

LookSmart Home Inspections LLC, 2 Liberty Place, Rockaway, NJ 07866

HOME INSPECTION CONTRACT

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

Address of Inspection: _____

Name of Client: _____

LookSmart Home Inspections, LLC ("Company") agrees to perform a visual inspection of the subject property and to provide the above-named Client with a written inspection report identifying visually observable major deficiencies (material defects) of the inspected systems and components that exist at the time of inspection. The written report will include the following systems only: STRUCTURAL COMPONENTS, GROUNDS, EXTERIOR, ROOFING, BASEMENT OR CRAWL SPACE, PLUMBING, HEATING, ELECTRICAL SYSTEM, and CENTRAL AIR CONDITIONING.

Home Inspection, as Defined by N.J.A.C. 13:40-15

A home inspection is a visual, functional, non-invasive inspection conducted 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. It includes evaluation 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 system, 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 to determine if material defects exist. Home inspectors are governed by the rules contained in N.J.A.C. 13:40-15. Comments that exceed the state standards are for the Client's information only and are not part of the home inspection. Home Inspectors are governed by the Rules in the New Jersey Administrative Code contained at N.J.A.C 13:40-15; failure to comply with the rules may subject the licensee to discipline.

"Material defect" is defined as 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.

Systems and items EXCLUDED from the home inspection are, but are not limited to, the following: recreational playground facilities, geological and soil conditions, sprinkler systems (fire and lawn), solar systems, water wells, below-ground septic or drainage systems, forced air furnace heat exchangers, hard-wired smoke detectors, wiring that is not part of primary electrical distribution systems (including, but not limited to: intercoms, cable TV, security systems, audio and computer systems), appliances (including portable air conditioning units), wood destroying insects (unless contracted to evaluate), other insects, cantilevers, sewer and water lines, chimney flues, water wells, adequacy of insulation, efficiency of heating and cooling systems, fire suppression systems, water quality, water volumes, pools, spas, saunas, steam rooms, fountains, automatic gates, water softener, radiant heat systems, barbecues, gas leaks, odors, noise, central vacuums, telephones, antennae, lighting arrestors, load controllers, trees, plants, exterior insulation and finish systems (EIFS), and items considered to be cosmetic. Any comments regarding excluded systems and items are for information only and are not part of the inspection. Evaluation of the presence or absence of pests is excluded from this inspection. The Client is urged to contact a reputable and licensed professional or specialist to obtain information on condition and existence of all of the above described items prior to the expiration of the Client's inspection contingency.

Home Inspection Limitations, as Defined by N.J.A.C. 13:40-15.16

The home inspector is not required to move personal property, debris, furniture, equipment, carpeting, or like materials that may impede access or limit visibility. Concealed or latent defects are excluded from the inspection. Equipment and systems will not be dismantled. The inspection is not intended to be technically exhaustive, nor is it a compliance inspection for any governmental codes or regulations.

The home inspector will not enter any area or perform any procedure that is, in the opinion of the home inspector, unsafe and likely to be dangerous to the inspector or other persons. The home inspector will not enter any area or perform any procedure that will likely damage property or its systems or components.

(Page-1) Client initials _____

The home inspector will not enter any area that does not have at least 24 inches of unobstructed vertical clearance and at least 30 inches of unobstructed horizontal clearance, nor will the inspector identify concealed conditions and latent defects; determine life expectancy of any system or component; determine the cause of any condition or deficiency; determine future conditions that may occur including the failure of systems and components including consequential damage; determine the operating costs of systems or components; determine the suitability of the property for any specialized use; determine compliance with codes, regulations, and/or ordinances; determine market value of the property or its marketability; determine advisability of purchase of the property; 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; determine the effectiveness of any system installed or method utilized to control or remove suspected hazardous substances; operate any system or component that is shut down or otherwise inoperable or that does not respond to normal operating controls; operate shut-off valves; determine whether water supply and waste disposal systems are public or private; insert any tool, probe, or testing device inside electrical panels; dismantle any electrical device or control other than to remove the covers of main panels and sub-panels; walk on unfloored sections of attics; or light pilot flames or ignite or extinguish fires.

The inspection and report do not address, and are not intended to address, the possible presence of, or danger from asbestos, radon gas (unless requested), lead paint, urea-formaldehyde, soil contamination, pesticides, toxic or flammable chemicals, water-or airborne-related illness or disease, and all other similar or potentially hazardous substances and conditions, nor will the inspection and report address the absence/presence or condition of buried oil storage tank,. The Client is urged to contact a competent specialist if information, identification, or testing of the above environmental issues is desired.

Hidden/Latent/Unexposed Damage

All inaccessible areas that require invasive or destructive testing must be made accessible by invasive means or destructive means in order to be professionally inspected and tested before the end of your inspection contingency. All areas that were hidden from view, inaccessible, not traversed, or had restricted access or restricted visibility must be made safe and accessible in order to be professionally tested and inspected before the end of your inspection contingency. If these areas are not made accessible and professionally inspected and tested, Client assumes all open-ended risks. Hidden damage, defects, or other issues may exist.

