

Texas Real Estate Commission (TREC) Standard Inspection Form and Report Course

Introduction

Upon successful completion of this course, the student shall be to generate effective home inspection reports and clearly and concisely fill out the TREC Property Inspection Report Forms REI 7A-1 and REI 7-2.

Inspections performed for a prospective buyer or prospective seller of one-to-four family residential property shall be reported on Form REI 7A-1 or Form REI 7-2 adopted by the Commission ("the standard form").

The most updated version of the documents are published by and available from the Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188 and are also available for download at <http://www.trec.texas.gov/formslawscontracts/forms/forms-propertyInspection.asp>.

Report Identification: _____

I-Inspected	NI-Not Inspected	NP-Not Present	D-Deficient
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I. STRUCTURAL SYSTEMS

A. Foundation:
Type of Foundation: _____
Comment: _____

B. Grading and Drainage - Comment: _____

C. Roof Covering Materials:
Type(s) of Roof Covering: _____
Viewed From: _____
Comment: _____

D. Roof Structure and Attic:
Viewed From: _____
Approximate Average Depth of Insulation: _____
Approximate Average Thickness of Vertical Insulation: _____
Comment: _____

E. Walls (Interior and Exterior) - Comment: _____

F. Ceilings and Floors - Comment: _____

G. Doors (Interior and Exterior) - Comment: _____

H. Windows - Comment: _____

I. Stairways (Interior and Exterior) - Comment: _____

J. Fireplace/Chimney - Comment: _____

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Student Verification and Interactivity

Student Verification

By enrolling in this course, the student hereby attests that s/he is the person completing all coursework. S/he understands that having another person complete the coursework for him or her is fraudulent and will result in being denied course completion and corresponding credit hours.

The course provider reserves the right to make contact as necessary to verify the integrity of any information submitted or communicated by the student. The student agrees not to duplicate or distribute any part of this copyrighted work or provide other parties with the answers or copies of the assessments that are part of this course. If plagiarism or copyright infringement is proven, the student will be notified of such and barred from the course and/or have his/her credit hours and/or certification revoked.

Communication on the message board or forum shall be of the person completing all coursework.



Interactivity

Interactivity between the student and the course provider is made by the opportunity to correspond via email. Students will receive a timely response within 24 hours during the work week and by close of business on Monday for questions received over the weekend.

The student can join in the conversation with other students by visiting [the online forum dedicated to this course](#). Students are free to post questions and comments there. The thread will be monitored by the course instructor.

Contact

Email Director of Education Ben Gromicko at ben@internachi.org.

TREC Rules

Copies of TREC rules governing real estate brokers, salesperson and real estate inspectors are available from TREC. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>)

Written Report Required

The TREC Standards require a written report. The TREC Standards require that for each inspection, the inspector shall prepare a written inspection report noting observed deficiencies and other items required to be reported. The inspector shall deliver the report the report to the person for whom the inspection was performed within three days unless otherwise agreed in writing by the client.

PROPERTY INSPECTION REPORT

Prepared For: _____ (Name of Client)

Concerning: _____ (Address or Other Identification of Inspected Property)

By: _____ (Name and License Number of Inspector) (Date) _____
(Name, License Number and Signature of Spouse/Partner, if required)

This property inspection report may include an inspection agreement (contract), addenda, and other information related to property conditions. If any item or comment is unclear, you should ask the inspector to clarify the findings. It is important that you carefully read ALL of this information.

This inspection is subject to the rules ("Rules") of the Texas Real Estate Commission ("TREC"), which can be found at www.trec.state.tx.us.

