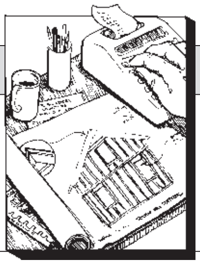


So You Want To Become A Home Inspector?

by Dave Surette

At first blush, the home inspection profession looks like an easy way to make a living. If you're like most contractors, you've told yourself, while watching a home inspector at work, that you could do an inspection easily enough. After all, carrying a clipboard and a flashlight is much easier than swinging a hammer, and with a background in construction, inspecting homes should be a piece of cake.

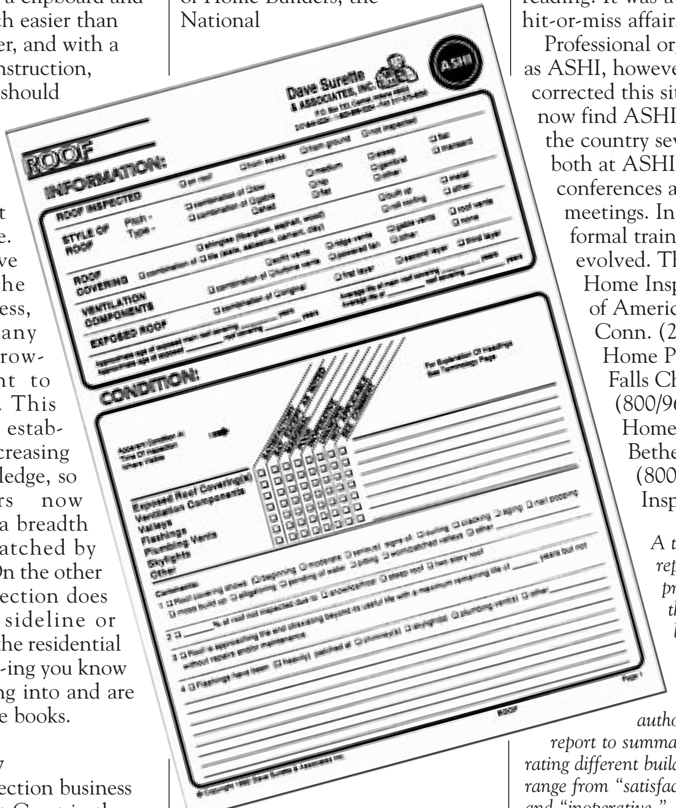
But, as with most professions, there is more to it than meets the eye. In the 16 years I've been in the inspection business, I've seen many changes and a growing commitment to professionalism. This commitment has established an ever-increasing standard of knowledge, so that inspectors now typically possess a breadth of knowledge matched by few contractors. On the other hand, home inspection does make a natural sideline or second career for the residential contractor, provid-ing you know what you're getting into and are prepared to hit the books.

A Little History

The home inspection business started on the East Coast in the late 1960s and early 1970s, when potential homebuyers would ask contractors to do walk-through inspections. For some of these contractors, the part-time sideline became full-time. A small core of these contractors-turned-inspectors began holding informal meetings, which resulted in the formation of the American Society of Home Inspectors (ASHI) in 1977. The word spread rapidly across the nation. During the 1980s, as consumers became more savvy, home inspections became the rule rather than the exception.

Throughout this time, the industry, led by ASHI, steadily increased the breadth and depth of its professional standards. ASHI now publishes a standard Code of Ethics and a Standards of Practice. These set certain minimums of knowledge and ethics and seek to prevent conflicts of interest. Several state and regional associations have also formed and established similar standards.

ASHI has been instrumental in having the home inspection industry recognized by other segments of the real estate industry, such as the National Association of Home Builders, the National Association of Realtors, the Federal Housing Administration, and the Veterans Administration.



A thorough written report is the best product you can offer the client and your best protection from later claims about overlooked problems. The author uses a 20-page report to summarize his findings, rating different building systems on a range from "satisfactory" to "marginal" and "inoperative."

Getting Into the Business

Regardless of previous educational background or construction experience, no one entering this profession has all the skills necessary to perform every aspect of a home inspection. Framers may be weak on mechanicals. Heating contractors may not understand how moisture attacks wood. A masonry contractor may not understand the dynamics of attic ventilation. General contractors and remodelers might be weak in any of these areas, depending on their experience. Therefore, training and education are a must.

For many years, home inspectors had to fashion their own curriculums, searching here and there to increase their knowledge in various areas. Most of the old-time home inspectors (those doing it for 10 years or more) learned by the seat of their pants, attending an educational seminar here, a construction seminar there, and doing a lot of reading. It was a hit-or-miss affair.

