

INTRODUCTION

This book has three primary goals:

- to provide you with a solid understanding of the inspection process, including the reasons for home inspections, their place in real estate transactions, the structure of inspections, and step-by-step procedures;
- to provide you with background information essential to professional home inspection, such as report writing, verbal communication skills and understanding of strategies for managing your liabilities as an inspector;
- to provide you with a sound introduction to the ASHI® (American Society of Home Inspectors) Standards of Practice and Code of Ethics.

The ASHI Standards are not the only standards for home inspectors, but they are widely used. Several states and other organizations have their own standards. The point is that standards help define a consistent scope of professional practice for home inspectors to use in their day-to-day work.

We offer lots of advice on the practice of home inspection in this book. We believe in what we are saying and, in many cases, we believe it to be generally accepted good practice within the profession. It is based on our 25 years experience in the home inspection business, but it is only our opinion. It's safe to say that you will find some home inspectors who will disagree with some of the material in this book. That's healthy and we encourage you to read this material with an open but questioning mind.

FEATURES OF THIS BOOK

This book is structured to help you learn and retain the key concepts of home inspection. It also will help you form a set of best practices for conducting inspections. Learning features include:

- learning objectives: At the beginning of each chapter you will find a list of concepts you should master by the end of the chapter.
- chapter review questions: Each chapter ends with a set of review questions to help you test your understanding. Answers can be found at the end of the book so you can check your results.
- key terms: Important terms appear in boldface within the text discussions so you can begin to understand them in context. A summary list of key terms appears at the end of each chapter.
- inspection checklists: These tools summarize the important components you will be inspecting and their typical problems and conditions.
- standards of practice: ASHI has established a set of standards that are widely used to define the scope of inspection that practitioners should achieve.
- inspection tools: This summary list will help you build your toolkit of “must have” and optional tools for the job.

CHAPTER 1

THE ASHI STANDARDS OF PRACTICE AND CODE OF ETHICS

LEARNING OBJECTIVES

At the end of this chapter, you should be able to—

- describe in one sentence what home inspections must provide for clients
- describe three components of written reports
- describe two general limitations to inspections
- list ten general exclusions to home inspections
- list 13 things that inspectors are not required to do as part of an inspection
- define the term technically exhaustive
- define home inspector
- summarize in one sentence each the seven elements of the Code of Ethics

INTRODUCTION

We'll start our discussion by looking at the scope of a home inspection as defined by the ASHI. These are the most broadly accepted standards of practice in the profession throughout North America. There are other standards set by other organizations and while there are differences, they are substantially similar. Our focus will be on the general parts of the standards rather than specific component inspection details, since they are dealt with in other books in this series. We'll then move on to discuss the Code of Ethics.

1.1 THE ASHI STANDARDS OF PRACTICE

The following are the ASHI Standards of Practice effective January 1, 2000.

1. Introduction

1.1 The American Society of Home Inspectors Inc. (ASHI) is a not-for profit professional society established in 1976. Membership in ASHI is voluntary and its members include private, fee-paid home inspectors. ASHI's objectives include promotion of excellence within the profession and continual improvement of its members' inspection services to the public.

2. Purpose and Scope

2.1 The purpose of these standards of practice is to establish a minimum and uniform standard for private, fee-paid home inspectors who are members of the ASHI. Home Inspections performed to these standards of practice are intended to provide the client with information regarding the condition of the systems and components of the home as inspected at the time of the Home Inspection.

2.2 The inspector shall:

A. inspect:

1. Readily accessible systems and components of homes listed in these standards of practice.
2. **Installed systems and components** of homes listed in these standards of practice.

B. report:

1. On those systems and components inspected which, in the professional opinion of the inspector, are **significantly deficient** or are near the end of their service lives.
2. A reason why, if not self-evident, the system or component is significantly deficient or near the end of its service life.
3. The inspector's recommendations to correct or monitor the reported deficiency.
4. On any systems and components designated for inspection in these standards of practice which were present at the time of the Home

Inspection but were not inspected and a reason they were not inspected.

2.3 These standards of practice are not intended to limit inspectors from:

- A. including other inspection services, systems or components in addition to those required by these standards of practice.
- B. specifying repairs, provided the inspector is appropriately qualified and willing to do so.
- C. excluding systems and components from the inspection if requested by the client.

3. Structural System

3.1 The inspector shall:

- A. inspect:
 - 1. The structural components including foundation and framing.
 - 2. By probing a representative number of structural components where deterioration is suspected or where clear indications of possible deterioration exist. Probing is NOT required when probing would damage any finished surface or where no deterioration is visible.
- B. describe:
 - 1. The foundation and report the methods used to inspect the under-floor crawl space.
 - 2. The floor structure.
 - 3. The wall structure.
 - 4. The ceiling structure.
 - 5. The roof structure and report the methods used to inspect the attic.

