

Alpha Home Inspection LLC

Office: 717-914-1600
office@alphainspection.net

INSPECTION AGREEMENT

Client Name:

Inspection Date:

Inspection Address:

Thank you for choosing Alpha to assist you in evaluating the real estate you've elected to purchase. Like you, we were not blessed with the ability to see behind walls, but by undertaking a systematic and educated analysis we can alert you to issues critical to exercising options made available in your agreement of sale.

PLEASE READ THIS DOCUMENT AND ALL ATTACHMENTS CAREFULLY. THESE DOCUMENTS INCLUDE ALL TERMS OF OUR AGREEMENT WITH YOU, OUR CLIENT. THE PROVISIONS ARE CLEARLY STATED, BUT SHOULD YOU HAVE ANY QUESTIONS PLEASE ASK US BEFORE SIGNING. THE TERMS EXPLAIN THE LIMITS OF OUR INSPECTION AND WARRANTY AS WELL AS HOW AND WHERE CLAIMS ARE RESOLVED.

In this Agreement, you are referred to as "Client" and we are referred to as the "Company." The term "Company" includes all inspectors who perform the contracted-for inspections as an employee or independent contractor of Alpha Home Inspection LLC.

Client engages Company to perform the following inspection services at the Inspection Address noted above, referred to as the "Property", and agrees to pay the price stated to the Company for conducting the inspection(s) and issuing the inspection report(s) to Client directly or to Client's real estate agent.

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Payment is to be made no later than the start of Inspection. All expenses incurred in collecting any overdue payments or returned checks are the responsibility of Client. Payment can be made by: Check, Cash, or Credit Card. **(Please see Invoice for Online payment option.)**

REPORT DISTRIBUTION:

Client controls the distribution of all inspection reports and authorizes the Company to release copies of the report to your Real Estate Agent.

NOTE: IMPORTANT LIMITATIONS AND EXCLUSIONS OF THIS PRE-INSPECTION AGREEMENT ARE CONTAINED IN THE ATTACHED ADDENDUM ENTITLED LIMITATIONS AND EXCLUSIONS OF THE HOME INSPECTION AND REPORT. PLEASE READ THE ADDENDUM CAREFULLY. PLEASE FEEL FREE TO ASK ANY QUESTIONS. For all other services provided by the Company, if any, the terms and conditions of such services are contained in the additional attached Agreements and/or Addendums.

TERMS OF AGREEMENT

1. Permission to Access the Property: Client represents that permission has been given by the Property owner to allow Company to enter and inspect the Subject Property (usually this is found in the agreement of sale between Client and the owner/seller).

2. Attending the Inspection(s): Client understands that Client and/or any authorized representative has been

encouraged to attend and participate in the inspection. By going through the Property with the inspector, you gain insight as well as having the added opportunity to seek clarification and ask questions. Not doing so may result in less than a complete understanding of the findings. Client understands that, like risks encountered when going through any structure, there are risks that may arise due to the condition of the Property. Client must exercise care and not accompany the inspector into darkened locations where obstacles and conditions may lead to falls, collisions and the like. Client is not to climb ladders, go onto exposed and unguarded roofs, decks and other similar places. **CLIENT ASSUMES THE RISK OF INJURY WHEN ATTENDING THE INSPECTION(S).**

3. Standards of Practice: The scope of this inspection is defined and limited by the standards, limitations, exceptions and exclusions as contained in the **Standards of Practice and Code of Ethics of the American Society of Home Inspectors, Inc.®** (“ASHI® SoP”), the provisions of the Pennsylvania Home Inspection Law, 68 Pa. C.S. § 7501, et seq., and this Pre-Inspection Agreement. Inspections performed under the ASHI® SoP are intended to provide Client with information about the condition of inspected systems and components **at the time of the home inspection**. Additionally, inspections performed under the ASHI® SoP are not technically exhaustive, and are not required to identify or to report: concealed conditions; latent defects; consequential damages; and cosmetic imperfections that do not significantly affect a component’s performance or its intended function. Please ask for copies of the Standards and the Law that are referred to in this paragraph should you have any questions or concerns as to the scope of the inspection and the standards Company follows.