The TREC Standards of Practice (Sections 535.227-535.233 of the Rules) are the minimum methods for inspections by TREC-licensed inspectors. An inspection addresses only those components and conditions that are present, visible, and accessible at the time of the inspection. While there may be other parts, components or systems present, only those items specifically noted as being inspected were inspected. The inspector is not required to notice furnishings or stored items. The inspection report may address issues that are code-based or may refer to a particular code; however, this is NOT a code-compliance inspection and does NOT verify compliance with manufacturer's installation instructions. The inspection does NOT imply suitability or warranty of the structure or its components. Although some safety issues may be addressed in this report, this inspection is NOT a code-compliance inspection, and the inspector is NOT required to identify all potential hazards.

In this report, the inspector will note which systems and components were Inspected (I), Not Inspected (NI), Not Present (NP), and/or Deficient (D). General deficiencies include inappropriate material choice, wear, penetration, damage, deterioration, missing parts, and unsuitable installation. Comments may be provided by the inspector whether or not an item is deemed deficient. The inspector is not required to prioritize or emphasize the importance of one deficiency over another.

Some items reported as Deficient may be considered life-safety upgrades to the property. For more information, refer to Texas Real Estate Commission Notice Concerning Recognized Hazards, Form OP-1.

This property inspection is not an exhaustive inspection of the structure, systems, or components. The inspection may not reveal all deficiencies. A good home inspection helps to reduce some of the risk involved in purchasing a home, but it cannot eliminate these risks, nor can the inspection anticipate future events or changes in performance due to changes in use or occupancy. It is recommended that you obtain as much information as is available about the property, including any seller's disclosures, previous inspection reports, engineering reports, building/renovation permits, and reports performed for or by relocation companies, municipal inspection departments, lenders, insurers, and appraisers. You should also attempt to determine whether repairs, renovations, remodeling, additions, or other such activities have taken place at this property. It is not the inspector's responsibility to confirm that information obtained from these sources is complete or accurate or that this inspection is consistent with the opinions expressed in previous or future reports.

ITEMS IDENTIFIED IN THE REPORT DO NOT OBLIGATE ANY PARTY TO MAKE REPAIRS OR TAKE OTHER ACTIONS, NOR IS THE PURCHASER REQUIRED TO REQUEST THAT THE

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(512) 616-2669 (<http://www.trec.state.gov>) 822.7.1 Page 1 of ____ © 2006

Name and License Number

The inspection report shall include the name and license number of each inspector who participated in performing the inspection, as well as the name(s) and license number(s) of any supervising real estate inspector(s) and sponsoring professional inspector(s), if applicable. The clients name shall appear on the report. And on each page of the inspection report, the address or other unique description of the property shall be written.

A Checklist Form

The home inspector is required to use the TREC standardized checklist report. A checklist report form serves many purposes. The checklist systematically itemizes the systems of the home being inspected and organizes them into sections to allow the inspector to simply check off the inspected systems and components and make related comments. A checklist provides the inspector an organized procedure to inspect the property, helping the inspector remember what to inspect. Home inspectors can use the checklist to guide their inspection process in an orderly and logical manner from the exterior the interior. The checklist can also be used as an outline in writing the report in narrative form. When kept for archiving, the checklist can be used to demonstrate that the inspection was performed methodically and according to a standard.

Report Identification			
I-Inspected	NJ-Not Inspected	NP-Not Present	D-Deficient
I	NJ	NP	D
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I. STRUCTURAL SYSTEMS			
A. Foundations			
Type of Foundation: Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. Grading and Drainage - Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Roof Covering Materials			
Type(s) of Roof Covering: Vertical From: Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. Roof Structure and Attic			
Vertical From: Approximate Average Depth of Insulation: Approximate Average Thickness of Vertical Insulation: Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Walls (Interior and Exterior) - Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Ceilings and Floors - Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
G. Doors (Interior and Exterior) - Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Windows - Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I. Stairways (Interior and Exterior) - Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Fireplace/Chimney - Comment:			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Written Report Required

InterNACHI [Standards of Practice for Performing a General Home Inspection](#) require a written report.

According to the InterNACHI Standards, a general home inspection report shall identify, in written format, defects within specific systems and components that are both observed and deemed material by the inspector. Inspection reports may include additional comments and recommendations.