3.2 The inspector is NOT required to:

- A. provide any engineering service or architectural service
- B. offer an opinion as to the adequacy of any structural system or component

4. Exterior

4.1 The inspector shall:

- A. inspect:
 - 1. The exterior wall covering, flashing and trim
 - 2. All exterior doors
 - 3. Attached decks, balconies, stoops, steps, porches, and their associated railings
 - 4. The eaves, soffits, and fascias where accessible from the ground level
 - 5. The vegetation, grading, surface drainage, and retaining walls on the property when any of these are likely to adversely affect the building
 - 6. Walkways, patios, and driveways leading to dwelling entrances
- B. describe the exterior wall covering.

4.2 The inspector is NOT required to:

- A. inspect:
 - 1. Screening, shutters, awnings, and similar seasonal accessories
 - 2. Fences
 - 3. Geological, geotechnical or hydrological conditions
 - 4. Recreational facilities
 - 5. Outbuildings
 - 6. Seawalls, break-walls, and docks
 - 7. Erosion control and earth stabilization measures

5. Roof System

5.1 The inspector shall:

- A. inspect:
 - 1. The roof covering
 - 2. The roof drainage systems
 - 3. The flashings
 - 4. The skylights, chimneys, and roof penetrations

Describe the roof covering and report the methods used to inspect the roof.

5.2 The inspector is NOT required to:

- A. inspect:
 - 1. Antennae
 - 2. Interiors of flues or chimneys that are not readily accessible
 - 3. Other installed accessories

6. Plumbing System

6.1 The inspector shall:

- A. inspect:
 - 1. The interior water supply and distribution systems including all fixtures and faucets
 - 2. The drain, waste and vent systems including all fixtures
 - 3. The water heating equipment
 - 4. The vent systems, flues and chimneys
 - 5. The fuel storage and fuel distribution systems
 - 6. The drainage sumps, sump pumps, and related piping
- B. describe:
 - 1. The water supply, drain, waste, and vent piping materials
 - 2. The water heating equipment including the energy source
 - 3. The location of main water and main fuel shut-off valves

6.2 The inspector is NOT required to:

- A. inspect:
 - 1. The clothes washing machine connections
 - 2. The interiors of flues or chimneys that are not readily accessible
 - 3. Wells, well pumps, or water storage related equipment
 - 4. Water conditioning systems
 - 5. Solar water heating systems
 - 6. Fire and lawn sprinkler systems
 - 7. Private waste disposal systems
- B. determine:
 - 1. Whether water supply and waste disposal systems are public or private
 - 2. The quantity or quality of the water supply
- C. operate safety valves or shut-off valves

7. Electrical System

7.1 The inspector shall:

- A. inspect:
 - 1. The service drop
 - 2. The service entrance conductors, cables, and raceways
 - 3. The service equipment and main disconnects
 - 4. The service grounding
 - 5. The interior components of service panels and subpanels
 - 6. The conductors
 - 7. The over current protection devices
 - 8. A representative number of installed lighting fixtures, switches and receptacles
 - 9. The ground fault circuit interrupters
- B. describe:
 - 1. The amperage and voltage rating of the service
 - 2. The location of main disconnect(s) and subpanels
 - 3. The wiring methods
- C. report:
 - 1. On the presence of solid conductor aluminum branch circuit wiring.
 - 2. On the absence of smoke detectors.

7.2 The inspector is NOT required to:

- A. inspect:
 - 1. The remote control devices unless the device is the only control device
 - 2. The alarm systems and components
 - 3. The low voltage wiring, systems and components

4. The ancillary wiring, systems and components not a part of the primary electrical power distribution system
- B. measure amperage, voltage, or impedance.

8. Heating System

8.1 The inspector shall:

- A. inspect:
1. The installed heating equipment
 2. The vent systems, flues, and chimneys
- B. describe:
1. The energy source
 2. The heating method by its distinguishing characteristics

8.2 The inspector is NOT required to:

- A. inspect:
1. The interiors or flues or chimneys which are not readily accessible
 2. The heat exchanger
 3. The humidifier or dehumidifier
 4. The electronic air filter
 5. The solar space heating system
- B. determine heat supply adequacy or distribution balance

9. Air Conditioning Systems

9.1 The inspector shall:

- A. inspect the installed central and through-wall cooling equipment
- B. describe:
1. The energy source
 2. The cooling method by its distinguishing characteristics

9.2 The inspector is NOT required to:

- A. inspect electronic air filters
- B. determine cooling supply adequacy or distribution balance

10. Interior

10.1 The inspector shall:

- A. inspect
1. The walls, ceilings, and floors
 2. The steps, stairways, and railings
 3. The countertops and a representative number of installed cabinets

