

PRE-INSPECTION AGREEMENT

AA Home Inspection LLC, 3054 Fender Road, Melbourne, KY 41059 (859) 448-0213

1. SCOPE OF INSPECTION

AA HOME INSPECTION LLC referred to from this point as COMPANY agrees to conduct an inspection for informing the CLIENT of major deficiencies in the condition of the property, subject to the limitations and conditions set forth below. The inspection will be performed in accordance to the (ASHI) American Society of Home Inspectors Standards of Practice. (See attached copy of standards and exclusions) The inspection and report are performed and prepared for the sole, confidential and exclusive use and possession of the CLIENT. The written report will include the following only:

- structural components including foundation and framing
- electrical, plumbing, heating and air conditioning systems
- general interior, including ceilings, walls, floors, windows, insulation and ventilation
- general exterior, including wall covering, roof, gutter, chimney, drainage, grading
- condition of major systems
- kitchen, built in appliances

It is understood and agreed that this inspection will be of readily accessible areas of the building and is limited to visual observations of apparent conditions existing at the time of the inspection only; this is not a technically exhaustive inspection. Latent and concealed defects and deficiencies are excluded from the inspection: equipment, items, and systems will not be dismantled.

THE FOLLOWING ITEMS ARE SPECIFICALLY EXCLUDED FROM THE SCOPE OF THIS INSPECTION:

Maintenance and other items may be discussed, but they are not a part of our inspection. The report is not a compliance inspection or certification for past or present governmental codes or regulations of any kind.

The COMPANY is not required to determine property boundary lines or encroachments; the condition of any component or system that is not readily accessible; the service life expectancy of any component or system; the size, capacity, BTU, performance, or efficiency of any component or system; the cause or reason of any condition; the cause for the need of repair or replacement of any system or component; future conditions; the compliance with codes or regulations; the presence of flora or evidence of rodents, animals or insects; the presence of mold, mildew, fungus or air-borne hazards; the air quality; the existence of asbestos or other environmental hazards, hazardous waste conditions or the presence of hazardous materials including, but not limited to, the presence of lead in pain; the existence of electro-magnetic fields; the existence of any manufacturer recalls or conformance with manufacturer installation or any information included in the consumer protection bulletin; the operating costs of systems; replacement or repair cost estimates; the acoustical properties of any systems or estimates of how much it will cost to run any given system. Also excluded are inspections of and or report on swimming pools, hot tubs, wells, septic systems, security systems, central vacuum systems, water softeners, sprinkler systems, fire and safety equipment.

2. LIMITATION OF LIABILITY

COMPANY assumes no liability for the cost of repair or replacement of unreported defects or deficiencies either current or arising in the future. CLIENT acknowledges that the liability of COMPANY, its agents, employees, for claims or damages, costs of defense or suit, attorney's fees and expenses and payments arising out of or related to the COMPANY'S negligence or breach of any obligation under this Agreement, including errors and omissions in the inspection or the report, shall be limited to liquidated damages in an amount equal to the fee paid to the COMPANY, and this liability shall be exclusive. CLIENT waives any claim for consequential, exemplary, special or incidental damages or for the loss of the use of the home/building even if the CLIENT has been advised of the possibility of such damages. The parties acknowledge that the liquidated damages are not intended as a penalty but are intended (i) to reflect the fact that actual damages may be difficult and impractical to ascertain; (ii) to allocate risk among the COMPANY and CLIENT; and (iii) to enable the COMPANY to perform the inspection at the stated fee.

3. EXCLUSION OF WARRANTIES

The inspection and report are performed and prepared for the use of CLIENT, who gives INSPECTOR permission to discuss observations with real estate agents, owners, repairpersons, and other interested parties. INSPECTOR accepts no responsibility for use or misinterpretation by third parties. INSPECTOR'S inspection of the property and the accompanying report are in no way intended to be a guarantee or warranty, express or implied, regarding the future use, operability, habitability or suitability of the home/building or its components. Any and all warranties, express or implied, including warranties of merchantability and fitness for a particular purpose, are expressly excluded by this Agreement.

