

## LK HOME INSPECTION AGREEMENT

This Inspection Agreement ("Agreement") is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between LK Home Inspection and the inspector, Larry G. Keils ("Inspector") whose License Number is TREC #21099 and \_\_\_\_\_ ("Client.")

The property to be inspected ("Property") is as follows:

\_\_\_\_\_, \_\_\_\_\_, Texas \_\_\_\_\_

Date of Inspection: \_\_\_\_/\_\_\_\_/\_\_\_\_ Time of Inspection: \_\_\_\_\_ AM / PM Inspection Fee: \$\_\_\_\_\_

### PLEASE READ THIS AGREEMENT CAREFULLY BEFORE SIGNING

#### I. Scope of Services

- A. In exchange for the Inspection Fee paid by the Client, the Inspector agrees to provide the Client with an Inspection Report setting out the Inspector's professional opinions concerning the condition of the Property further described in the report. The inspection will be performed in accordance with the Texas Standards of Practice promulgated by the Texas Real Estate Commission. The Inspector will attempt to identify major defects and/or problems with the Property. However, Client acknowledges that the Inspection Report may not identify all deficiencies, defects and/or problems.
- B. The Inspector agrees to:
1. inspect items, parts, systems, components and conditions which are present and visible at the time of the inspection, but the Inspector is not required to determine or estimate the remaining life expectancy or future performance of any inspected item, part, system or component;
  2. operate mechanical and electrical equipment, systems, and appliances during an inspection in normal modes and operating range at the time of the inspection, where possible without damaging the systems;
  3. report which of the parts, components, and systems present in the Property have or have not been inspected;
  4. report as deficient inspected parts, components or systems that are not functioning or that the standards of practice require the Inspector to report as deficient; and
  5. address all of the parts, components, and systems contained in the standards of practice for the Property.
- C. The inspection is limited to those items which can be seen, easily accessed and/or operated by the Inspector at the time of the inspection as set out in the Inspection Report. Inspector will not remove walls, floors, wall coverings, floor coverings and other obstructions in order to inspect concealed items. Systems and conditions which are not specifically addressed in the Inspection Report are excluded. The major systems which will be inspected include:
1. Foundation; Grading & Drainage
  2. Interior doors, wall, ceilings and floors;
  3. Exterior walls and doors, windows and door glazing;
  4. Fireplace and chimney;
  5. Roof, Roof Structure and attic;
  6. Porches, Balconies and decks;
  7. Built-in Appliances;
  8. Heating, cooling and Vent Systems;
  9. Plumbing Supply & Drains, Water Heating System; and
  10. Electrical system.
- D. The Inspector may indicate one of the following opinions of the Inspector regarding a particular item:
1. The item is performing its intended function at the time of the inspection;
  2. The item is in need of replacement or service for repair; or
  3. Further evaluation by a technician or expert is recommended.

#### II. Inspection Report

- A. The Inspection Report provided by the Inspector will contain the Inspector's professional, good-faith opinions concerning the need for repair or replacement of certain observable items. All statements in the report are the Inspector's opinions and should not be construed as statements of fact or factual representations concerning the Property. **By signing this Agreement, the Client acknowledges he/she understands that the services provided by the Inspector fall within the Professional Services Exemption of the Texas Deceptive Trade Practices Act (DTPA) and agrees that no cause of action exists under the DTPA related to the services provided.** (Except for those matters for which the exemption does not apply.) Unless specifically stated, the report will not include and should not be read to indicate opinions as to the environmental conditions, presence of toxic or hazardous waste or substances, presence of termites or other wood-destroying organisms, or compliance with codes, ordinances, statutes or restrictions or the insurability, efficiency, quality, durability, future life or future performance of any item inspected.
- B. The Inspection Report is not a substitute for disclosures by sellers and real estate agents. Such disclosure statements should be carefully read for any material facts that may influence or affect the desirability and/or market value of the Property.

- C. As noted above, the Inspection Report may state that further evaluation of certain items is needed by an expert in the field of the item inspected. By signing this Agreement, Client acknowledges that qualified experts may be needed to further evaluate such items as structural systems, foundations, grading, drainage, roofing, plumbing, electrical systems, HVAC, appliances, sprinkler systems, fire/smoke detection systems, septic systems, and other observable items as noted in the report.

**III. Disclaimer of Warranties**

**The Inspector makes no guarantee or warranty, express or implied, as to any of the following:**

- 1. That all defects have been found or that the Inspector will pay for repair of undisclosed defects;
- 2. That any of the items inspected are designed or constructed in a good and workmanlike manner;
- 3. That any of the items inspected will continue to perform in the future as they are performing at the time of the inspection; and
- 4. That any of the items inspected are merchantable or fit for any particular purpose.