4. A representative number of doors and windows
5. Garage doors and garage door operators

10.2 The inspector is NOT required to:**A. inspect:**

1. The paint, wallpaper, and other finish treatments
2. The carpeting
3. The window treatments
4. The central vacuum systems
5. The household appliances
6. Recreational facilities

11. Insulation and Ventilation

11.1 The inspector shall:**A. inspect:**

1. The insulation and vapor retarders in unfinished spaces
2. The ventilation of attics and foundation areas
3. The mechanical ventilation systems

B. describe:

1. The insulation and vapor retarders in unfinished spaces
2. The absence of insulation in unfinished spaces at conditioned surfaces

11.2 The inspector is NOT required to:**A. disturb insulation or vapor retarders****B. determine indoor air quality**

12. Fireplaces and Solid Fuel Burning Appliances

12.1 The inspector shall:**A. inspect:**

1. The system components
2. The vent systems, flues, and chimneys

B. describe:

1. The fireplaces and solid fuel burning appliances
2. The chimneys

12.2 The inspector is NOT required to:**A. inspect:**

1. The interiors of flues or chimneys
2. The fire screens and doors
3. The seals and gaskets

4. The automatic fuel feed devices
 5. The mantles and fireplace surrounds
 6. The combustion make-up air devices
 7. The heat distribution assists whether gravity controlled or fan assisted
- B. ignite or extinguish fires
- C. determine draft characteristics
- D. move fireplace inserts or stoves or firebox contents

13. General Limitations and Exclusions

13.1 General limitations:

- A. Inspections performed in accordance with these standards of practice
1. Are not technically exhaustive
 2. Will not identify concealed conditions or latent defects
- B. These standards of practice are applicable to buildings with four or fewer dwelling units and their garages or carports.

13.2 General exclusions:

- A. The inspector is not required to perform any action or make any determination unless specifically stated in these standards of practice, except as may be required by lawful authority.
- B. Inspectors are NOT required to determine:
1. The condition of systems or components that are not readily accessible.
 2. The **remaining life** of any system or component.
 3. The **strength, adequacy**, effectiveness, or **efficiency** of any system or component.
 4. The **causes** of any condition or deficiency.
 5. The **methods**, materials, or costs of corrections.
 6. **Future conditions** including, but not limited to, failure of systems and components.
 7. The suitability of the property for any **specialized use**.
 8. **Compliance** with regulatory requirements (codes, regulations, laws, ordinances, etc.).
 9. The **market value** of the property or its marketability.
 10. The **advisability of purchase** of the property.
 11. The presence of potentially hazardous plants or animals including, but not limited to **wood destroying organisms** or diseases harmful to humans.
 12. The presence of any environmental hazards including, but not limited to toxins, carcinogens, noise, and contaminants in soil, water and air.
 13. The effectiveness of any system installed or methods utilized to control or remove suspected **hazardous substances**.
 14. The **operating costs** of *systems* or *components*.

15. The **acoustical properties** of any system or component.
- C. Inspectors are NOT required to offer:
1. Or perform any act or service contrary to law
 2. Or perform engineering *services*
 3. Or perform work in any trade or any professional service other than home inspection
 4. **Warranties** or **guarantees** of any kind
- D. Inspectors are NOT required to operate:
1. Any system or component that is **shut down** or otherwise inoperable
 2. Any system or component that does not respond to **normal operating controls**
 3. Shut-off valves
- E. Inspectors are NOT required to enter:
1. Any area which will, in the opinion of the inspector, likely be dangerous to the inspector or other persons or damage the property or its systems or components.
 2. The under-floor crawl spaces or attics that are not readily accessible.
- F. Inspectors are NOT required to inspect:
1. **Underground items** including, but not limited to underground storage tanks or other underground indications of their presence, whether abandoned or active.
 2. Systems or components which are not installed
 3. **Decorative items**
 4. Systems or components located in areas that are not entered in accordance with these standards of practice.
 5. Detached structures other than garages and carports.
 6. Common elements or common areas in multi-unit housing, such as condominium properties or cooperative housing.
- G. Inspectors are NOT required to:
1. Perform any procedure or operation that will, in the opinion of the inspector, likely be dangerous to the inspector or other persons or damage the property or its systems or components.
 2. Move suspended ceiling tiles, personal property, furniture, equipment, plants, soil, snow, ice, or debris.
 3. Dismantle any system or component, except as explicitly required by these standards of practice.

Glossary of Terms

Alarm Systems

Warning devices, installed or freestanding, including but not limited to; carbon monoxide detectors, flue gas and other spillage detectors, security equipment, ejector pumps and smoke alarms.