Professional organizations such as ASHI, however, have largely corrected this situation. You can now find ASHI seminars around the country several times a year, both at ASHI annual conferences and at chapter meetings. In addition, several formal training schools have evolved. They include: Home Inspection Institute of America in Yalesville, Conn. (203/284-2311); Home Pro Systems in Falls Church, Va. (800/966-4555); HomeTech Systems in Bethesda, Md. (800/638-8292); The Inspection Experts in Boca Raton, Fla. (800/226-6299); Inspection Training Associates in Vista, Calif. (800/323-9235), with an affiliate operation in Toronto, Canada (800/268-7070); and SPREI, Lynnefield, Mass., (617/334-4500).

Courses offered by these schools vary from one and two-day seminars to 10 to 12 days of classroom training. Ideally, the school should offer a combination of classroom teaching and field training. Classroom sessions should include:

- the scope of inspections
- the inspector's role with clients
- how to market your services
- who to market to
- how to write a report
- the importance of a contract
- how to inspect a property
- what components to inspect
- what not to inspect
- what tools are needed

The classroom instruction should also include course materials such as training manuals, study guides, code books, videos and slides, workshop projects, and samples of reports. In addition, classroom testing should take place to evaluate what you have learned. Field training should include inspections of existing properties.

The value of these classes is twofold: Most importantly, you broaden your knowledge. In addition, if the courses are recognized by ASHI, you will accumulate credits toward ASHI recertification. (Initial ASHI certification requires a certain amount of experience — 250 inspections — and a passing grade on the ASHI certification exam, for which these courses can help you prepare.)

Report Writing

A training program should also teach you how to write a comprehensive and accurate report for the client. This written report is the main product you have to offer the client, so it should be thorough and easy to read. The report is also a good marketing tool — real estate agents, for instance, often show potential buyers reports from different firms so they can choose a home inspector.

A written report is also valuable to protect you from later claims that you failed to spot defects or problems. (The standing joke in the industry is: "What do you call a home inspector who has never been sued?" Answer: "A beginner.") Written documentation showing that you thoroughly inspected a house and noted its problems provides the best evidence that you have done your work well. The accompanying illustration shows one page from such a report; my report form has a total of 19 system-specific pages covering the whole house.

Finally, the report serves as a checklist, so you won't leave anything out when you inspect.

Contracts

A good contract should explain the scope of the inspection, telling the client what you will do and, more importantly, what you will not do. Properly worded, it should help limit your liability.

Key contract provisions include:
- a description of the scope of work
- a limitation of liability clause
- a statute of limitations stating that the client will bring no contract-related claims after one year following the inspection
- a "right of reinspection" clause. This requires the client to notify the inspector and allow him or her to reinspect any component that the client feels has problems not identified in the original inspection, or waive any claims regarding inadequate inspection of the item.

The description of the scope of work is a crucial clause, since it establishes what systems you will and won't inspect. In that clause you may want to exclude from the inspection, as many inspectors do, any or all of the following:
- lead paint
- asbestos
- radon and other indoor air quality concerns
- water conditioners, swimming pools, and spas
- tennis courts, playground equipment, and other recreational equipment
- wood infestation
- water sampling

Many inspectors like to avoid these areas because they require specialized knowledge or testing and/or are fraught with liability problems. If qualified, however, you may want to offer some of these services as options.

Inspection Tools

Every profession has its tools of the trade. The home inspector's tools include a clipboard, flashlight, ladder, electrical outlet tester, tape measure, carpenters awl (for poking lumber to check for rot), screwdriver, coveralls for crawl spaces, plumb bob, mirror, and rubber-soled shoes.

Additional tools might include a moisture meter, voltage tester, gas sniffer, amp probe, and water-pressure gauge. Since a home inspection is basically a visual inspection, care must be taken not to rely too heavily on sophisticated equipment. The eye and its aids are often your best tools: Some inspectors use a 35 mm camera and/or an 8 mm video camera to aid memory and produce a record; a pair of binoculars is useful for examining roofs and other high features from the ground.

Who Are the Players?

The homebuyer is your actual customer, but he or she is usually reached most efficiently through a real estate agent. Therefore, your marketing efforts should generally be directed to real estate agents.

Another key player is the seller, who normally becomes a buyer after the sale of his home. Other players include title companies, appraisers, and lenders, who increasingly require inspections as part of the closing process. It pays to contact these parties, let them know you're in the business, and ask for their referrals.

Fees and Ethics

Fees will be largely dictated by the local marketplace. The main danger is in pricing yourself too low: Don't undervalue your services. Be competitive and promote your services with an eye toward quality rather than price.

Above all, do not repair what you inspect. You should make it clear from the outset that you never take contracts on homes you inspect, or even do other jobs for the people paying you to inspect. To do so opens you to conflict-of-interest charges. You will lose respect in the real estate community and with your colleagues.

Licensing

At present, only Texas requires licensing of home inspectors. However, licensing or certification has been discussed in a number of states, and formal training and adherence to ASHI's Standards of Practice may soon become more widely required. ■

Dave Surette is a veteran home inspector in the Indianapolis, Ind. area. He is former President of the American Society of Home Inspectors and teaches for Inspection Training Associates.