4. Definitions and Purpose of the Inspection: The Pennsylvania Home Inspection Law gives a definition of Home Inspection that is quoted below in this paragraph. While the legal definition says an inspection for wood destroying insects is not part of a Home Inspection, it does not follow that we cannot also perform a wood destroying inspection for you...we can because we are licensed to do so under other Pennsylvania laws regarding these types of inspections. If we are also hired to provide Client with wood infestation inspection, the provisions of this Agreement provide to that inspection and report as well.

Home inspection means a **noninvasive visual examination** of some combination of the mechanical, electrical or plumbing systems or the structural and essential components of a residential dwelling designed to identify **material defects** in those systems and components and performed for a fee in connection with or preparation for a proposed or possible residential real estate transfer. The term **does not include** an examination that is limited to the inspection for one or more of the following: wood destroying insects; underground tanks and wells; septic systems; swimming pools and spas; alarm systems; air and water quality; tennis courts and playground equipment; pollutants; toxic chemicals; and environmental hazards. A material defect is a problem with a residential real estate property or any portion of it that would have a significant adverse impact on the value of the property or that involves an unreasonable risk to people on the property. The fact that a structural element, system or subsystem is near, at or beyond the end of the normal useful life of such a structural element, system or subsystem is not by itself a material defect.

5. Inspection Report: Client and Company agree that Company, and its inspector(s), will prepare a written inspection report which shall:

(A) Describe the scope of the inspection, including without limitation an identification of the structural elements, systems and subsystems covered by the report; (B) describe any material defects noted during the inspection; (C) where necessary, recommend that certain experts be retained to determine the extent of the defects and any corrective action that should be taken; and (D) conspicuously identify any material defect that poses an unreasonable risk to people on the Subject Property.

6. Inspection Exclusions: The Company IS NOT REQUIRED TO DETERMINE: the condition of systems and components that are not readily visible and accessible; the remaining life expectancy of systems and

components; the strength, adequacy, effectiveness, and efficiency of systems and components; the causes of conditions and deficiencies; methods, materials, and costs of corrections; future conditions including but not limited to failure of systems and components; the suitability of the Subject Property for specialized uses; compliance of systems and components with past and present requirements and guidelines (including, but not limited to, codes, regulations, laws, ordinances, specifications, installation and maintenance instructions, and use and care guides); the market value of the Subject Property and its marketability; the advisability of purchasing the Subject Property; the presence of plants, animals, and other life forms and substances that may be hazardous or harmful to humans including, but not limited to, wood destroying organisms, molds and mold-like substances; the presence of environmental hazards including, but not limited to, allergens, toxins, carcinogens, electromagnetic radiation, noise, radioactive substances, and contaminants in building materials, soil, water, and air; the effectiveness of systems installed and methods used to control or remove suspected hazardous plants, animals, and environmental hazards; operating costs of systems and components; acoustical properties of systems and components; soil conditions relating to geotechnical or hydrologic specialties; or whether items, materials, conditions and components are subject to recall, controversy, litigation, product liability, and other adverse claims and conditions. The Company IS NOT REQUIRED TO OFFER OR TO PERFORM: acts or services contrary to law or to government regulations; architectural, engineering, contracting, or surveying services or to confirm or to evaluate such services performed by others; trades or professional services other than home inspection; or warranties or guarantees. The Company IS NOT REQUIRED TO OPERATE: systems and components that are shut down or otherwise inoperable; systems and components that do not respond to normal operating controls; shut-off valves and manual stop valves; or automatic safety controls. The Company IS NOT REQUIRED TO ENTER: areas that will, in the professional judgment of the inspector, likely be dangerous to the inspector or to other persons, or to damage the Subject Property or its systems and components; or under-floor crawlspaces and attics that are not readily accessible. The Company IS NOT REQUIRED TO INSPECT: underground items including, but not limited to, underground storage tanks and other underground indications of their presence, whether abandoned or active; items that are not installed; installed decorative items; items in areas that are not entered in accordance with the ASHI® SoP; detached structures other than garages and carports; common elements and common areas in multi-unit housing, such as condominium properties and cooperative housing; every occurrence of multiple similar components; or outdoor cooking appliances. The Company IS NOT REQUIRED TO: perform procedures or operations that will, in the professional judgment of the inspector, likely be dangerous to the inspector or to other persons, or to damage the Subject Property or its systems or components; describe or report on systems and components that are not included in the ASHI® SoP and that were not inspected; move personal property, furniture, equipment, plants, soil, snow, ice, and debris; dismantle systems and components, except as explicitly required by the ASHI® SoP; reset, reprogram, or otherwise adjust devices, systems, and components affected by inspection required by the ASHI® SoP; ignite or extinguish fires, pilot lights, burners, and other open flames that require manual ignition; or probe surfaces that would be damaged or where no deterioration is visible or presumed to exist.