Architectural Service

Any practice involving the art and science of building design for construction of any structure or grouping of structures and the use of space within and surrounding the structures or the design for construction, including but not specifically limited to, schematic design, design development, preparation of construction contract documents, and administration of the construction contract.

Automatic Safety Controls

Devices designed and installed to protect systems and components from unsafe conditions.

Component

A part of a system.

Decorative

Ornamental; not required for the operation of the essential systems and components of a home.

Describe

To report a system or component by its type or other **observed**, significant characteristics to distinguish it from other systems or components.

Dismantle

To take apart or remove any component, device or piece of equipment that would not be taken apart or removed by a homeowner in the course of normal and routine homeowner maintenance.

Engineering Service

Any professional service or creative work requiring engineering education, training, and experience and the application of special knowledge of the mathematical, physical and engineering sciences to such professional service or creative work as consultation, investigation, evaluation, planning, design and supervision of construction for the purpose of assuring compliance with the specifications and design, in conjunction with structures, buildings, machines, equipment, works or processes.

Further Evaluation

Examination and analysis by a qualified professional, tradesman or service technician beyond that provided by the home inspection.

Home Inspection

The process by which an **inspector** visually examines the readily accessible systems and components of a home and which describes those systems and components in accordance with these standards of practice.

Household Appliances

Kitchen, laundry, and similar appliances, whether installed or freestanding.

Inspect

To examine readily accessible systems and components of a building in accordance with these standards of practice, using normal operating controls and opening readily openable access panels.

Inspector

A person hired to examine any system or component of a building in accordance with these standards of practice.

Installed

Attached such that removal requires tools.

Normal Operating Controls

Devices such as thermostats, switches or valves intended to be operated by the homeowner.

Readily Accessible

Available for visual inspection without requiring moving of personal property, dismantling, destructive measures, or any action which will likely involve risk to persons or property.

Readily Openable Access Panel

A panel provided for homeowner inspection and maintenance that is within normal reach, can be removed by one person, and is not sealed in place.

Recreational Facilities

Spas, saunas, steam baths, swimming pools, exercise, entertainment, athletic, playground or other similar equipment and associated accessories.

Report

To communicate in writing.

Representative Number

One component per room for multiple similar interior components such as windows and electric outlets; one component on each side of the building for multiple similar exterior components.

Roof Drainage Systems

Components used to carry water off a roof and away from a building.

Significantly Deficient

Unsafe or not functioning.

Shut Down

A state in which a system or component cannot be operated by normal operating controls.

Solid Fuel Burning Appliances

A hearth and fire chamber or similar prepared place in which a fire may be built and which is built in conjunction with a chimney; or a listed assembly of a fire chamber, its chimney and related factory-made parts designed for unit assembly without requiring field construction.

Structural Component

A component that supports nonvariable forces or weights (dead loads) and variable forces or weights (live loads).

System

A combination of interacting or interdependent components, assembled to carry out one or more functions.

Technically Exhaustive

An investigation that involves dismantling, the extensive use of advanced techniques, measurements, instruments, testing, calculations, or other means.

Under-floor Crawl Space

The area within the confines of the foundation and between the ground and the underside of the floor.

Unsafe

A condition in a readily accessible, installed system or component which is judged to be a significant risk of personal injury during normal, day-to-day use. The risk may be due to damage, deterioration, improper installation or a change in accepted residential construction standards.

Wiring Methods

Identification of electrical conductors or wires by their general type, such as “non-metallic sheathed cable” (“Romex), “armored cable” (“bx”) or “knob and tube,” etc.

1.2 NOTES ON THE STANDARDS

Inspect

The standards are clear on the meaning of inspect. When we inspect we have to look at and test the components listed in the standards. We look at them if they are readily accessible or if we can get at them through readily openable access panels. These are panels designed for the homeowner to remove. They are within normal reach, can be removed by one person, and are not sealed in place.

Testing

We test components and systems by using their **normal operating controls**, but not the safety controls. We turn thermostats up or down, open and close doors and windows, turn light switches and water faucets on and off, flush toilets, etc. We do not test heating systems on high limit switches, test pressure relief valves on water heaters and boilers, overload electrical circuits to trip breakers, etc.

Systems Shut down

We do not start up systems that are shut down. If the furnace pilot is off, we don’t light it. If the electricity, water or gas is shut off in the home, we don’t turn it on. If the disconnect for the air conditioner is off, we don’t turn it on.

Accessible

We have to inspect house components that are readily accessible. That means we don’t have to move furniture, lift carpets or ceiling tiles, dismantle components, damage things or do something dangerous. The exception is covers that would normally be removed by homeowners during routine maintenance. The furnace fan cover is a good example because homeowners remove this to change the furnace filter. Many inspectors use tools as the threshold. If tools are required to open or dismantle the component, it is not considered readily accessible.

