

PRE-INSPECTION AGREEMENT



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WA State Licensed Home Inspector Lic. # 1281
WA State Structural Pest Inspector Lic. # 68817

Client(s):

Subject Property:

Inspection Date/Time:

Attendance: Buyer, Buyer's Agent, Seller, Seller's Agent, Tenant, Other

Others attending (if applicable): _____

Please, read and sign this Pre-Inspection Agreement, which becomes part of the final report. Washington state law requires that a Pre-Inspection Agreement be provided to the client prior to the inspection unless prevented by circumstances from doing so (WAC 308-408C-060). This document explains the Scope of Inspection, Limits of the Inspection, General Exclusions, Terms and Conditions, Limitations of Liability & Arbitration Agreement, Definitions of Apparent Condition, and Terms of Payment. The Standards of Practice adhered to and reflected herein meet or exceed both the Washington State mandated Standards of Practice (WAC 308-408C-010 through 308-408C-180) and the InterNACHI Standards of Practice (International Association of Certified Home Inspectors <http://www.nachi.org/sop.htm>). As our valued Client, you are encouraged to call us for an explanation of this agreement or any aspect of the report which you do not fully understand.

SCOPE OF INSPECTION

The purpose of a home inspection is to assess the condition of a residence at the time of the inspection using visual observations, simple tools and normal homeowner operational controls; and to report deficiencies of specific systems and components. A home inspection is *not technically exhaustive* and does not identify *concealed conditions* or *latent defects*. Minor and cosmetic defects may be listed in the report for maintenance purposes but it is not the intent, nor will the inspection report identify and list all minor or cosmetic defects. A home inspection report should always be considered supplementary to a Seller's Disclosure Statement whenever provided.

The inspection is intended to evaluate systems and components of the primary dwelling or structure. Included with the inspection is the evaluation of primary *attached* garages, carports, decks, porches, and patios. The inspection does not include evaluation of *detached* garages, carports, decks, porches, patios, or accessory dwellings unless explicitly specified. The inspection does not include the inspection of pools, spas, hot tubs, or saunas.

PRE-INSPECTION AGREEMENT

Systems and components to be inspected include: grounds, exposed and visible foundation, exterior, structure, roof, electrical, plumbing, attic, interior, bathrooms, kitchen, built-in kitchen appliances, basement, crawl space, heating and/or cooling system, and attached garage or carport.

Basic operational testing of built-in kitchen appliances is performed. Built-in appliances that are typically tested include ovens, stoves, cooktops, microwave ovens, exhaust fans/range hoods, garbage disposal units, and dishwashers. Refrigerators and free-standing microwave ovens are not considered built-in and are excluded. No determination beyond basic operation is made regarding the performance of appliances.

LIMITS OF THE INSPECTION

The inspection is limited to the readily accessible and visible systems, equipment and components of the home. The inspector will not dismantle and/or move equipment, systems, furniture, appliances, floor coverings, finished or fastened surfaces or components, personal property or other items to conduct this inspection or otherwise expose concealed or inaccessible conditions. The inspection will not include destructive testing of any kind.

As a general rule, the Inspector will *enter and traverse* attics, subfloor crawl spaces, and roofs in performance of the inspection. The Inspector is NOT required to enter or traverse crawl space areas that require excavation, is blocked by personal property or stored items, or have an access opening less than eighteen inches by twenty-four inches or headroom less than eighteen inches beneath floor joists and twelve inches beneath girders (beams). The Inspector is NOT required to inspect any areas that are not readily accessible due to obstructions, inadequate clearances or have conditions which, in the inspector's opinion, are hazardous to the health and safety of the inspector or will cause damage to components of the home.

It is important to clarify that **THE INSPECTION AND REPORT ARE NOT A GUARANTEE OR WARRANTY**. There may be latent defects that are not visible at the time of the inspection. Conditions may be concealed, and conditions may also change – sometimes dramatically – at any time after the inspection is performed. Problems may exist even though no visible signs of such may not be present or visible during the inspection such as interior wall voids or under floor coverings. No representation is made as to how long any system or component will function.