7. Binding Arbitration Provision. PLEASE READ CAREFULLY: Any dispute, controversy, interpretation, or claim, including claims for, but not limited to, breach of this Agreement, 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 Pre-Inspection Agreement or arising out of, from or related to the inspection or the report shall be submitted to final and binding arbitration as conducted by and according to the Rules and Procedures of Construction Dispute Resolution Services, LLC. The decision of the arbitrator appointed by Construction Dispute Resolution Services, LLC shall be final and binding and judgment on the decision may be entered in any Court of competent jurisdiction. All proceedings to take place in the state where the services are performed. **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.**

8. Disclaimer of Warranty: Client understands that the inspection and 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 inspection nor the report is a substitute for any real estate transfer disclosures that may be required by law.

9. Notice of Claims: 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 Subject Property to inspect and evaluate any condition complained of by 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.

10. Choice of Law: This Pre-Inspection Agreement shall be governed by Pennsylvania 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.

11. Limitation of Liability. PLEASE READ CAREFULLY: Client understands and agrees that the Company is not an insurer and that the payment for the inspection and 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 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, 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 (except gross 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 Pre-Inspection Agreement or arising out of, from or related to the inspection or report, is limited to an amount equal to the inspection fee multiplied by two (2), as liquidated damages and not as a penalty. Client releases the Company from any and all additional liability, whether based on contract, tort, or any other legal theory. Client understands that he/she/they is/are free to consult with another professional if Client does not agree to this provision.

12. Systems & Components Not Inspected By Agreement: Client and the Company agree that the following systems and/or components of the Subject Property are specifically excluded from the inspection at the request of Client:

13. Responsibility for Return Inspections: Client understands that if any systems and/or components of the Subject Property cannot be inspected due to unforeseen circumstances during the inspection it is Client's duty to contact the Company should Client desire the Company to return to the Subject 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 report. If Client desires the Company to return at a later date or time Client hereby agrees that the Company will charge Client an additional fee in the amount of \$165.00 to conduct the return inspection.

14. Entire Agreement: This Pre-Inspection Agreement and any subsequent report issued to Client by the Company represent 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. The inspection is being performed for the exclusive use and benefit of 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.

15. Client's Agreement & Understanding of Terms: By signing this Agreement, the undersigned Client agrees that he/she/I/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. Client understands that Client has a right to have an attorney of Client's choice review this Agreement before signing it. Client understands that if Client does not agree with any of the terms, conditions, limitations and/or exclusions set forth in this Agreement, Client is free to not sign it. Client understands that Client may retain another provider to perform the services contemplated by this Agreement. Client further understands that, should Client not agree to the terms and conditions set forth in this Agreement, Client may negotiate with the Company for different terms and conditions.

Inspector's Signature: _____

Date: _____

Client Signature: _____

Date: _____