NEITHER THE INSPECTION NOR THE INSPECTION REPORT IS A WARRANTY, EXPRESSED OR IMPLIED, REGARDING THE ADEQUACY, PERFORMANCE, FUTURE PERFORMANCE, OR CONDITION OF ANY INSPECTED STRUCTURE, SYSTEM OR ITEM. CLIENT ACKNOWLEDGES THAT CONDITION OF INSPECTED STRUCTURE, SYSTEM OR ITEM, IS SUBJECT TO CHANGE AFTER REPORT HAS BEEN ISSUED. THE INSPECTION AND REPORT ARE NOT INTENDED TO REFLECT THE VALUE OF THE PREMISES, OR TO MAKE ANY REPRESENTATION AS TO THE ADVISABILITY OR INADVISABILITY OF PURCHASE OR SUITABILITY OF USE. THE INSPECTION AND REPORT ARE ONLY INTENDED TO EXPRESS THE OPINION OF ITS AGENT, BASED ON A VISIBLE INSPECTION OF EXISTING CONDITIONS OF ACCESSIBLE PORTIONS OF STRUCTURE, SYSTEMS, AND ITEMS AT THE TIME OF INSPECTION.

Conducting a Pre-settlement Inspection Is Important

Client understands that the home inspection is not a substitute for a pre-settlement inspection. Damages, failures, leaks, system breakdowns, etc. may occur after the home inspection is performed. Client agrees to conduct a pre-settlement inspection as close to the date of closing as possible. The Company will attend the pre-settlement inspection for a fee of \$125 to determine if conditions have changed from the time of the inspection to the time of closing. Client waives any right to make a claim if the Client has not performed a pre-settlement inspection or if the Client did not follow through with the hiring of specialists to further evaluate and correct the issues that exist in the home.

Photos

The inspector may include photos of selected defects in the home inspection report. The photos will not depict every defect or problem in the home and the photos are taken at the discretion of the home inspector. The photos are to be used as a tool to better see and remember some selected defects.

Unsafe Conditions

No area that presents a threat to the home inspector's safety will be inspected. Examples of such areas are, but are not limited to, the following: steep roofing systems, slippery roofs, damaged or brittle roofs, unfloored areas, and roofs not reachable with an 11-foot ladder.

Estimates

The cost estimates provided by the Company are for informational use only. The Client should not rely on the provided estimates as point of fact. Client agrees to get cost estimates and quotes from reliable, licensed firms for the repair of the listed defects provided in the inspection report.

(Page-2) Client initials _____

Binding Arbitration

Any dispute, controversy, interpretation, or claim including claims for, but not limited to, breach of contract, any form of negligence, fraud, or misrepresentation arising out of, from, or related to this contract or arising out of, from, or related to the inspection and inspection report shall be submitted to final and binding arbitration under the Rules and Procedures of the Expedited Arbitration of Home Inspection Disputes of Construction Arbitration Services, Inc. The decision of the Arbitrator appointed there shall be final and binding, and judgment on the award may be entered in any Court of competent jurisdiction. All costs of the arbitration will be the full and sole responsibility of the persons bringing the claim. All arbitrators shall have knowledge of the home inspection industry, and at least two members of the arbitration panel shall be members of the New Jersey bar. In determining the degree of care that would be used by a home inspector, all arbitrators shall rely solely upon N.J.A.C 13:40-15.

Limit of Liability

It is understood and agreed by and between the parties hereto that LookSmart Home Inspections, LLC ("Company") and its officers', agents', or employees' LIMITATION OF LIABILITY for errors or omissions in the inspection report is limited and fixed to a refund of two times the fee paid for the inspection and inspection report. If requested by Client, Company will assume a greater liability, but only for an additional fee to be agreed upon by the Client and the Company. This arrangement will be set forth in a separate document.

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.

Time Limit Requirements to Bring a Claim

Any legal action or proceeding of any kind, including those sounding in tort or contract, against LookSmart Home Inspections, LLC, ("Company") or its officers, agents, or employees, must be brought within one (1) year from the date of the inspection or will be deemed waived and forever barred. Time is expressly of the essence herein. Client must provide Company with the right to examine the subject of the claim within (10) days after discovery, and before any changes or remedial measures are taken. If the above provisions are not met, Client waives the right to sue and the Company has no liability.

Third Parties

Client understands that the inspection and inspection report are performed and prepared for their sole, confidential, and exclusive use. Company will issue reports **only** to authorized recipients identified in writing by Client. Client agrees to indemnify, defend, and hold harmless Company from any third party claims relating to this inspection or inspection report.

Client Not Present at the Inspection

Client understands and agrees that if he/she is not present at the time of the inspection and therefore does not sign this Agreement, that this agreement will form a part of the inspection report, and acceptance of the inspection report by Client and payment to Company will constitute acceptance of the terms and conditions of this Agreement.

Fees and Expenses

If either party makes a claim against the other for any error/omission arising out of the work performed under this contract and fails to prove all aspects of the claim and prevail in arbitration or in any court that has jurisdiction in this matter, the party making the claim will be responsible for all costs including attorneys' fees, other defense costs, expert witness fees, court costs, and arbitrator fees. Client agrees to pay all of the Company's collection costs, legal fees, and expenses.

A re-inspection fee of \$125.00 may apply if Client schedules any type of re-inspection that requires a return visit to the site.

Payment is due upon completion of the on-site inspection.

Fee: \$ _____ Radon:\$ _____ Termite:\$ _____ Total: \$ _____

I Understand and fully accept all of the provisions of this contract, and I have read all three pages of this contract in their entirety. I understand that I have the right to have my attorney review this contract prior to signing the document.

Client: _____ Date: _____

I agree to allow a copy of the home inspection report to be sent to my attorney (circle one): yes no

Attorney's name: _____

Attorney's address: _____

Home Inspector: _____ Date: _____

Home Inspector: John Martino
Home Inspector License # 24GI00058700