Requirements

The Texas Real Estate Commission (TREC) requires specific formatting of home inspection reports.

The Texas Real Estate Commission adopted by reference Property Inspection Report Form REI 7A-1, approved by the Commission in 2008, and Property Inspection Report Form REI 7-2, approved by the Commission in 2009, for use in reporting inspection results. These documents are published by and available from the Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188 and also as a download at

<http://www.trec.state.tx.us/formslawscontracts/forms/forms-propertyInspection.asp>.

Inspections performed for a prospective buyer or prospective seller of one-to-four family residential property shall be reported on Form REI 7A-1 or Form REI 7-2 adopted by the Commission ("the standard form").

Inspectors may reproduce the standard form by computer or from printed copies obtained from the Commission. Except as specifically permitted by this section, the inspector shall reproduce the text of the standard form verbatim and the spacing, length of blanks, borders, and placement of text on the page must appear to be identical to that in the printed version of the standard form.



Changes to Standard Form

An inspector may make the following changes to the standard form:

- the inspector may delete the line for name, license number, and signature of the sponsoring inspector if the inspection was performed solely by a professional inspector;
- the inspector may change the typeface, provided that fonts are no smaller than those used in the printed version of the standard form;
- the inspector may use legal sized (8-1/2" by 14") paper;
- the inspector may add a cover page to the report form;
- the inspector may add footers to each page of the report except the first page and may add headers to each page of the report;
- the inspector may place the property identification and page number at either the top or bottom of the page;
- the inspector may add subheadings under items, provided that the numbering of the standard items remains consistent with the standard form;
- the inspector may list other items in the appropriate section of the form and additional captions, letters, and check boxes for those items;
- the inspector may delete inapplicable subsections of Section VI., Optional Systems, and re-letter any remaining subsections;
- the inspector may delete Subsection L., Other, of Section I., Structural Systems;
- the inspector may allocate such space in the "Additional Information Provided by the Inspector" section and in each of the spaces provided for comments for each inspected item as the inspector deems necessary or may attach additional pages of comments to the report; and
- if necessary to report the inspection of a part, component, or system not contained in the standard form, or space provided on the form is inadequate for a complete reporting of the inspection, the inspector may attach additional pages to the form. When providing comments or additional pages to report on items listed on a form, the inspector shall arrange the comments or additional pages to follow the sequence of the items listed in the form adopted by the Commission.

Renumbering Pages

The inspector shall renumber the pages of the form to correspond with any changes made necessary due to adjusting the space for comments or adding additional items and shall number all pages of the report, including any addenda.

Inspected or Not

The inspector shall indicate, by checking the appropriate boxes on the form, whether each item was inspected, not inspected, not present, and/or deficient and shall explain the findings in the appropriate space on the form.

Exceptions

This section does not apply to the following:

- re-inspections of a property performed for the same client; or
- inspections performed for or required by a lender or governmental agency;
- inspections for which federal or state law requires use of a different report; or
- quality control construction inspections of new homes performed for builders, including phased construction inspections, inspections performed solely to determine compliance with building codes, warranty or underwriting requirements, or inspections required by a municipality and the builder or other entity requires use of a different report, and the first page of the report contains a notice either in bold or underlined reading substantially similar to the following:

"This report was prepared for a builder or other entity in accordance with the builder's requirements. The report is not intended as a substitute for an inspection of the property by an inspector of the buyer's choice. Standard inspections performed by a Texas Real Estate Commission licensee and reported on Texas Real Estate Commission promulgated report forms may contain additional information a buyer should consider in making a decision to purchase."

If a report form required for use by the builder or builder's employee does not contain the notice, the inspector may attach the notice to the first page of the report at the time the report is prepared by the inspector.

Changes to Reports

Influenced by the changes in the economic and legal environments over the past 30 years, home inspection reports have changed to accommodate increased consumer expectations, and to provide more extensive information and protection to both inspectors and their clients.

