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Limited Liability Home Inspection Agreement



JLM & SONS, Incorporated

Oregon Construction Contractors Board Licensing #82692

Oregon Construction Home Inspector #106

**THIS CONTRACT LIMITS OUR LIABILITY  
PLEASE READ CAREFULLY BEFORE SIGNING**

Client(s)

Name:

Address:

City:

State:

Zip:

Phone(s):

Date

7/11/2006

Property to be inspected:

Address:

Inspection Fee:

Payable at the time of the Home Inspection. There will be a \$30.00 fee for returned checks.

TERMS AND CONDITONS: This Inspection Agreement contains the terms and conditions of your contract with JLM & Sons, Inc. for an inspection at the above address. This Inspection Agreement contains limitations on the scope of the inspection, remedies and liability. Please read it carefully. Client also warrants they will read the entire Inspection Report when received and shall promptly call with any questions or concerns client may have regarding the Inspection or the Inspection Report.

By signing below, Client represents and warrants that the Client has secured all approvals necessary for the Company to conduct the Inspection of the Property and that they have received a copy of: *Summary of Home Inspector Certification Law (ORS 701) and Standards of Practice for Home Inspectors*: This document (ORS 701) is part of your report.

Client's **initial** (s): \_\_\_\_\_

## SCOPE OF INSPECTION

### STANDARDS OF PRACTICE

The home inspection will be performed in compliance with the *Standards of Practice of the State of Oregon Construction Contractors Board (ORS 701) as set forth*. The scope of the inspection is limited to the following items: The inspection is a **GENERAL, VISUAL NONINVASIVE INSPECTION for current material defects**. **The Inspector is only reporting on whether systems are in working condition at the time of the inspection. We do not guarantee that they will continue to work for any period of time. The home inspector will not move personal property to conduct the inspection. Client understands that the Home Inspector is not an insurer, that this inspection may not uncover all defects or deficiencies related to the Property or the Structure, even those which are material, and that the Home Inspector will not make any recommendations regarding the sale or purchase of the Property or value of the Property.**

**As set forth in more detail in the Standards, the Inspection includes observations and descriptions of readily visible and accessible.**

- Observe visible structural components including foundation, floors, walls, columns or piers, ceilings and roofs
- Observe visible exterior including wall cladding, flashings, trim, garage door openers, decks, balconies, stoops, steps, areaways, porches, railings, eaves, soffits, fascias, vegetation, grading, drainage, driveways, patios, walkways and retaining walls
- Observe visible interior attic, ceilings, walls, floors, doors, windows, insulation and ventilation
- Patios & decks

- Observe visible roof covering, roof drainage, skylights, flashings, chimneys, roof penetrations
- Visible accessible basements and crawlspaces
- Permanent visible components of the electrical, plumbing, heating and air conditioning systems
- Basic functions of built-in-kitchen appliances
- Visible evidence of wood destroying pests and wood destroying fungus, including required treatments.

## OUTSIDE THE SCOPE OF THE INSPECTION

**The inspection **does not** include the tasks set forth in the Standards as “General Exclusions”. Nor does it include any other tasks listed as identified as “not required”.** These exclusions include but are not limited to cosmetic items, building and zoning code violations, geological stability or soil condition, structural and seismic stability or engineering analysis, hazardous materials, detached structures, code compliance, environmental hazards, security, irrigation, water systems, recreational facilities, security systems, private water or sewage systems including but not limited to: cess pools, drain fields, wells, septic systems and tanks, French drains, wells, saunas, spas, hot tubs, pools, wells and septic tanks. Additional exclusions (not set forth in the Standards) are:

- All latent and concealed defects

94           ➤ Any structure, area or component that is not readily visible, is inaccessible, or  
95           has restricted access. We require 24" of clearance to enter areas of any crawl  
96           space

97           ➤ Mold, fungus or mildew –

98           Except for conspicuous evidence of deterioration in readily visible and accessible areas,  
99           the inspector does not include a pest and dry rot inspection to discover wood-destroying  
100           organisms. **Such an inspection is available on request for an additional fee.**

101

102           Any area that is not exposed to view is concealed or is inaccessible because of soil, walls,  
103           floors, carpets, ceilings, furnishings, insulation or any other thing is not included in this  
104           inspection. Client assumes all risk for conditions that are concealed from view at the time  
105           of the inspection. This is not a home warranty or guarantee. Any comments regarding  
106           excluded systems or conditions are for information only and are not part of the  
107           inspection. The inspection does not include or address following items or the possible  
108           presence of danger from any potentially harmful substances and environmental hazards  
109           including but not limited to the items listed below.

