

Sherlock Homes Inspection Service

7809 Forest Ave., Munster, IN 46321

(219) 934-1930 <> (800) 232-0333

PRE-INSPECTION AGREEMENT

(PLEASE READ CAREFULLY BEFORE SIGNING)

Customer _____

Property Inspected: _____

Address _____

City, State, Zip _____

THIS AGREEMENT made and entered into this ____ day of _____, 20 ____ at _____, by and between the customer identified hereinabove (hereinafter referred to as "CUSTOMER"), and Sherlock Homes Inspection Service (hereinafter referred to as "SHERLOCK"), WITNESSETH:

For and in consideration of the mutual covenants contained herein, the receipt, weight and sufficiency of which consideration is hereby acknowledged, the parties hereto hereby agree as follows:

1. Inspection and Report.

(a) *Basic Description of Services.* SHERLOCK hereby agrees to conduct an inspection of the property identified above (hereinafter referred to as "the property"), and to thereafter issue a written report which adequately informs CUSTOMER of the major defects, deficiencies and safety hazards associated with said property.

(b) *Subjects Included.* The parties agree that the inspection and report are intended to, and will, address only the following: (i) structural condition and basement; (ii) general exterior, including roof, gutter, chimney, drainage and grading; (iii) general interior, including ceilings, walls, floors, windows, insulation and ventilation; (iv) above-ground electrical, above-ground plumbing, hot water, heating and air conditioning (weather permitting); (v) quality, condition and life expectancy of major systems; and (vi) kitchen and appliances.

(c) *Subjects Excluded.* The parties agree that the inspection and report are not intended to, and therefore will not, address the following: (i) the possible presence of or danger from any potentially harmful substances and environmental hazards, including, but not limited to, radon gas, lead paint, asbestos, urea formaldehyde, toxic or flammable materials, soil contamination, and water and airborne hazards; (ii) swimming pools, pool equipment, spas, hot tubs, wells, septic systems, water wells, water testing, energy efficiency measurements, heating system accessories, solar heating systems, telephone systems, security systems, intercom systems, antennas, cable television, doorbells, central vacuum systems, water softeners, water filters, sprinkler systems, playground equipment, recreational equipment, recreational facilities, landscaping, underground storage tanks, underground drainage, concealed or underground electric and plumbing, outdoor grills, low voltage exterior lighting, remote overhead door transmitters and receivers, sheds, outbuildings, other accessory structures, fire and safety equipment; (iii) the presence or absence of rodents, termites and other pests; (iv) maintenance and related issues; and (v) all subjects indicated as being excluded in the American Society of Home Inspectors (ASHI) Standards of Practice (most current revision).

(d) *Limitation of Scope.* The parties agree that the inspection will be of only readily accessible areas of the building, and is limited in scope to visual observations of apparent conditions existing at the time of the inspection only. The parties therefore agree that: (i) latent and concealed defects, deficiencies and safety hazards, including, but not limited to, basement flooding, basement seepage, and roof leakage, are excluded from the inspection; and (ii) equipment, building material and systems will not be dismantled in the course of the inspection. The parties further agree that the ASHI Standards of Practice (most current revision) shall define the standard of duty and the conditions, limitations, and exclusions of the inspection and report, and that said Standards are expressly incorporated herein by this reference.

(e) *Prohibited Uses.* CUSTOMER hereby acknowledges that SHERLOCK is not an insurer of any inspected condition(s), and therefore agrees that: (i) the report is not, and shall not be used as, a compliance inspection or certification for past or present governmental codes, ordinances, or regulations of any kind; and (ii) the inspection and report are not, and may not be used as, any kind of guarantee or warranty, express or implied, regarding the adequacy, performance or condition of any inspected structure, item or system.

2. Liabilities.

(a) *Right of First Notification and First Estimate.* If, within ninety (90) days after the date of the inspection, CUSTOMER discovers a substantial and material defect, deficiency or safety hazard in any area or system of the property which was inspected by SHERLOCK, but which was not detected and reported by SHERLOCK, and if in good faith CUSTOMER believes that said defect, deficiency or safety hazard ought properly to have been detected and reported by SHERLOCK, then CUSTOMER shall then and there immediately provide first and exclusive notification thereof to SHERLOCK. Upon notification, SHERLOCK shall re-inspect said area or system as soon as practicably may be done. If after said re-inspection SHERLOCK concurs with CUSTOMER that said defect, deficiency or safety hazard ought properly to have been detected and reported at the initial inspection, then SHERLOCK shall have the first and prior right to promptly provide CUSTOMER with an estimate of the cost of labor and material required to remedy said defect, deficiency or safety hazard in a good and workmanlike manner, and to negotiate with CUSTOMER regarding which