**IV. LIMITATION OF LIABILITY**

**BY SIGNING THIS AGREEMENT, CLIENT ACKNOWLEDGES THAT THE INSPECTION FEE PAID TO THE INSPECTOR IS NOMINAL GIVEN THE RISK OF LIABILITY ASSOCIATED WITH PERFORMING HOME INSPECTIONS IF LIABILITY COULD NOT BE LIMITED. CLIENT ACKNOWLEDGES THAT WITHOUT THE ABILITY TO LIMIT LIABILITY, THE INSPECTOR WOULD BE FORCED TO CHARGE CLIENT MUCH MORE THAN THE INSPECTION FEE FOR THE INSPECTOR'S SERVICES. CLIENT ACKNOWLEDGES BEING GIVEN THE OPPORTUNITY TO HAVE THIS AGREEMENT REVIEWED BY COUNSEL OF HIS OR HER OWN CHOOSING AND FURTHER ACKNOWLEDGES THE OPPORTUNITY OF HIRING A DIFFERENT INSPECTOR TO PERFORM THE INSPECTION. BY SIGNING THIS AGREEMENT, CLIENT AGREES THAT THE TOTAL LIABILITY OF INSPECTOR TO CLIENT SHALL BE LIMITED TO THE AMOUNT OF THE INSPECTION FEE PAID BY THE CLIENT. THIS LIMITATION OF LIABILITY APPLIES TO ALL LIABILITY ARISING FROM THE INSPECTOR'S ACTIVITIES AND OBLIGATIONS RELATED TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO, DUTY ARISING IN CONTRACT, WARRANTY, STATUTE, AND TORT (WHETHER SUCH OCCURRENCE ARISES OUT OF THE INSPECTOR'S SOLE OR CONCURRENT NEGLIGENCE OR BREACH OF ANY STANDARD OF STRICT LIABILITY.) THIS LIMITATION WILL SURVIVE THE AGREEMENT. CLIENT REPRESENTS THAT HE/SHE IS AUTHORIZED TO BIND AND DOES BIND ALL PERSONS OR ENTITIES CURRENTLY HAVING, OR ACQUIRING IN THE FUTURE ANY LEGAL OR EQUITABLE INTEREST IN THE PROPERTY INSPECTED, TO THE LIMITATION OF LIABILITY SET FORTH ABOVE. IF CLIENT FAILS TO BIND TO THIS LIMITATION ANY SUCH THIRD PARTY, CLIENT AGREES TO INDEMNIFY, DEFEND, AND HOLD INSPECTOR HARMLESS FROM AND AGAINST SUCH LIABILITY TO THE EXTENT THAT IT WOULD CAUSE INSPECTOR'S TOTAL LIABILITY TO EXCEED THE LIMIT OF LIABILITY STATED ABOVE.**

**INITIALED BY CLIENT: \_\_\_\_\_ Fee Paid \$ \_\_\_\_\_**

**V. Dispute Resolution**

In the event a dispute arises regarding this Agreement, the Inspector's work performed under this Agreement, or the Inspection Report, the Client agrees to notify the Inspector in writing within ten (10) days of the date the Client discovers the basis for the dispute so as to give the Inspector a reasonable opportunity to re-inspect the property. Client agrees to allow re-inspection before any corrective action is taken. Client further agrees that the Inspector can either conduct the re-inspection himself or employ others (at Inspector's expense) to re-inspect the property, or both. In the event a dispute cannot be resolved informally by the Client and the Inspector, the parties agree to attempt resolution by non-binding mediation as a prerequisite to arbitration, with the parties sharing equally the cost of mediation. All disputes not resolved by direct discussions or mediation shall be resolved by binding arbitration conducted in Tarrant County, Texas in accordance with the rules of the American Arbitration Association using at least one arbitrator who is a licensed home inspector who is familiar with the real estate inspection industry and the TREC Standards of Practice. The parties shall share equally the costs of arbitration. The parties agree that in resolving any dispute arising under this Agreement, the prevailing party shall be entitled to recover reasonable and necessary attorneys' fees and costs incurred by that party. This agreement shall be construed and enforced in accordance with the laws of the State of Texas, and venue for any dispute shall be in Tarrant County, Texas.

**VI. Fees**

Fees are due and payable prior to the inspection being made. There will be a fee of \$100.00 for an inspection not cancelled at least 24 hours prior to the scheduled time. A fee of \$35.00 will be charged for any insufficient check.

**VII. Exclusivity and Disclosure**

The Inspection Report is intended for the sole and exclusive use of the Client in connection with the Property inspected, such use being limited in time and scope to facilitating the specific transaction for which the inspection was performed. The Inspection Report is not transferable to any other person or entity, and all those who are neither a party to this Agreement nor directly involved in the Client's transaction for which the inspection was performed shall not be entitled to view the report nor rely upon it in any way. Notwithstanding the foregoing, Client and Inspector are authorized to disclose information and provide a copy of the Inspection Report to real estate agents, sellers, lenders, attorneys, and other parties intimate to the transaction for which the inspection was performed, and for the limited use set forth herein. In addition, the Client hereby grants permission for the Inspector to discuss report findings with real estate agents, specialists, or repair persons purely for the sake of clarification and to facilitate repairs.

**BY SIGNING BELOW, I ACKNOWLEDGE THAT I HAVE READ THIS AGREEMENT AND THE ATTACHED DOCUMENTS, IF ANY; THAT I UNDERSTAND THE TERMS AND CONDITIONS AND AGREE TO BE BOUND BY THEM. IF CLIENT IS MARRIED, CLIENT REPRESENTS THAT THIS OBLIGATION IS A FAMILY OBLIGATION INCURRED IN THE INTEREST OF FAMILY.**

**CLIENT: \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_ Time \_\_\_\_\_ AM / PM**

**INSPECTOR: \_\_\_\_\_ TREC# \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_ Time \_\_\_\_\_ AM / PM**