Development of Standards

Prior to the mid-1970s, inspection reports followed no standard guidelines and, for the most part, there was little or no oversight or licensure. As might be imagined, without minimum standards to follow, the quality of inspection reports varied widely, and the home inspection industry was viewed with some suspicion.

With the founding of the American Society of Home Inspectors (ASHI) in 1976, home inspection guidelines governing inspection report content became available in the form of a Standards of Practice. Over time, a second, larger trade association, the International Association of Certified Home Inspectors (InterNACHI), came into existence, and developed its own standards.

InterNACHI has grown to dominate the inspection industry and, in addition to its *Residential Standards of Practice*, it has developed a comprehensive *Standards of Practice for the Inspection of Commercial Properties*. Today, most types of inspections from mold to fire door inspections are performed in accordance with one of InterNACHI's *Standards of Practice*.

Your clients should take the time to examine the TREC Standards of Practice that you follow.

Standards of Practice are designed to identify both the requirements of a home inspection and the limitations of an inspection.

Checklist and Narrative Reports

In the early years of the home inspection industry, home inspection reports consisted of a simple checklist, or a one- or two-page narrative report.

Checklist reports are just that; very little is actually written. The report is a series of boxes with short descriptions after them. Descriptions are often abbreviated, and might consist of only two or three words, such as "peeling paint." The entire checklist might only be four or five pages long.

Because of the lack of detailed information, checklist reports leave a lot open to interpretation, so that buyers, sellers, agents, contractors, attorneys and judges may each interpret the information differently, depending on their motives.

In the inspection business, phrases that describe conditions found during an inspection are called "narratives." Narrative reports use reporting language that more completely describes each condition. Descriptions are not abbreviated.

Both checklist and narrative reports are still in use today, although many jurisdictions are now beginning to ban checklist reports because the limited information they offer has resulted in legal problems.

From the standpoint of liability, narrative reports are widely considered safer, since they provide more information and state it more clearly.

Many liability issues and problems with the inspection process are due to misunderstandings about what was to be included in the report, or about what the report says.

Development of Reporting Software

Years ago, when computers were expensive to buy and difficult to operate, inspection reports were written by hand. As computers became simpler to operate and more affordable, inspection software began to appear on the market.

Today, using this software, an inspector can choose from a large number of organized boilerplate narratives that s/he can edit or add to in order to accommodate local conditions, since inspectors in a hot, humid city like Tampa Bay, Florida, are likely to find types of problems different from those found by inspectors in a cold, dry climate, like Salt Lake City, Utah.

Using narrative software and checking boxes in categories that represent the home systems, an inspector can produce a very detailed report in a relatively short time.

For example, using a checklist report, an inspector finding a number of inoperable lights in a home would check a box in the "INTERIOR" section labeled something like "some lights inoperable," and that would be the limit of the information passed on to the client.

Using inspection software, in the "INTERIOR" section of the program, an inspector might check a box labeled "some lights inoperable." This would cause the following narrative to appear in the "INTERIOR" section of the inspection report:

"Some light fixtures in the home appeared to be inoperable. The bulbs may be burned out, or a problem may exist with the fixtures, wiring or switches.

If after the bulbs are replaced, these lights still fail to respond to the switch, this condition may represent a potential fire hazard, and the Inspector recommends that an evaluation and any necessary repairs be performed by a qualified electrical contractor."

Standard disclaimers and other information can be pre-checked to automatically appear in each report.

Narrative Content

Narratives typically consists of three parts:

1. a description of a condition of concern;
2. a sentence or paragraph describing how serious the condition is, and the potential ramifications, answering questions such as, "Is it now stable, or will the problem continue?" or "Will it burn down the house?" and "When?"; and
3. a recommendation. Recommendations may be for specific actions to be taken, or for further evaluation, but they should address problems in such a way that the reader of the report will understand how to proceed.