110

111           The Client specifically acknowledges that a Home Inspection is NOT an Environmental  
112           Survey and it is not intended to detect, identify, disclose or report on the presence of any  
113           actual or potential environmental concerns or hazards in the air, water, soil or building  
114           materials. Such environmental concerns and hazards include but are not limited to  
115           asbestos; radon; lead; urea formaldehyde; mold; fungus; mildew; odors; noise; toxic or  
116           flammable chemicals; water or air quality; PCB's; or other toxins; electromagnetic fields;  
117           proximity of waste sites; or carbon monoxide.

118

119

## THE INSPECTION REPORT

120           ➤ The Report is confidential and is solely for the Client's  
121           information in connection with the purpose for which the Inspection  
122           was conducted. The Report may not be used or relied on by any other  
123           person (including and later owner(s) of the property) or for any other  
124           purpose without the Home Inspector's prior written consent. In the  
125           event that any other person other than the Client (including any later  
126           owner(s) of the property) makes any claim against the Home  
127           Inspector, its employees or agents arising out of the services  
128           performed by the Home Inspector under this Agreement, the Client  
129           will indemnify, defend and hold harmless the Home Inspector from  
130           any and all damages, expenses, costs, including all reasonable  
131           attorney's fees incurred in arbitration on any trial or appeal. This  
132           section will survive the termination of this Agreement for any reason.

133           ➤ **MODIFICATIONS** – The home inspector reserves the right to make  
134           written modifications to the Inspection Report for a period of three (3)  
135           business days after submitting the Report to the Client.

- 136 ➤ The home inspector assumes no obligation to update or supplement  
137 the Inspection Report. If any additional inspection is required after the  
138 Home Inspection due to repairs, a change in accessibility, an  
139 additional charge will apply for the re-inspection
- 140 ➤ Waiver- **The Client hereby waives any claim and agrees not to**  
141 **commence any action or suit against the Home Inspector relating**  
142 **to the Inspection more than one (1) year after the date of the**  
143 **Home Inspection.**  
144

#### 145 LIMIT OF LIABILITY

146 **Due to the nature of the services we are providing, it is difficult to**  
147 **foresee or determine (at the time this Agreement is formed)**  
148 **potential damages in the event of negligence or breach of the**  
149 **Agreement by us. (Thus, if we fail to perform the Services as**  
150 **provided herein or or careless or negligent in the performance of**  
151 **the Services and/or preparing the Report, our liability for any and**  
152 **all claims thereto is limited to the fee paid for the services, (unless**  
153 **contrary to state law), and you release us from any and all**  
154 **additional liability, weather based on contract, tort, or any other**  
155 **legal theory) There will be no recovery for consequential**  
156 **damages. You understand that the performance of the Services**  
157 **without this limitation would cost substantially more than the fee**  
158 **paid for this limited visual inspection. You understand that you**  
159 **are free to consult with another professional if you do not agree to**  
160 **this provision.**

161 Client's Signature(s) 1 \_\_\_\_\_

162  
163 2 \_\_\_\_\_

164 **By signing here, the purchaser agrees to be bound by the**  
165 **provisions of the limitation of liability provision.**  
166

#### 167 Notice and Statute of Limitations

168 **Client agrees that any claim, for negligence, breach of contract or**  
169 **otherwise, be made in writing and reported to the Company within ten**  
170 **(10) business days of the discovery. Client further agrees to allow**  
171 **Inspector the opportunity to re-inspect the claimed discrepancy, with**  
172 **the exception of emergency conditions, before Client or Client's agents,**  
173 **employees or independent contractors repairs, replaces alters or**  
174 **modifies the claimed discrepancy. Client understands and agrees that**

175 any failure to notify Inspector as stated above shall constitute a waiver  
176 of any and all claims Client may have against the Inspector. Any legal  
177 action must be brought within one (1) year from the date of the  
178 inspection. Failure to bring said action within this time limit is a full and  
179 complete waver of any rights, actions or causes of actions that may have  
180 arisen there from. This time period may be shorter than otherwise  
181 provided by law.