GENERAL EXCLUSIONS

This report is NOT intended to:

- 1) Determine the condition of any system or component that is not readily accessible;
- 2) Determine the service life of any system or component;
- 3) Determine the strength, adequacy, effectiveness, or efficiency of any system or component;
- 4) Determine the causes of any condition or deficiency;
- 5) Determine the methods, materials, or cost of corrections;
- 6) Determine future conditions including, but not limited to, failure of systems and components.

The inspection DOES NOT INCLUDE investigation of mold, asbestos, lead paint, water, soil, air quality or other environmental issues unless explicitly agreed to in writing herein. Examples of other conditions excluded above include the presence or absence of environmental hazards such as lead pipes, lead solder, urea formaldehyde insulation, toxic wastes, rodent/pest infestations, or radon gas. It is the responsibility of the client to conduct further inspections by qualified consultants to ascertain the presence of these contaminants and the means of remediation. Any specific observations or concerns related to the above are referred to professionals in their respective fields of expertise.

PRE-INSPECTION AGREEMENT

The report does NOT address the suitability of the structures or property for any specialized use, compliance with codes, regulation, laws, or ordinance. ***A standard home inspection is NOT a “code inspection.”*** The inspection does not investigate or reveal whether or not modifications are legally conforming or if permits were properly issued. The Client acknowledges that *home inspectors are considered “generalists” in the field of building science.* They are knowledgeable in a wide range of building science disciplines, however, they are not necessarily experts in specialized fields unless they are additionally licensed and trained to perform in those fields. For example, licensed home inspectors have a working knowledge of electrical, plumbing, and roofing systems, but they are not necessarily licensed electricians, plumbers, or roofing contractors. Therefore, clients are strongly encouraged to seek advice from various specialists when deemed necessary.

The Client acknowledges and agrees that the inspection and report are limited in nature/scope and that the following are outside the scope of the inspection: ancillary electrical systems including TV cable systems and antennas, intercom systems, lightning protection systems, low voltage lighting systems, playground equipment, swimming pools, hot tubs/spas, humidifiers, air purifiers, swamp coolers, solar panels and related components, septic systems, wells, free-standing heating stoves, water softeners, water purification systems, fire escapes, elevator systems, fire alarm systems, security systems, telephone systems, concealed wiring, and computer network systems.

TERMS AND CONDITIONS

The Client is strongly encouraged to accompany the Inspector during the inspection. Doing so provides both the Client and the Inspector with the opportunity to discuss observations, questions, or concerns. Client participation shall be at the Client's risk for personal injury or damage to person or property for any reason or from any cause.

The inspection and report are the intellectual property of Horizon Inspections, LLC and are performed and prepared for the sole, confidential, and exclusive use and possession of the Client(s). The limited-use rights to the inspection report are restricted to the Client and are not permitted to be transferred, sold, or assigned to a third party. Unauthorized transfer, sale, or assignment of the report to a third party is considered copyright infringement and exposes the sharer to liability and damages of not less than the inspection fee per occurrence.

- A. The Client recognizes that this report is solely for the benefit of the Client and that any person or party designated by the Client to receive information in this report shall be subject to the TERMS AND CONDITIONS contained herein.
- B. The Client agrees that any claim arising in connection with this agreement shall be made in writing to the Company at the address above by certified mail, return receipt requested within 14 days after discovery of a problem.
- C. The Client agrees to allow the Company to re-inspect before changing the condition of the problem, except in an emergency. Failure to allow the Company the opportunity to re-inspect, as required above, shall constitute a waiver of any and all claims the Client may have against the Company.
- D. The Client acknowledges that 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 changes or modification are in writing and signed by the parties and supported by valid consideration.

PRE-INSPECTION AGREEMENT

LIMITATIONS OF LIABILITY & ARBITRATION AGREEMENT

It is understood and agreed that the Company, Horizon Inspections LLC, is not an insurer and that the inspection and report are not intended to be or construed as a guarantee or warranty of the adequacy, performance or condition of any structure, item, or system at the property address. The Client hereby releases and exempts the Company and its agents and employees of and from all liability and responsibility for the cost of repairing or replacing any unreported defect or deficiency and for any consequential damage, property damage, or personal injury of any nature.