"Typically" is a key word here. Some narratives may simply give the ampacity of the main electrical disconnect. There is no need for more than one sentence. Different inspectors would include what they think is necessary.

Report Content

Inspection reports can include an informational section which gives general information about the home, such as the client's name, the square footage, and the year the home was built.

Other information often listed outside the main body of the report, either near the beginning or near the end, are disclaimers, and sometimes a copy of the inspection agreement, and sometimes a copy of the Standards of Practice. A page showing the inspector's professional credentials, designations, affiliations and memberships is also often included. And it is a good idea to include InterNACHI's *Now That You've Had a Home Inspection* book.

Inspection reports often include a summary report listing major problems to ensure that important issues are not missed by the reader. It's important that the reader be aware of safety issues or conditions which will be expensive to correct. With this in mind, some inspectors color-code report narratives, although many feel that color-coding exposes them to increased liability and don't do this.

Software often gives inspectors the choice of including photographs in the main body of the report, near the narrative that describes them, or photographs may be grouped together toward the beginning or end of the report.

Sample Reports

Many inspectors have websites which include sample inspection reports for prospective clients to view. Take the time to look at them. Also often included is a page explaining the scope of the inspection. The inspection contract is usually included on the website, and it should give you a good idea of what will be included in the report.

In conclusion, to have realistic expectations about what information will be included in the home inspection report, your clients should follow these tips:

- read the TREC Standards of Practice;
- read the inspector's Agreement/Contract;
- view a sample Inspection Report from their inspector; and
- talk with their inspector.

Reports Can Educate

Home inspection reports can help educate your client. A written report helps your client, because it documents your inspection service and provides a resource to which your clients can refer in the future. For a home buyer, a written report provides relevant information to make informed decisions. A client may use your report to help prioritize home improvement projects, describe the nature of the problem and corrective actions, and communicate with contractors. Reports may highlight material defects that need immediate attention while some inspection reports may include maintenance recommendations or cosmetic repairs that can be deferred.

Reports Can Protect

Reports can help protect inspectors resolve complaints that might arise from an inspection. If a complaint is made about an inspection, the inspection report will have significant importance as to what was done, seen, and said at the time of the inspection. The inspection report can help all parties recall and fully understand the condition of the home at the time it was inspected. A well-written report can help defend an inspector's position against a claim.

Reports Can Market

Inspectors can use their inspection reports as a marketing piece that literally shows prospective clients their service. A well-written report can help an inspector enhance their image and credibility and generate more business. An inspection report can be thought of as a very large business card that can be passed from one person to the next. Many clients show their friends, real estate professionals, and neighbors their inspection reports.

Certain Basic Information

There is certain basic information that should be contained in the report. The report should contain:

- the name of the client;
- the address of the inspected property;
- the inspector's name and license number; and
- the date.

Contract, Addendum, and Other Info

The property inspection report may include an inspection agreement (contract), addendum, and other information related to property conditions.

Components and Conditions Present

The inspection report may document only those components and conditions that are present, visible, and accessible at the time of the inspection. While there may be other parts, components or systems present, only those items specifically noted in the report as being inspected were inspected.

May Refer to Code

The inspection report may address issues that are code-based or may refer to a particular code; however, a home inspection is NOT a code compliance inspection and does NOT verify compliance with manufacturer's installation instructions. The inspection report should NOT imply insurability or warrantability of the structure or its components. Although some safety issues may be addressed in this report, this inspection is NOT a safety/code inspection, and the inspector is NOT required to identify all potential hazards.

I, NI, NP, and/or D

In the inspection report, the inspector must document which systems and components were Inspected (I), Not Inspected (NI), Not Present (NP), and/or Deficient (D).

I-Inspected	NI-Not Inspected	NP-Not Present	D-Deficient
I	NI	NP	D

I. STRUCTURAL SYSTEMS

A. Foundations
Type of Foundation(s):
Comments:

Deemed Deficient

Comments may be provided by the inspector whether or not an item is deemed deficient. The inspector is not required to prioritize or emphasize the importance of one deficiency over another.

