The Client understands that in cases where no fee is charged for such a service, the Client waives his or her right to pursue legal action.

31. Oil Tank Sweep: The Parties agree that this is an additional service and the company will perform a limited site investigation for any evidence of an out-of-service or

abandoned underground storage tank used to store home heating oil (sometimes referred to as #2 fuel oil) at the Subject Property. The investigation is limited by the exceptions and exclusions as contained in this Agreement. A magnetic survey will be conducted over the entire Property using the Schonstedt magnetometer or similar type instrument. The magnetometer utilizes two sensors that detect the magnetic field generated by ferromagnetic objects. The difference in magnetic field strength between the two sensors indicates a magnetic field generated by ferromagnetic objects. The presence of a difference in sensor readings indicates anomalous conditions that are manifested by a signal meter indicating strength and polarity. Exclusions: The Company **IS NOT REQUIRED TO** determine 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: hazardous substances (as defined in applicable environmental law); fuels of any kind; asbestos; radon; lead; urea formaldehyde; odors; toxic or flammable chemicals; water or air quality; PCBs or other toxins; electromagnetic fields; proximity to toxic waste sites or sites being monitored by any state or federal agency; carbon monoxide; or any other environmental or health hazards. The Company **IS NOT RESPONSIBLE FOR** the removal, excavation or remediation of any underground tank located by the Company. The Company's services **DO NOT INCLUDE** evaluation of any stains, discolorations, or other physical signs of any possible environmental contamination in the soil or the building materials at the Subject Property. The Company **WILL NOT IDENTIFY OR REPORT** the presence of any system or component installed or method utilized to control or remove suspected hazardous substances. The Client understands that as an additional service, the Company may elect to perform an Oil Tank Sweep as part of a discount or promotional program. The Client understands that in cases where no fee is charged for such a service, the Client waives his or her right to pursue legal action.

32. Entire Agreement: This Agreement represents 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.

33. Acceptance of Terms: 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 set forth. 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. By signing this Pre-Inspection Agreement, the Client acknowledges that this Pre-Inspection Agreement was sent by the Company to Client or Client's Representative by mail, facsimile, email or other means of delivery, no later than one business day after the appointment for this home inspection was made.

34. One Hundred and Ten Percent (110%) Satisfaction Guarantee: If the client is unhappy with the services rendered by the Company for any reason, the Company agrees to refund the Home Inspection cost only. The parties agree that ancillary services (Radon Testing, Oil Tank Sweep, etc.) are excluded from refund calculations. The Company further agrees to credit the Client an additional one hundred dollars or ten percent (10%) of the Home Inspection cost, whichever is greater, to be used toward another Home Inspection performed by different vendor. The parties agree that this stipulation expires 48 hours after the Client receives the Home Inspection report and, as such, the Client understands he/she must notify the Company, in writing, no later than 48 hours after receiving said report. The Client further agrees to furnish the Company with a receipt or invoice of the subsequent Home Inspection within 30 days of its completion and the Client understands any credit, refund or reimbursement will not be issued without proper documentation of a subsequent Home Inspection performed by another inspector.