Installed

We only have to inspect things that are **installed** in homes. This means we don’t have to inspect window air conditioners or portable heaters, for example.

Deficiencies

We have to report on systems that are **significantly deficient**. This means they are unsafe or not performing their intended function. Although the standards are not explicit, we are not required to identify every minor defect in a home. Failing to report a sticking door latch or cracked pane of glass would not be a meaningful breach of the standards. Some common sense is needed here, determining the effect the issue will have on the safety, usability and durability of the home.

End of Life

We are required to report on any system or component that in our professional opinion is near the end of its service life. This is tricky since we don’t know whether inspectors will be held accountable for failed components on the basis that they should have known the component was near the end of its life. With the wisdom of hindsight, it may be hard to argue that the component could not have been expected to fail, when in fact, it did. Time will tell. The situation is also tricky because it includes not only systems but individual components as well. For many systems there are broadly accepted **life expectancy** ranges, but these aren’t available for some individual components. A reasonable criteria may also be the apparent condition of the component.

Remaining Life

We are not required to determine the remaining life of systems or components. This is related to, but different than, the end of service life issue. If the item is new or in the middle part of its life, we don’t have to predict service life, even though the same broadly accepted life expectancy ranges would apply. It’s only when the item is near the end, in your opinion, that you have to report it.

Reporting Implications

We have to tell people in writing the implications of conditions or problems unless they are self-evident. A cracked heat exchanger on a furnace has a very different implication for a homeowner than a cracked windowpane, for example. It's not enough to tell a client that they have aluminum wiring. We have to tell them of the potential fire risk.

Describe the Implications

It's much better to tell someone to fix a loose railing because someone may fall down the stairs than to quote a specific code requirement. People will only take your recommendations seriously if they understand the implications of making the improvement. "What will happen if I don't?" is a fair question from a client about any of your recommendations. You don't need codes or bylaws to advise people on how to make house components perform their intended functions.

Tell Client What To Do

We have to tell the client in the report what to do about any conditions we found. We might recommend they repair, replace, service or clean the component. We might advise them to have a specialist further investigate the condition. It's all right to tell the client to monitor a situation, but we can't tell them that their roof shingles are curled and leave it at that. We have to tell them what to do about the aluminum wire to reduce the fire risk.

What We Left out

We have to report anything that we would usually inspect but didn't. We also have to include in our report why we didn't inspect it. The reasons may be that the component was inaccessible, unsafe to inspect or was shut down. It may also be that the occupant or the client asked us not to inspect it.

Can It Do The Job?

Our approach is to look at each functional component in the home and evaluate whether it is able to perform its intended function. Roofs are supposed to shed water, gutters are supposed to collect water, chimneys are supposed to vent exhaust products, furnaces are supposed to heat homes, plumbing systems are supposed to carry supply and waste water, etc. We use our knowledge and experience to form a professional opinion.

Can Go Further

The standards allow you to deal with other systems and conditions beyond those covered by the standards. For example, you may want to include inspections of water quality, septic systems, radon, and termites. We can also specify repairs if we are qualified and choose to.

Can Do Less

The standards also suggest that you do not have to inspect everything that is included in the standards if requested by the client. Clients can hire you to simply look at the roof, for example. However, if a client hires you to do a home inspection, you can't choose to omit the electrical system. Clients sometimes, during the course of a home inspection, ask us not to look at the furnace, for example, because their brother-in-law is going to replace it for them. This is acceptable, but document it in your report.

Not Technically Exhaustive

The standards indicate that home inspections are not technically exhaustive. This means that we are not taking measurements, using instruments, doing testing or performing calculations. Another way to think of it is to say that we are doing a visual field performance evaluation.

We are looking at things that are installed in homes and determining whether they are doing their jobs, to the extent we can by looking at them.

- we do not have to measure framing lumber size, spans or spacing
- we don't have to measure duct size and runs.
- we don't have to test the quality of the grounding electrodes on electrical systems.
- we don't have to do smoke tests on furnaces to look for cracked heat exchangers.

- we don't have to use manometers to evaluate airflow through duct systems.
- we don't have to use pitot tubes or pressure gauges to analyze water supplies.
- we don't have to trip circuit breakers or measure the current flow through individual branch circuits.
- we don't have to evaluate the design of roof trusses.
- we don't have to perform heat loss calculations.

Four Dwelling Units

The standards cover buildings that include up to four dwelling units. The standards also include garages and carports for these buildings. This includes detached garages. We don't have to inspect common elements or areas in condominiums and cooperatives.

