

# J. LaRue Services

## INSPECTION AGREEMENT

THIS IS A LEGALLY BINDING CONTRACT  
AND CONTAINS AN ARBITRATION CLAUSE

\*\*\* PLEASE READ IT CAREFULLY \*\*\*

Client: \_\_\_\_\_ Report #: \_\_\_\_\_

Property Address: \_\_\_\_\_

Inspection Date: \_\_\_\_\_

Inspection Fee: \$ \_\_\_\_\_ Additional Fee(s): \$ \_\_\_\_\_ Total Fee(s): \$ \_\_\_\_\_  
(if applicable)

This Inspection Agreement contains the terms and conditions of your (the "Client") contract with J. LaRue Services (the "Company/Inspector") for an inspection of the property at the above address. This Inspection Agreement contains limitations on the scope of the inspection, remedies and liability. *Please read it carefully.* By signing below, the Client represents and warrants that the Client has secured all approvals necessary for the Company/Inspector to conduct the inspection of the property on the date specified. The Client also warrants he/she/they will read the entire Inspection Report when received and shall promptly contact the Company/Inspector with any questions or concerns the Client may have regarding the inspection or Inspection Report. This inspection is being performed for the exclusive benefit of the Client and any inspection, including the written Inspection Report, is not to be transferred to, utilized by or relied upon by any other person or entity without the express prior written permission of the Company/Inspector.

### 1. INSPECTION AND DUTIES

Company/Inspector agrees to perform a **limited visual inspection** of the systems and components included in the inspection as they exist at the time of the inspection and for which Client agrees to pay a fee. The inspection will be performed in accordance with the Standards of Practice of the Texas Real Estate Commission, a copy of which are attached, and is limited by the limitations, exceptions and exclusions so stated in the Standards of Practice and this Inspection Agreement. Client understands and agrees that if the Company/Inspector recommends further evaluation of a condition noted in the Inspection Report that Client will do so before the end of any inspection contingency(ies) contained in the Inspection Agreement and prior to closing.

### 2. DISCLAIMER OF WARRANTY

Client understands and agrees that the inspection and Inspection Report do not, in any way, constitute (1) a guarantee, (2) a warranty of merchantability of fitness for a particular purpose, (3) an express or implied warranty, and/or (4) an insurance policy. Neither the inspection nor the Inspection Report are substitutes for any real estate transfer disclosure(s) which may be required by law.

### 3. NOTICE AND STATUTE OF LIMITATIONS

Client understands and agrees that any claim, for negligence, breach of contract or otherwise, must be made in writing and reported to Company/Inspector within ten (10) business days of the date of discovery of any visually discernable condition. Client further understands and agrees to allow the Company/Inspector the opportunity to re-inspect the claimed visually discernable condition, with the exception of emergency conditions, before Client or Client's agents, employees or independent contractors repair, replace, alter or modify the claimed visually discernable condition. Client understands and agrees that any failure to notify Company/Inspector as stated above shall constitute a waiver of any and all claims Client may have against Company/Inspector. Client further understands and agrees that any legal action against Company/Inspector must be brought within one (1) year from the date of the inspection and that failure to bring said action within one (1) year of the date of the Inspection will constitute a full and complete waiver of any rights, actions or causes of action that may have arisen there from. Time is expressly of the essence herein. Client understands and agrees this time period may be shorter than that otherwise provided for by law.

### 4. LIQUIDATED DAMAGES - LIMITED LIABILITY CLAUSE

Due to the nature of the services provided by Company/Inspector, it is difficult to foresee or determine potential damages in the event of negligence or breach of this Inspection Agreement by Company/Inspector at the time of execution. As such, if Company/Inspector fail to perform the services as outlined in the Inspection Agreement, or are careless or negligent in the performance of the services and/or preparing the Inspection Report, any liability on the part of the Company/Inspector for any and all claims related thereto is limited to the fee paid for the services (unless contrary to state law), and Client understands and agrees to release Company/Inspector from any and all liability, whether based on contract, tort, or any other legal theory for any actual or consequential damages. Client understands and agrees that the performance of the Services without this limitation of liability would be more technically exhaustive, would likely require the use of experts or specialist and would cost substantially more than the fee paid for this limited visual inspection. Client also understands and agrees that he/she/they are free to consult with another professional if you do not agree to this provision.

X \_\_\_\_\_

**(By signing here, the client understands and agrees to be bound by this limitation of liability provision)**

## 5. ENVIRONMENTAL AND HEALTH ISSUES

The Client specifically understands and agrees that the inspection is not an environmental survey and is not intended to detect, identify, disclose or report on the presence of any actual or potential environmental concerns or hazards in the air, water, soil or building materials. Such environmental concerns and hazards include, but are not limited to, the presence of asbestos, "Chinese Drywall," radon, lead, lead-based paints, urea formaldehyde, mold, mildew, fungus, spores, odors, noise, toxic or flammable chemicals or materials, water or air quality, PCB's or other toxins, electro-magnetic fields, underground storage tanks, proximity to toxic waste sites and carbon monoxide. Client agrees to hold Company/Inspector harmless for any injuries, health risks or damages caused or attributed to any such conditions.