4. MEDIATION AND ARBITRATION

Any dispute concerning the interpretation of this Pre-Inspection Agreement or arising from services and information provided, except for fee payment, shall be resolved in good faith by first attending mediation at a mediator agreed to by the parties. If all parties cannot agree on a mutually satisfactory resolution than all parties agree to settle any remaining disputes by binding arbitration conducted in accordance with the rules of the American Arbitration Association, except that the parties shall select an arbitrator with extensive knowledge of the property inspection industry and who also has in-depth knowledge of the American Society of Home Inspector's Standards of Practice. Property and equipment in dispute must be made accessible for re-inspection during the settlement process. All parties agree to be bound by the arbitrator's final ruling. Any costs and fees related to any dispute arising from the interpretation of this agreement or arising from any services and/or information provided, including fee payment, shall be recoverable by the prevailing party. Such costs and fees include, but are not limited to, arbitration, discovery, consultants, expert witnesses and attorneys.

Client Initial _____

PRE-INSPECTION AGREEMENT

AA Home Inspection LLC, 3054 Fender Road, Melbourne, KY 41059 (859) 448-0213

5a. KENTUCKY - NOTICE OF HOME INSPECTION COMPANY'S RIGHT TO CURE:

CHAPTER 411 OF THE KENTUCKY REVISED STATUTES CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAW SUIT FOR DEFECTIVE CONSTRUCTION AGAINST THE HOME INSPECTOR OF YOUR RESIDENCE. YOU MUST DELIVER TO YOUR HOME INSPECTOR A WRITTEN NOTICE OF ANY CONDITIONS YOU ALLEGE THAT YOUR HOME INSPECTOR FAILED TO INCLUDE IN THE HOME IMPSECTION REPORT AND PROVIDE YOUR HOME INSPECTOR THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY THE HOME INSPECTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER STATE LAW, AND FAILURE TO FOLLOW THEM MAY AFFECT YOUR ABILITY TO FILE A LAWSUIT.

5b. OHIO and INDIANA - HOME INSPECTION COMPANY'S RIGHT TO CURE:

BEFORE YOU MAY FILE A LAW SUIT FOR DEFECTIVE CONSTRUCTION AGAINST THE HOME INSPECTOR OF YOUR RESIDENCE. YOU MUST DELIVER TO YOUR HOME INSPECTOR A WRITTEN NOTICE OF ANY CONDITIONS YOU ALLEGE THAT YOUR HOME INSPECTOR FAILED TO INCLUDE IN THE HOME IMPSECTION REPORT AND PROVIDE YOUR HOME INSPECTOR THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY THE HOME INSPECTOR.

6. SEVERABILITY

If any portion of this agreement is deemed to be unenforceable, the remainder of the agreement shall remain in full force and effect.

7. DISCLOSURE

CLIENT ACKNOWLEDGES THAT THIS IS A LEGALLY BINDING CONTRACT AND STATES THAT HE, SHE OR THEY HAS CAREFULLY READ THE ENTIRE AGREEMENT AND FULLY UNDERSTANDS ALL TERMS AND CONDITIONS THEREIN AND HAS FREELY EXECUTED THIS AGREEMENT WITHOUT ANY PRESSURE FROM ANY OTHER PERSON TO DO SO, AND WITHOUT ANY UNDUE TIME CONSTRAINTS. CLIENT AGREES TO BE BOUND BY ALL TERMS AND PROVISIONS OF THIS AGREEMENT, AND CONFIRMS THAT THERE ARE NO OTHER WRITTEN OR VERBAL AGREEMENTS BETWEEN THE CLIENT AND AA HOME INSPECTION LLC.

8. CLIENT PARTICIPATION

The Client is encouraged to participate in the inspection, by doing so participation shall be at the Client's own risk for falls, injuries, property damage, etc. It is discouraged that this be used as an opportunity for family and friends to view the home.

Client wishes for this report to be released to REPRESENTING Realtor: _____ YES / NO

Acceptance and understanding of this agreement are hereby acknowledged:

Michael A. Patton, KY Home Inspector, HI-2005 Date _____
AA HOME INSPECTION LLC Representative CLIENT (signature) Date _____

Client Name: (please print)

Phone No(s) _____ E-Mail: _____

(Current) Address: _____ City, State: _____ Zip: _____

Address of Inspection: _____ City, State, Zip _____

Contract No: _____ Inspection Date _____ Time _____ Weather _____ Temperature _____

Home Inspection \$ _____ Wood Destroying Insect Inspection \$ _____ Detached Building \$ _____

Radon Testing \$ _____ Mold Testing \$ _____ _____

TOTAL PAYMENT \$ _____ Payment: Cash/Check/Credit Card: _____ Date payment Received: _____

A minimum fee of \$100 will be incurred by the client for re-inspection of repairs performed.

Payment in full is required at the time of the inspection/services rendered.