The Causes of Problems

We don't have to indicate the **cause** of a problem. In many cases, it won't matter. If the window is broken, we don't have to speculate what the cause was. In some cases, it's helpful to identify the cause so the problem won't recur. If we find the furnace is badly rusted around the bottom, we might recommend replacement of the furnace. However, it would be helpful to point out to the client that the furnace is rusting because there is a chronic foundation leakage problem. Similarly, you may tell someone to replace the stained and sagging drywall on a part of a ceiling. It's important, however, to let people know that the shower stall above that ceiling leaks every time it is used.

Don't Say How To Fix

Home inspectors should not be writing repair specifications. The standards say that we don't have to report on the **methods**, materials and costs of corrections. Most home inspectors give some general advice on improvements, but stay away from specifics. There is usually more than one way to approach a problem and unless you have specific expertise, you shouldn't be telling contractors how to go about fixing things.

Costs

The standards don't require you to give ballpark costs for improvements. You don't have to be an estimator. On the other hand, the market reality in many areas is that home inspectors do typically give ballpark costs for improvements. This adds another dimension to a home inspection. There are many cost estimating books available and some of the premium reporting systems include cost estimate numbers for many house components.

Special Use

Home inspectors don't have to tell clients whether the basement can be set up as a hairdressing salon, for example. There are often special physical issues and usually bylaw and code issues involved in **specialized uses** of homes. Evaluating whether a home is suitable for this kind of thing is well beyond the scope of a home inspection.

Code Compliance

A home inspection is not a code **compliance** inspection. Nor is it a bylaw inspection. Most existing homes will not meet all current codes. There are several codes that apply to each house. There is typically a building code, electrical code, gas code, plumbing code, and so on. No one person can be comprehensively knowledgeable about all current codes. Further, codes change on a regular basis. It's simply not realistic to expect anyone to know all current code requirements on all aspects of a home.

Performance-based Inspection

Since we're not doing code inspections, what are we using as a yardstick? All codes are written for specific reasons. A good home inspector has a strong background in codes and knows what constitutes good practice. Every well-written code item boils down to common sense. For example, you may not know exactly how tall railings have to be, but you can get a sense standing beside a railing whether or not you're likely to fall over it if you stumble. With very little experience, you'll also get very good at knowing what average railing heights and stair rises are, for example.

Market Value

Home inspectors should not offer any comment on the price of the home or its value. We are commonly asked at the end of the inspection if the house is good value or if it's priced right. This is a question that you need to defer to a real estate professional. Home inspectors hate it when real estate agents question the inspector's findings or offer technical advice to homeowners during an inspection. In the same sense, real estate agents hate it when inspectors wander into the world of real estate. The world works better all around if everyone stays within their scope of work.

What You Can't See

The standards tell us in several different ways that if you can't see it, you don't have to inspect it. We don't have to identify termites, rats or even rot causing fungi. However, you do have to report on any damage to the structure or other components. You can think of **insects, rodents and wood damaging organisms** as **causes** of the problems that you do have to identify.

Cosmetics

We don't have to comment on anything subjective. Home inspectors should not comment on architectural or decorating issues. Again, you don't want to be outside of your scope. This is a very dangerous place to be.

Breaking the Law

The standards say you don't have to do anything that's against the law. This is common sense, of course.

Warranties or Guarantees

The standards say that you don't have to offer warranties or guarantees. Most home inspectors do not. There are warranty programs that people can purchase on homes, but they are, in effect, insurance policies.

Licensed Work

Inspectors shouldn't do anything that requires an occupational license including **engineering** or architectural services, unless they have such a license. For example, in some areas, a license is required to comment on wood-destroying organisms. In these areas, home inspectors should not offer comment. In other areas, only licensed technicians can dismantle and evaluate heating systems. Again, stay within your scope. You are performing a visual inspection of the performance of installed house components.

Danger and Damage

You don't have to go anywhere that is dangerous for you. We recommend that you don't walk on steeply sloped roofs, for example. You also don't have to do anything that may damage the property. You don't have to use a crowbar to force open access hatches.

Don't Turn Utilities on

The inspector does not have to inspect components that have been shut off. If the gas, water, or electricity to the house is not on at the time of the inspection, home inspectors are not required to turn them on. As a matter of fact, you should avoid turning them on. Things are usually turned off for a reason. There may be a safety issue. In most cases, you won't know and you risk causing serious damage or injury by activating systems that are shut down.

Disturbing Things

We don't have to move insulation, furniture, suspended ceiling tiles, storage, tree branches, earth, snow or ice to get a better look. This can be an important point. We recommend that you document limitations caused by any of these things. When someone calls you in six months to complain that you didn't identify a crack in a foundation wall, it's helpful if your report says that part of the foundation wall was not visible because of storage. You may not remember what was there at the time of the inspection and it's almost certain that your client won't remember. Many complaints about home inspectors' work are the result of things that only become obvious after the inspection.