The Client agrees that, to the extent allowed by law, if the Company or Inspector(s) are found to be negligent or careless in performing the home inspection and/or preparing the home inspection report, LIABILITY IS LIMITED TO THE FEE PAID FOR THE INSPECTION SERVICE. The Client acknowledges that a Structural Pest Inspection, including a subsequent Complete WDO Report, is a separate service that may or may not be performed in conjunction with a standard home inspection. Washington State law requires all companies that provide Structural Pest Inspections to maintain adequate financial coverage (such as errors and omissions insurance and surety bond). Therefore, if a Complete WDO Structural Pest Inspection is performed regardless of whether or not such inspection is performed for a separate fee, the liability limit increases to the minimum amount of financial coverage as required by state law which claims shall be restricted to those related to or arising from the Structural Pest Inspection and Complete WDO Report. Furthermore, the Client agrees to pay all attorney fees or other professional consultation fees should the Client pursue a claim against the Company and fail to prevail.

Any disputes, controversy, interpretation or claim including claims for, but not limited to, breach of contract, and 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 or inspection report shall be submitted first to a Non-Binding Mediation conference and absent a voluntary settlement through a Non-Binding Mediation to be followed by final and Binding Arbitration, if necessary, as conducted by Construction Dispute Resolution Services, LLC or Resolute Systems, Inc. utilizing their respective Rules and Procedures. If you would like to utilize the Mediation or Arbitration services of another dispute resolution provider other than one of those so stated please submit your recommendation to us for our consideration. If the dispute is submitted to Binding Arbitration, the decision of the Arbitrator appointed there under shall be final and binding and the enforcement of the Arbitration Award may be entered in any Court or administrative tribunal having jurisdiction thereof.

**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 MEDIATION AND BINDING ARBITRATION.**

DEFINITIONS OF APPARENT CONDITION

Systems and components are rated in the report as follows:

“SATISFACTORY” – Indicates the system or component is functioning consistent with its original purpose but may show signs of normal wear and tear or deterioration.

“MAINTENANCE” – Indicates that a component or system requires minor or routine maintenance to prolong or restore proper function.

“REPAIR/REPLACE” – Indicates that a system or component requires more substantial repairs or replacement to restore proper function or prevent further damage.

“RECOMMENDED UPGRADE” – Indicates an optional modification or improvement

PRE-INSPECTION AGREEMENT

“MONITOR” – Indicates that a system or component is functional but conditions may exist that warrant ongoing monitoring. For example, an appliance may be functioning beyond its expected service life and may need replacement in the near future.

“FURTHER EVALUATION” – Indicates that further evaluation is recommended by a properly licensed professional for the system or component in question.

“SAFETY CONCERN” – Indicates that a system or component is considered to be significantly deficient or poses a potential health risk. For example, the lack of functional smoke detectors or the presence of a trip hazard.

“HAZARDOUS CONDITION” – Indicates that a dangerous or potentially life threatening condition exists that requires immediate attention. For example, an odor of gas in the house or a broken guard rail on a high deck.

TERMS OF PAYMENT

Payment of the full Inspection Fee of \$ _____ U.S. Dollars is *due upon completion* of the on-site inspection and *prior to receiving the written report*. Payment of the inspection fee entitles the Client to one original inspection report. Inspection reports are provided electronically via email. A single, full color hardcopy will be available upon request at no additional cost. If Client is a corporation, LLC, or similar entity, the person signing this Agreement on behalf of such entity does personally guaranty payment of the fee by the entity. The Client agrees to pay all legal and time expenses incurred in collecting due payments, including attorney's fees, if any.

Client's Email Address: _____

(Please, write email address clearly)

Client authorizes the Company to provide a copy to their real estate broker. _____ (initials)

ACKNOWLEDGEMENT

I, the undersigned Client(s), have carefully read and understand this Pre-Inspection Agreement and agree to the limitations, exclusions, and terms described herein and acknowledge receipt of a copy of this agreement.

Client Signature: _____ Date: _____

Client Signature: _____ Date: _____