## 6. LIMITATIONS, EXCEPTIONS AND EXCLUSIONS

The Inspection Limitations, Exceptions and Exclusions in the Standards of Practice are incorporated herein. The inspection and Inspection Report are limited to specified visible and readily accessible elements of the dwelling at the time of the inspection. The inspection will not be invasive or technically exhaustive and cannot detect latent conditions or concealed defects such as soil problems, drain-line blockage, structural damage and/or other conditions that might exist within walls, ceilings, floors or in other hidden, obstructed or inaccessible areas. In addition, any area which is not exposed to view, is concealed, is inaccessible because of soil, walls, floors, carpets, ceilings, furnishing or in any other fashion is excluded. The inspection does not include any destructive testing or dismantling. The following systems and components and areas are among those NOT included within the scope of the inspection or Inspection Report:

- Aesthetic, cosmetic and/or common wear and tear issues;
- Latent or concealed defects, compliance with any code, zoning ordinances, permit research, system or component installation or recalls;
- Structural, geological, soil, wave action or hydrological stability, survey, engineering, analysis or testing;
- Termites or other wood destroying insects and/or organisms, rodents or other pests, dry rot or fungus, including damage from or relating to any of the preceding.;
- Private water and/or sewage systems, water softeners or purifiers, radiant heat systems or solar heating systems;
- Pools, spas, hot tubs, saunas, steam baths, fountains and/or other types of related systems and components, including any concealed or underground plumbing, piping or electrical;
- Repair cost estimates or building value appraisal;

- Thermostatic or time clock controls, radio controlled devices, automatic gates or elevators, lifts, dumbwaiters;
- Free standing appliances and gas appliances such as fire pits, barbecues, heaters and lamps;
- Furnace heat exchangers, main gas shut off valves and/or detection of any gas leaks;
- Seismic safety, security or fire safety systems or security bars and/or safety equipment;
- Any adverse condition that may affect the desirability of the property including, but not limited to, proximity to railroad tracks, airplane/airport routes, power lines, boundaries, easements or rights of way, adjoining properties or neighborhood(s);
- Unique/technically complex systems or components, system or component life expectancy or adequacy or efficiency of any system or component;
- Condition(s) of any detached buildings or structures.

## **7. GOVERNING LAW & SEVERABILITY**

This Agreement shall be governed by the laws of the State of Texas. The parties agree that all provisions of this Agreement are enforceable to the full extent of the applicable law. Should a court determine that any provision(s) in this Agreement is/are void, voidable or unenforceable as a matter of law, the remaining portions shall remain in full force and effect. Client expressly agrees that this Agreement and the Inspection report, including any addenda or attachments thereto, contain the entire understanding between the parties. This Agreement supersedes any and all representations or discussions, whether oral or written, relating to the subject matter of this Agreement. This Agreement may not be modified, altered or amended without the express written permission of all parties. 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.

## **8. RECEIPT OF REPORT**

The Company/Inspector's agreement to perform the inspection is contingent on Client's agreement to the provisions, terms, conditions and limitations of this Agreement. If this Agreement is not signed by Client prior to or at the time the written Inspection Report is provided to the Client, and Client subsequently objects to any of the terms of this Agreement, Client shall return the written Inspection Report to the Company/Inspector within seven (7) days and any inspection fee that has been paid will be refunded to the Client. Failure to return the written Inspection Report and payment of the fee shall constitute the full acceptance of all of the terms of this Agreement by Client.

## **9. OTHER SERVICES**

It is understood and agreed to by the parties hereto that all the provisions, limitations, exceptions and exclusions of this agreement shall apply to any optional services agreed to by the parties.

#### 10. DISPUTE RESOLUTION - ARBITRATION CLAUSE

Any dispute, controversy, interpretation or claim including, but not limited to, claims for breach of contract, negligence, fraud or misinterpretation arising out of, from or related to this Agreement and/or the inspection or Inspection Report shall be subject to non-binding mediation. Absent a voluntary resolution or settlement through non-binding mediation, the matter will be followed by final and binding arbitration through Construction Dispute Resolution Services, LLC or Resolute Systems, Inc. utilizing their respective rules and procedures. If the dispute is submitted to binding arbitration, the decision of the arbitrator appointed shall be final and binding and the enforcement of the arbitration award may be entered in any Court or administrative tribunal having jurisdiction thereof. The arbitrator must also award the prevailing party all of its reasonable fees and costs, including the cost of the arbitration and any arbitrator fees, administrative fees, travel expenses, court costs, witness fees and attorney's fees. If the Client wishes to utilize mediation or arbitration other than those identified here, Client shall submit his/her/their recommendation(s) to Company/Inspector in writing for consideration.

NOTICE: ALL PARTIES UNDERSTAND AND AGREE THAT THEY WOULD HAVE A RIGHT OR OPPORTUNITY TO LITIGATE DISPUTES THROUGH A COURT PROCEEDING AND HAVE A JUDGE OR JURY DECIDE THE DISPUTES BUT HAVE AGREED INSTEAD TO RESOLVE ANY AND ALL DISPUTES THROUGH MEDIATION AND/OR BINDING ARBITRATION.

\_\_\_\_\_ (CLIENT INITIALS)

By signature below, I affirm that I have read, understand and agree to all the terms and conditions of this Agreement, to pay the fee(s) shown above and understand and agree that my signature binds all Clients.

\_\_\_\_\_  
(Client Signature)

\_\_\_\_\_  
(Inspector Signature)