Hazardous Substance

We don't have to look for poisons, cancer-causing agents, or noise contamination. Indoor air quality and environmental inspections have become a separate profession.

Operating Costs

We are often asked how much it will cost to heat the house or what the electrical bills will be. Home inspectors should not speculate about these. There are so

many variables to this question, that your best guess is just going to be a stab in the dark. In some cases, historical information is available that will help people with this issue.

1.3 THE ASHI CODE OF ETHICS

The following are the ASHI Code of Ethics effective June 1, 1992.

Code of Ethics

Honesty, justice, and courtesy form a moral philosophy which, associated with mutual interest among people, constitutes the foundation of ethics. The members should recognize such a standard, not in passive observance, but as a set of dynamic principles guiding their conduct. It is their duty to practice the profession according to this code of ethics.

As the keystone of professional conduct is integrity, the members will discharge their duties with fidelity to the public, their clients, and with fairness and impartiality to all. They should uphold the honor and dignity of their profession and avoid association with any enterprise of questionable character, or apparent conflict of interest.

1. The member will express an opinion only when it is based on **practical experience** and honest conviction.
2. The member will always act in **good faith** toward each client.
3. The member will not **disclose any information** concerning the results of the inspection without the approval of the clients or their representatives.
4. The member will not accept **compensation**, financial or otherwise, from more than one interested party for the same service without the consent of all interested parties.
5. The member will not accept nor offer **commissions or allowances**, directly or indirectly, from other parties dealing with their client in connection with work for which the member is responsible.
6. The member will promptly disclose to his client any interest in a business which may affect the client. The member will not allow any interest in any business to affect the quality or results of their inspection work which they may be called upon to perform. The inspection work may not be used as a vehicle by the home inspector to deliberately obtain additional work in another field.
7. An inspector shall make every effort to uphold, maintain and improve the professional integrity, reputation and practice of the home inspection industry. He will report all such relevant information, including violations of this Code by other members, to the Association for possible remedial action.

1.4 NOTES ON THE CODE OF ETHICS

The Code of Ethics contains a number of motherhood statements that are intended to protect the public. There are also some specific and important issues addressed in the Code of Ethics.

Motherhood Words

The Code of Ethics is sprinkled with words like honesty, justice, courtesy, moral philosophy, guiding principles, integrity, fidelity, fairness, impartiality, honor, dignity, **honest conviction**, and **good faith**. These are commendable concepts, and this document requires home inspectors to adhere to them. Let's look at some of the specific requirements.

1.4.1 Don't Guess

We should only offer opinions when they are based on experience and conviction. We shouldn't be bluffing our way through inspections or guessing at things we don't know. We also shouldn't be telling people what they want to hear, rather than what you know to be true.

1.4.2 Don't Lie or Cheat

This is a motherhood statement which says you must act in good faith toward each client. It doesn't require this in our actions toward others.

1.4.3 Confidentiality

The inspection results belong to your clients. They bought them. The inspection results don't belong to you. You are entitled to keep a copy as the producer, but the actual product belongs to your client. As a result, you cannot discuss the inspection results with real estate agents, sellers or other interested parties without the client's permission. This is important and will come back to haunt you if you break this rule.

1.4.4 Can't Get Paid Twice

This says that we can't accept **compensation** from more than one party for the same service unless everyone agrees. You can't do an inspection for Client A and then sell the report to Client B. Remember, the report doesn't belong to you, it belongs to Client A.

Sensitivity of Real Estate

There is a considerable ethical dilemma that often crops up for home inspectors. We work for the prospective buyer of a property. There is often more than one prospective buyer looking at a property. If you are asked to inspect a house for Client A, life is simple. You perform the inspection, provide the report and accept your fee. If Client B calls and asks you to inspect the same house, you have a number of options:

- a. inspect the house for Client B as a separate service and say nothing.
- b. indicate that you have a potential **conflict of interest** and decline to do the inspection for Client B.
- c. explain to Client B that you have recently inspected the property for someone else but are willing to do the inspection for Client B.
- d. explain to Client B that you have recently done an inspection of the property for someone else and they may be willing to release the report to Client B with or without a fee. You offer to contact Client A.

- e. This is the same as the last one except you give Client A's name and number to Client B.
- f. Explain to Client B that you have recently inspected the property for someone else and offer to sell Client B the report.
- g. Offer to give Client B the report.

Over the years, we have tried many of these options (but not e., f. or g.) and have concluded that no matter what you do, you expose yourself to criticism. If we say nothing and do the inspection a second time, the seller or real estate agent may consider us unethical for trying to get paid twice for the same work. If you indicate a conflict of interest and decline to do the inspection, you have made Client B aware that there may be competition for the home. This can put Client A at a disadvantage. If you tell Client B that you have done an inspection for someone else, that gives him information that Client A does not have. If you contact Client A about whether they are willing to release the report to someone else before talking to Client B, you have given Client A an advantage over Client B.