Recognized Hazards

Some items reported as Deficient may be considered life-safety upgrades to the property. For more information, refer to Texas Real Estate Consumer Notice Concerning Recognized Hazards, form OP-I, available at <http://www.trec.state.tx.us/formslawscontracts/forms/forms-propertyInspection.asp>.

Not All Deficiencies

The inspection report is not an exhaustive documentation of the structure, systems, or components. The report may not document all deficiencies.

No Obligation to Repair

Items identified in the inspection report do not obligate any part to make repairs or take other actions, nor is the purchaser required to request that the seller take any action.

Further Evaluations and/or Cost Estimates

When a deficiency is reported, it is the client's responsibility to obtain further evaluations and/or cost estimates from qualified service professionals. Any such follow-up should take place prior to the expiration of any time limitations such as option periods. Failure to address deficiencies or comments noted in this report may lead to further damage of the structure or systems and add to the original repair costs.

The inspector is not required to provide follow-up services and documentation to verify that proper repairs have been made.

For the Client's Benefit

The inspection report is provided for the specific benefit of the client named in the report and is based on observations at the time of the inspection.

If an individual did not hire the inspector, reliance on the inspection report may provide incomplete or outdated information. Repairs, professional opinions or additional inspection reports may affect the meaning of the information in the original report. It is recommended that an individual hire a licensed inspector to perform an inspection to meet their specific needs and to provide them with current information concerning the inspected property.

Scope of the Inspection

A real estate inspection is a limited visual survey and basic operation of the systems and components of a building using normal controls and does not require the use of specialized tools or procedures.

The purpose of the inspection is to provide the client with information regarding the general condition of the residence at the time of inspection.

The inspector may provide a higher level of inspection performance than required by the TREC standards of practice and may inspect parts, components, and systems in addition to those described by the TREC standards of practice.

For more information, visit the TREC Inspector Main Page at <http://www.trec.texas.gov/inspector/>.

General Inspection Requirements

The inspector shall:

- operate fixed or installed equipment and appliances listed herein in at least one mode with ordinary controls at typical settings;
- visually inspect accessible systems or components from near proximity to the systems and components, and from the interior of the attic and crawl spaces; and
- complete the required standard inspection report form.

Limitations

The inspector is not required to:

- inspect:
 - items other than those listed herein;
 - elevators;
 - detached structures, decks, docks, fences, or waterfront structures or equipment;
 - anything buried, hidden, latent, or concealed; or
 - automated or programmable control systems, automatic shut-off, photoelectric sensors, timers, clocks, metering devices, signal lights, lightning arrestor system, remote controls, security or data distribution systems, or solar panels;
- report:
 - past repairs that appear to be effective and workmanlike;
 - cosmetic or aesthetic conditions; or
 - wear and tear from ordinary use;
- determine:
 - insurability, warrantability, suitability, adequacy, capacity, reliability, marketability, operating costs, recalls, counterfeit products, life expectancy, age, energy efficiency, vapor barriers, thermostatic operation, code compliance, utility sources, or manufacturer or regulatory requirements except as specifically required by these standards;
 - the presence or absence of pests, termites, or other wood-destroying insects or organisms;
 - the presence, absence, or risk of asbestos, lead-based paint, mold, mildew, or any other environmental hazard, environmental pathogen, carcinogen, toxin, mycotoxin, pollutant, fungal presence or activity, or poison; or
 - types of wood or preservative treatment and fastener compatibility;
- anticipate future events or conditions, including but not limited to:
 - decay, deterioration, or damage that may occur after the inspection;
 - deficiencies from abuse, misuse or lack of use,
 - changes in performance of any part, component, or system due to changes in use or occupancy;
 - the consequences of the inspection or its effects on current or future buyers and sellers;
 - common household accidents, personal injury, or death;
 - the presence of water penetration(s); or
 - future performance of any item;
- operate shut-off, safety, stop, pressure, or pressure-regulating valves or items requiring the use of codes, keys, combinations, or similar devices;
- designate conditions as safe;

