

# MODULE 1: INTRODUCTION

## OVERVIEW

A home inspection is an art that couples knowledge of house construction with providing a technical building report and communicating the information to a client. There is much misinformation about the role of the home inspector and the detail of work that is included in conducting a home inspection.

In this module we will answer a number of questions that background these issues as well as discuss questions you may have that need answers.

## THE ART OF HOME INSPECTION

Picture if you can the following scenario, a home inspector ready to perform their first home inspection. Or maybe a skilled tradesperson that is simply offering advice to their family member or friend on the potential purchase of a home.

- What knowledge does it take to become a home inspector?
- Can anyone perform the required skills to complete it successfully?
- Are there standards for the performance of a home inspection?
- How is success measured in the home inspection field?

These are but a few questions that arise about the field of home inspection. A home inspection has a huge impact on a number of people involved in the process of home buying and selling. Who are these people, and more directly what is the impact, but equally as important how does it affect the home inspector?

This course is designed as an introductory level course that encompasses 40 hours plus of coursework to provide participants with a better understanding of the home inspection. It will include discussions, and quizzes and a course exam to validate mastery of the learning. This course will also offer participants an opportunity to take advance level courses that will focus on a more in depth look at the house systems or as it is often amalgamated into the “house as a system”.

A “home inspection” is defined as a systematic review of a house for the purpose of identifying significant defects, life and safety concerns and identifies those systems or components that are near the end of their service lives. Home inspections are intended to provide the client with objective information regarding the condition of the systems and components of the home as inspected at the time of the home inspection.

In addition, the home inspector provides an inspection report that makes recommendations to correct, or monitor for future correction the deficiencies that were visually inspected, readily accessible, along with those items needing further evaluation.

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Typically a house can be viewed to contain the following building systems:

- ✓ Exterior or outer building shell – such as wall covering, roofs, windows and doors
- ✓ Structural components – foundations, floors, load-bearing walls, columns, beams and other building support systems
- ✓ Building services – plumbing, heating-cooling, ventilation and electrical
- ✓ Interior components – insulation and finish systems

To be able to carry out a successful on-site inspection, the home inspector should understand the structure of the building and how its mechanical and electrical systems work. The ability to assess the condition of the building envelope and a working knowledge of health and fire safety issues are also necessary.

The inspector should be able to make an objective analysis of problems identified and their causes, and to write a report about the conditions found and recommendations on what can, or should, be done to rectify problems. The terms “home inspector” or “inspector” used in this course indicates the function of inspecting or assessing the conditions of existing housing, and is not intended to refer to a profession or individual with particular skills, or relationships with particular departments, agencies or companies – such as the municipal building inspector.

Home inspectors must have some familiarity with building codes and bylaws and be aware of financial, social and program constraints. The inspector should also be familiar with various forms of building construction that could be encountered in the area of operations, and be able to communicate effectively as well as work with clients.

New entries into this field are often fooled by the ease (at the current time) to enter the sector. This is often attributed to a lack of skills experience and adequate training simply equates to a higher level of risk and ultimately a short existence in this business.

## THE HOME INSPECTION SECTOR

Home inspections began as a consumer service in the 1970's and it soon became apparent that selecting a Home Inspector was becoming as important as selecting a qualified Real Estate professional, or even the right home.

The home inspection sector includes sole-operators, firms and franchised businesses. Traditionally, home inspectors inspect homes and sometimes other buildings to determine the condition of the structure. In this case structure refers to the building, its systems and the various building components. Home inspections are performed on approximately 25% to 75% of houses, depending on the location and market conditions.

The majority of home inspectors inspect residential properties. Home inspectors typically provide services related to potential home and property purchasers, existing home owners, financial institutions and real estate agents.

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Individuals working in the home inspection field typically have a broad range of experience and academic or vocational training. Some are trained as professional architects or engineers, some practitioners hold a university degree; others may be licensed in a skilled building trade, such as licensed plumbers or electricians.