Putting one client in touch with another can cause problems too. Client B may ask Client A why they didn't buy the property. The seller and real estate agents are likely to be unhappy with you if Client B changes his or her mind based on the conversation. You don't own the report, so you don't have the right to give it or sell it to client B. These options should not be considered.

No matter what you do, someone may be unhappy. You may want to evaluate these possibilities and make a decision before the situation comes up. At least then you will have given it some thought and understand the possible backlash.

1.4.5 Getting or Giving Kickbacks

Inspectors cannot accept or offer commissions from other parties dealing with their client in connection with work for which the member is responsible. This is worded fairly carefully, but is intended to require inspectors to maintain an arm's length from real estate professionals. You should not be accepting kickbacks in any form from real estate agents for inspections. This can obviously expose you to pressure about how your inspections are performed and how your reports are presented. Similarly, you can't pay real estate agents when they send clients to you. Again, the protection of the client is at the heart of this issue and home inspectors must not only be ethical, but must be perceived as ethical. Appearances are everything.

In some cases, benefits are passed on directly to the client. Home inspectors may offer discounted fees to clients of certain real estate agents, for example. This issue is not specifically addressed in the standards and is a gray one. You can make the argument that the client's interests are well served in this arrangement. Cynics wonder what other components there are to the relationship between the real estate professional and the home inspector.

1.4.6 Conflict of Interest

There are two issues in this item. It's helpful to understand that many people in the home inspection business come from the building trades. While there are several

interests that home inspectors might have that would cause a conflict, one of the most common is the fact that they have done some work on this house. It's obviously not appropriate for inspectors to inspect houses that they built. How could they possibly be impartial?

Don't Fix the House

The second point in this item is that you cannot use the home inspection to get work in another field. As you step off the ladder and tell the client that the roof is worn out, you shouldn't be handing them a business card with a quotation for a new roof. People will wonder whether the house really needs a new roof and whether the purpose of the inspection is to create work for a contracting or remodeling business. Many home inspectors are involved in construction-related businesses, but the two roles must be kept distinct.

Consulting not Contracting

The standards say we are permitted to provide other inspection services and specifying repairs. The distinction seems to be that consulting work is acceptable, but contracting work is not.

To sum up our interpretation, if you are a mechanical engineer, you can offer to do a design analysis of the heating and ductwork system for an additional fee, but you cannot offer to replace the furnace.

1.4.7 Report Code Violations

The inspector is asked to report any violations of the Code of Ethics by other members to the Association. While the intent is clear and commendable, this is a difficult issue in practice. Will members ever report other members for competitive or personal reasons, rather than **professional integrity** reasons? Hmm ...

CHAPTER REVIEW QUESTIONS

Answer the following questions on a separate sheet of paper, then check your results against the answers provided in Appendix D. If you have trouble with a question, refer back to the chapter to review the relevant material.

1. Describe in one sentence what home inspections must provide for clients.
2. List three components of written reports.
3. List two general limitations to home inspections.
4. List ten general exclusions to home inspections.
5. List 13 things inspectors are not required to do as part of an inspection.
6. Define technically exhaustive within the scope of a home inspection.
7. Define inspector within the context of the standards of practice.
8. Summarize in one sentence each, of the seven elements of the Code of Ethics.

KEY TERMS

scope	pests	operating costs
significantly deficient	cosmetic items	acoustical properties
observed	underground items	inspector
installed systems and components	warranties	practical experience
technically exhaustive	guarantees	honest conviction
life expectancy	engineering	good faith
causes	strength	disclose information
methods	adequacy	compensation
specialized use	efficiency	commissions or allowances
compliance	shut down	conflict of interest
market value	normal operating controls	professional integrity
advisability of purchase	hazardous substance	
	future conditions	

CHAPTER 2

INSPECTIONS AND INSPECTORS

LEARNING OBJECTIVES

At the end of this chapter, you should be able to—

- describe how the home inspection profession is generally regulated throughout North America
- indicate the range of estimated number of home inspectors in North America
- indicate the average fee of a home inspection in North America
- list eight types of residential inspections
- describe in one sentence the difference between a home inspection and an appraisal
- list six people or things to whom home inspectors have obligations during a home inspection
- indicate the average time required to complete a home inspection
- list four advantages of having clients attend the inspection
- list seven attributes of a good home inspector
- describe in one sentence a suitable home inspector's vehicle
- describe in one sentence the thing that home inspector's clothing should reflect
- list ten basic tools that home inspectors typically use