



Hiring a Home Inspector

This publication is intended to provide general information only and is not a substitute for legal advice.

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Buying a home is the largest investment most consumers will ever make. Before buying, you should know what condition the home is in and what repairs might be needed. Hiring a qualified home inspector to examine a home can help you to make an informed decision about its condition. Some homeowners also have their place inspected so they can get any defects fixed under their new home warranty before it runs out.

WHAT SHOULD I EXPECT FROM A HOME INSPECTOR?

The home inspector's role is to tell you the physical condition of the home. The inspector should walk through the home with you and point out any problems. This normally takes at least two hours. The inspector must give you a contract before the inspection and a written report after an inspection.

The inspector must not damage the home during the inspection unless the owner agrees in writing to allow an invasive inspection. If the inspector causes damage during the inspection and the seller has not agreed, the inspector must pay for the damage. For example, this means that the inspector usually can't drill holes to look inside walls, ceilings or behind tiling. An inspector can look for signs that there might be problems with a home and suggest any areas that should be looked at by an expert. For example, mould and wiring behind walls usually cannot be seen directly, but there might be other signals that a trained eye would notice. Before starting the home inspection, the inspector must give you a copy of the signed contract that includes a list of what will and won't be inspected.

The home inspector's role is to tell you the physical condition of the home.

CONSUMER TIPS

You and your inspector should also ask the seller and the realtor if there are any problems with the home. The seller and realtor must answer you honestly and not hide any problems that they know about.

WHAT RULES MUST HOME INSPECTORS AND HOME INSPECTION BUSINESSES FOLLOW?

Under Alberta's *Fair Trading Act* an inspector must disclose information honestly and openly, and deal with you fairly. The *Home Inspection Business Regulation* sets out specific rules for home inspectors and home inspection businesses. All inspectors must have completed a minimum level of education. The regulation also sets out the requirements for home inspection contracts and for the inspection report that the inspector provides to the consumer.

Home inspection businesses must have:

- a licence from the Government of Alberta,
- a bond or other form of security, and
- errors and omissions insurance.

Home inspectors who are working for an inspection business must have a licence. To have a licence, a home inspector must:

- be employed by a home inspection business, and
- be a Registered Home Inspector (RHI) or Certified Master Inspector (CMI), or

- have a degree, diploma, or certificate in home inspection from an approved school, and pass a test inspection by a CMI from the International Association of Certified Home Inspectors Alberta, or a RHI from the Canadian Association of Home & Property Inspectors, or
- hold an approved home inspection designation from an approved industry association, or
- a licence from an approved regulatory body.

Home inspectors who are close to getting these qualifications may work with a conditional licence.

HOW TO HIRE A HOME INSPECTOR

Finding an inspector

Talk to friends or others you know who have used a home inspector. Ask if they were satisfied. Did the home inspector identify problems with the house? Sometimes your realtor will recommend a list of home inspectors.

Another way to find a home inspector is to contact home inspector associations for a list of members. Ask what an inspector must do to become a member. Does the association require members to have special training, qualifications, education or experience? Ask what the association will do if you have a complaint about one of their members. You will find the names and information about three home inspection associations on page 8. Some home inspectors do not belong to any of these organizations.

What to ask before you hire any home inspector

Make sure you ask the following questions, even if the home inspector you are considering is highly recommended by a person you trust:

1. Licence

Does the inspector have a licence? All home inspectors and home inspection businesses in Alberta must have a licence and show it to you when asked. Note that a licence does not mean the Government of Alberta recommends a particular inspector or business.

Check the Service Alberta website at www.servicealberta.ca to see if a business is licensed. If you don't have access to the internet, you can call the **Consumer Contact Centre** at (780) 427-4088 (Edmonton) or toll free in Alberta 1-877-427-4088 for this information.

2. Education, training, qualification and experience

Ask the home inspector about his or her educational background, years of experience, courses taken, and qualifications. Many inspectors have a background in the construction trades. Has the inspector taken any continuing education courses to keep up with new construction materials and requirements?

3. Knowledge of the Building Code

Ask the inspector if he or she knows and understands the Alberta Building Code and the way it has changed over time. An old home will meet the code in the year it is built; however, new homes will have to meet today's building code.

4. Conflict of interest

Is the inspector being paid to inspect the home by anyone other than you? For example, if the inspector has received a fee from the realtor, your bank or mortgage broker, there would be a conflict of interest. The inspector is not allowed to carry out an inspection where there is a conflict of interest.

5. References

Ask the inspector to give you the names and phone numbers of at least three recent customers, then ask those customers for their comments. Would they recommend that inspector? Another way to find out about a home inspector is to call your local Better Business Bureau to check the business complaint history. If there were complaints, how did the business deal with them? Phone numbers for the Better Business Bureaus are on page 8.

CONSUMER TIPS

THE HOME INSPECTION CONTRACT

Once you have chosen an inspector he or she must give you a home inspection contract. Read the contract carefully and make sure you understand it before you sign.