182

### 183 CLAIMS, DISPUTE RESOLUTION & ARBITRATION

184 This Any dispute concerning an alleged act or omission in connection  
185 with this inspection shall follow the following sequence for resolution:

186

187 **Notification in writing from client to JLM & Sons Inc. within 180**  
188 **days of the inspection and 10 days of discovery.**

189

190 **1) Unless the condition is an emergency, access to the property**  
191 **before repairs are made to assess conditions and conduct repairs**  
192 **by licensed professionals during business hours within ten (10)**  
193 **business days of written notification.**

194

195 **2) Client agrees to immediately accept a refund of the fee as full**  
196 **settlement of any and all claims which may ever rise from the**  
197 **inspection.**

198

199 **3) Use the State of Oregon Construction Contractor's Board**  
200 **Arbitration Process as final arbiter if JLM & Sons, Inc. refuses to**  
201 **refund the inspection fee.**

202

203 **You understand that failure to engage in each successive step of this**  
204 **process shall constitute a full bar and waiver of any and all claims you**  
205 **may have against us related to the alleged act or omission.**

206

207 **It is understood and agreed that should JLM & Sons, Inc. and/or its**  
208 **agents or employees be found liable for any loss or damages resulting**  
209 **from failure to perform any of its obligations, including but not limited**  
210 **to negligence, breach of contract, or otherwise, then the liability of JLM**  
211 **& Sons, Inc. and/or it's agents or employees shall be limited to the cost**  
212 **paid for the inspection. You understand that performance of the**  
213 **services without this limitation on liability would be more technically**  
**exhaustive, would require specialists and would cost significantly more**  
**than the fee paid for this limited visual inspection.**

**Client Signature:** \_\_\_\_\_

214 This agreement constitutes the entire agreement between the parties and  
215 supersedes all prior agreements, understandings and proposals (whether  
216 written or oral) in respect to the matters specified. No agreement or  
217 understanding which alters or extends the meaning of this contract shall be  
218 binding unless in writing and signed by the parties hereto. If any provision  
219 of this Agreement, and the part(s) of this agreement so held invalid,  
220 unenforceable or void shall be deemed stricken provision with a valid and  
221 enforceable provision which comes as close as possible to expressing the  
222 intention of the stricken provision. The remainder of this agreement shall  
223 have the same force and effect as if such part or parts had never been  
224 included. Agreement may be executed in two (2) or more counterparts, each  
225 of which shall be deemed an original but all of which together shall  
226 constitute one and the same agreement.

227

228 **AUTHORIZATION FOR REPORT TO BE SENT TO REALTOR:**  
229 **Send a copy of this report to be released to my realtor:** \_\_\_\_\_

230

231 **I have read, and understand and agree to all of the above terms and**  
232 **conditions of this Agreement and to pay the fee shown above.**

233

234 **IN WHITNESS WEREOF, the parties hereto execute and date this**  
235 **Agreement.**

236

237 **Signed by Client:** \_\_\_\_\_ **Date:** May 8, 2006

238

239 **Print Name:** \_

240

241

242 **Signed by Client:** \_\_\_\_\_ **Date:** May 8, 2006

243

244 **Print Name:**

245

246

(One signature binds all)

247

248 **Inspector:** \_\_\_\_\_ **Date:** May 8, 2006

249

250 John L. Mitchell – JLM & Sons, Inc.

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253

254

IMPORTANT

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CLIENT E-MAIL ADDRESS

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