percentage or portion of said estimated cost, if any, ought properly be absorbed by SHERLOCK. CUSTOMER further agrees that failure to fully comply with the provisions of this subparagraph 2(a) shall relieve SHERLOCK of any liability or responsibility whatsoever for either: (i) the cost of repairing or replacing said defect, deficiency or safety hazard, either current or arising in the future; or (ii) any property damage, consequential damage, or bodily injury of any kind, nature or description, resulting directly or indirectly from said defect, deficiency or safety hazard.

(b) *Disclaimer of Further Liability.* Except as expressly provided in subparagraph 2(a) hereinabove, as regards the property inspected under this Agreement CUSTOMER hereby acknowledges and agrees that SHERLOCK, and its shareholders, directors, officers, agents and employees, expressly disclaims and shall assume no liability or responsibility whatsoever for either: (i) the cost of repairing or replacing any defect, deficiency or safety hazard, either current or arising in the future; or (ii) any property damage, consequential damage, or bodily injury of any kind, nature or description, resulting directly or indirectly from said defect, deficiency or safety hazard.

(c) *Limitation of Liability.* CUSTOMER agrees that SHERLOCK's liability under this Agreement, if any, shall be limited to a sum no greater than the total amount paid by CUSTOMER for the initial inspection and report.

(d) *Indemnification.* CUSTOMER agrees to defend, indemnify and save and hold SHERLOCK harmless from and against any third-party claims, debts, damages, demands, suits, actions, causes of action, judgments, liens or liabilities arising in any way from SHERLOCK's alleged breach of, or alleged negligence in the performance of, this Agreement, or otherwise. CUSTOMER further agrees to fully reimburse SHERLOCK for any and all court costs and attorney's fees related to enforcement of this indemnification provision.

(e) *Conscionability.* The parties hereby represent and agree that this entire Agreement, including the liability disclaimers and limitations set forth in this Section 2, has been negotiated at arm's length between equally sophisticated parties, and is fair, reasonable and conscionable.

3. Miscellaneous.

(a) *Fees and costs.* In the event any party to this Agreement shall resort to litigation to enforce any of the terms and conditions thereof, the prevailing party shall be entitled to cover all costs incurred, including reasonable attorney's fees, at both the trial and appellate levels.

(b) *Law Governing.* This Agreement shall be interpreted in accordance with the law of the State of Indiana applicable to agreements made and to be wholly performed within the State of Indiana.

(c) *Waiver of Breach.* The waiver by either CUSTOMER or SHERLOCK of a breach of any provision of this Agreement shall not operate, or be construed, as a waiver of any subsequent breach by either CUSTOMER or SHERLOCK.

(d) *Integration.* This Agreement contains the entire understanding of the parties and supersedes all previous verbal and written agreements; there are no other agreements, representations or warranties not set forth or referred to herein.

(e) *Succession.* This Agreement and all its terms and provisions shall be fully binding upon and inure to the benefit of and be enforceable by the parties' heirs, executors, legal representatives, successors and assigns.

(f) *Severability.* If any clause, phrase, provision or portion of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair or render invalid or unenforceable the remainder of this Agreement or any other clause, phrase, provision or portion hereof, nor shall it affect the application of any clause, phrase, provision or portion hereof to other persons or circumstances.

(g) *Limited Disclosure.* CUSTOMER hereby grants SHERLOCK permission to e-mail CUSTOMER's inspection report to the following e-mail address(es) only, and to none other:

CUSTOMER hereby acknowledges and agrees that, apart from the limited disclosure to the e-mail recipients listed in this subparagraph 3(g), the inspection report is intended for the sole, confidential and exclusive use of CUSTOMER, and may not be disclosed to any other person or entity.

WHEREFORE, the parties hereto have executed this Agreement on the date first set forth hereinabove.

Sherlock Homes Inspection Service:

Customer:

By: _____
Inspector's signature

_____ Customer's signature

Total Fee \$ _____ Home Inspection Fee _____ Pest Fee _____ Radon Fee _____

Paid by: Check _____ Cash _____ VISA MasterCard Discover American Express _____ Exp. Date _____

Acct. No. _____ Name on Card _____