## THE CHALLENGES

Home inspections are becoming a more common day occurrence; however on the other side many more people are entering the field for a variety of reasons. The reasons include everything from anyone can call themselves a home inspector with little or virtually no qualifications, it's an uncontrolled industry, and some even believe that it is a lucrative market where quick and easy money can be made. Besides you can basically be your own boss!

The reality is to be successful and competitive requires much more than simply believing that it's an easy job to jump into. Home inspectors may be certified by various industry related associations, but there is no licensing standard or mandatory code of ethics governing the industry. Unfortunately this can lead to a disappointed client or what some may call a house of horror that they just got misled on by a bad home inspection!

## INSPECTION TECHNOLOGY

Like most every other requiring specific skills – home inspection requires the right combination of many different proficiencies and to some degree reasonable mastery of all those tasks. So how do you find the right combination of those skills? How does one prepare oneself to acquire a reasonable degree of mastering them?

Now couple that with the expanding body of knowledge and tools that are currently available in the marketplace such as thermal imaging and inspection related diagnostic tools and there is a constant need to expand ones knowledge and education in this field. This is not to mention the fact that tests and research as well as changes also have an impact on the home inspection field.

## A DAY IN THE LIFE OF A HOME INSPECTOR

A client calls and books an inspection. In many cases, the client has bought the home conditional on the results of a home inspection. In other times it may be a Realtor that is booking an inspection for or on behalf of a purchaser of a home. When the inspection is booked, the fee is agreed upon set by the home inspector and the client. The inspector may have sent the contract to the client by e-mail or fax detailing the scope of work, often defined by the Standards of Practice. Most inspectors recommend that the client attend the inspection.

When the home inspector and client arrive at the inspection the contract is signed (if this has not been done earlier by fax or e-mail). The home inspector explains the process and begins the inspection. An inspection may last from two to four hours under normal circumstances. The home inspector looks at the roof and the building exterior, including the garage. Home inspectors will explain the findings to the client as they go, describing the building condition and any improvements that may be recommended. The inspection continues inside the home and includes any basement or crawlspace, the living spaces, and any accessible attic or roof spaces. Inspectors frequently offer tips for operating and maintaining the home as they go,

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(example - explaining how to turn off water and power in an emergency, how and when to change furnace filters, etc.).

At the end of the inspection, the home inspector and client review the findings. Some inspectors prepare and deliver their written report on site, while other inspectors write the report, based on their field notes, after the inspection. The inspection report is delivered quickly to the client, often within 24 hours, because the real estate transaction hangs in the balance. The client often pays the inspection fee onsite, and it is not unusual for the client to say something like, "That is the best money I have ever spent". The inspector keeps a copy of the report on file and processes the inspection fee payment, usually back at the office.

## CLIENT SATISFACTION

One must be a "people person" and a great communicator to enter the home inspection business. Home inspectors work with a diverse clientele. Most of the clients are home buyers, and as homes vary in price and qualities, so do the people buying them.

The key to a successful home inspection is the reassurance from the client that the home inspector has clearly communicated reasonable expectations of conducting the home inspection. Equally as important is the necessity for the home inspector to comply with the Standards of Practice. The Standards of Practice provides clear guidelines to follow, thus protecting the home inspector, consumer and the profession. Without this "standard" the whole scope of the inspection will be open to a possible misunderstanding of the terms of reference for the inspection work.

Regarding the role of the client being present at the home inspection, there often seems to be a higher probability of the home inspector being sued when the client is not present during the inspection. When the client is present they have greater opportunity to understand the scope of work and are less likely to challenge the inspector's report. Additionally, the home inspector has an ideal opportunity to point out the issues and condition that may arise.

Although home inspectors are often professionals with satisfied clients, from time to time they can be involved in legal action with a client. Legal action not only has an impact on the individual inspector, but also has consequences for the industry at large. Insurance companies that provide error and omission insurance often respond to legal actions by increasing the cost of insurance premiums.

Clients can have very high expectations regarding the role of the home inspector. Consequently, if these expectations are not satisfied, they seek legal remedy.

## A FEW BACKGROUND DETAILS

Now that you have been introduced to home inspections let's take a look at some questions that may arise out of this topic.