The home inspection contract must:

- be in writing,
- be legible,
- include your name and address,
- include from the home inspection business:
 - the name of the home inspection business,
 - its licence number,
 - business address (including street address),
 - telephone number and (if applicable) the fax number, and
 - email address.
 - If the inspection is to be contracted out to a different home inspection business, the contract must also give the name and licence number of that business and you will be asked to initial that part of the contract.
- give the name and licence number of the home inspector doing the inspection,

- give the address of the home to be inspected,
- state the date of the contract,
- state the date on which the inspection is to occur, and
- indicate when you will receive the completed home inspection report.

All of the items below must be listed in the contract for inspection, unless you agree otherwise by initialing those items that will not be inspected:

- Roofing
- Flashing and chimney
- Exterior including lot grading
- Walkways
- Driveways
- Retaining walls
- Patios and decks
- Structure
- Electrical
- Heating
- Heat pumps and cooling
- Insulation
- Plumbing
- Interior

Attached garages or carports are included in the inspection. Other outbuildings or structures not attached to the home are only included in an inspection if they are specified in the contract.

If the home inspection does not include the inspection of mould or asbestos, the contract must include a statement, initialled by the consumer, indicating that fact.

Make sure everything you want to have inspected is listed in the contract. Talk to your inspector about adding anything else that you want inspected. The home inspector is responsible for inspecting only what is listed in the contract.

The contract must not state that the liability of the inspector or the business is limited, or say that you only have a certain time to make a claim against the home inspection business or home inspector.

The inspection will be non-invasive (that is, will not damage the property) unless the owner agrees in writing to allow an invasive inspection.

Once you have read and understood the contract, you and the inspector will sign it and each will get a copy.

THE HOME INSPECTION REPORT

A home inspection report must:

- be in writing,
- be legible,
- provide information about the condition of all the parts of the home included in the contract, and
- be given to you on or before the date stated in the contract.

The contents of the report are confidential and the inspector or inspection business must not disclose them unless you agree, there is a serious health and safety risk, or there is another legal reason.

The home inspector or the home inspection business is not allowed to give you an estimate of the cost of any repair or improvement identified by the home inspection. To fix defects identified by the home inspector and determine the cost, contact qualified trades people.

Make sure everything you want to have inspected is listed in the contract.

CONSUMER TIPS

FOR MORE INFORMATION

For information about the *Fair Trading Act* or home inspector licences, contact:

SERVICE ALBERTA

Consumer Contact Centre:

In Edmonton: 780-427-4088
Toll-free in Alberta 1-877-427-4088
www.servicealberta.ca

Queen's Printer Bookstore

You may purchase Acts and regulations from the Queen's Printer Bookstore:
10611 - 98 Avenue, Edmonton, Alberta T5K 2P7
Edmonton: 780-427-4952
Toll-free in Alberta: Dial 310-0000 then 780-427-4952

These are also free for you to download in the "pdf" or "html" formats at www.qp.alberta.ca

For complaint history of home inspection businesses, contact:

Better Business Bureau of Central and Northern Alberta

In Edmonton: 780- 482-2341
Toll-free: 1-800-232-7298
<http://edmonton.bbb.org/>

Better Business Bureau of Southern Alberta and East Kootenays

In Calgary: 403-517-4222
Toll-free: 1-800-661-4464
<http://calgary.bbb.org/>

For information to help buyers and sellers, contact:

The Real Estate Council of Alberta (RECA)

See RECA's Property Inspection Request form at www.reca.ca/consumers/content/consumer-information/consumer-tools.htm

HOME INSPECTION ORGANIZATIONS

Canadian Association of Home and Property Inspectors (CAHPI), Alberta Chapter

403-248-6893
Toll Free: 1-800-351-9993
www.cahpi-alberta.com/

Canadian National Association of Certified Home Inspectors (CanNACHI)

1-888-434-1970
www.cannachi.org/

International Association of Certified Home Inspectors (InterNACHI), Alberta Chapter

ab.nachi.org/albertanachi

LISTING OF LICENSED HOME INSPECTORS

Service Alberta

Search for a business, charity or fund-raiser
www.servicealberta.ca/976.cfm

A current version of this and other consumer publications are available at the Service Alberta website www.servicealberta.ca. Most public libraries have Internet access if you don't have access at home.

If you need more copies of this publication, you have permission to photocopy.

HOME INSPECTION CHECKLIST

1. If a home inspector or home inspection business is recommended by friends or others:

- Were they satisfied?

2. If you contact industry associations to find a home inspector:

- What are the inspector's qualifications, education, training and experience?
- What is required to be a member of the association?
- How does the association handle a consumer complaint?

3. Ask the home inspector:

- Does he or she have a licence from the Government of Alberta? Ask to see it.
- What is their education, training, qualification and experience?
- What is their knowledge of the Alberta Building Code?
- Is there a conflict of interest?
- Can they provide at least three references?
- Is the inspector getting a referral fee from anyone?

4. Check the references.

CONSUMER TIPS

5. Read the contract:

- Is it in writing?
- Is it legible?

Does the contract contain:

- your name and address,
- the home inspection business name, licence number, business address,
- the name and licence number of the home inspector,
- the date of contract,
- the date of inspection,
- the address of the home to be inspected,
- a list of the things to be inspected?

6. Ask about items that are not on the home inspectors list of things to be inspected.

7. Home inspection report:

- Is it in writing?
- Is it legible?
- Does it cover the condition of the things to be inspected as listed in the contract?

8. Does the homeowner and realtor know about any problems with the home?