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Online Course

- recommend or provide engineering, architectural, appraisal, mitigation, physical surveying, realty, or other specialist services;
- review historical records, installation instructions, repair plans, cost estimates, disclosure documents, or other reports;
- verify sizing, efficiency, or adequacy of the ground surface drainage system;
- operate recirculation or sump pumps;
- remedy conditions preventing inspection of any item;
- apply open flame to operate any appliance;
- turn on decommissioned equipment, systems, or utility services; or
- provide repair cost estimates, recommendations, or re-inspection services.

Conflict

In the event of a conflict between specific provisions and general provisions in the TREC standards of practice, specific provisions shall take precedence.

Departure

An inspector may depart from the standards of practice only if the requirements of subparagraph (B) of this paragraph are met, and:

- the inspector and client agree the item is not to be inspected;
- the inspector is not qualified to inspect the item;
- conditions beyond the control of the inspector reasonably prevent inspection of an item;
- the item is a common element of a multi-family development and is not in physical contact with the unit being inspected, such as the foundation under another building or a part of the foundation under another unit in the same building;
- the inspector reasonably determines that conditions or materials are hazardous to the health or safety of the inspector; or
- the inspector reasonably determines that actions of the inspector may cause damage to the property.

If a part, component, or system required for inspection is not inspected, the inspector shall:

- advise the client at the earliest practical opportunity that the part, component, or system will not be inspected; and
- make an appropriate notation on the inspection report form, clearly stating the reason the part, component, or system was not inspected.

If the inspector routinely departs from inspection of a part, system, or component, the earliest practical opportunity for the notice required by this subsection is the first contact with the prospect and the inspector has reason to believe that the property being inspected has the part, system, or component the inspector routinely does not inspect.

That is the Question

Inspectors sometimes ask about the potential legal consequences if their inspections go beyond what the TREC Standards of Practice require.

Of course, every inspection must, at a minimum, substantially meet the requirements of the Standards of Practice. If an inspector fails to comply with the Standards, the customer would have valid claims against the inspector for breach of contract and misrepresentation.

Therefore, when in doubt about what the Standards of Practice require in a particular situation, the inspector should err on the side of caution and exceed what the Standards require. It is better to do a little more than what may be required than to do less and risk a potential claim and harm to your reputation.

A word of caution: if an inspector consistently goes far beyond what the Standards of Practice require, a customer might successfully argue that the inspector voluntarily assumed a duty greater than the contract required. Most inspection contracts contain language stating that the inspector will perform the inspection in accordance with TREC Standards of Practice. An inspector who goes far beyond what the Standards of Practice require may open himself up to a claim that there was an oral agreement that he was going to do a more rigorous inspection than what's required by the Standards.

If an inspector voluntarily assumes a duty greater than the duty required by the contract, the inspector has an obligation to perform those additional tasks with reasonable care.

Identify All Structural Systems

The report should identify the all of the structural systems, including the foundation type and include the grading and drainage, which can affect the foundation system. The type of roof covering material should be documented, including from which the roof was viewed. The roof structure must be inspected including the attic space underneath. While in the attic, the depth of the inspection. The approximate thickness of the vertical insulation must be documented within the report.

There are many other components that should be documented in the report, including the walls (interior and exterior), ceilings, floors, doors (interior and exterior), windows, stairways (interior and exterior), windows, stairways (interior and exterior), and the fireplace and chimney system. The exterior porches, balconies, decks and carports should be contained within the report also.

Foundations

Inspect slab surfaces, foundation framing components, subflooring, and related structural components.

Report:

- the type of foundation(s); and
- the vantage point from which the crawl space was inspected.



Generally report present and visible indications used to render the opinion of adverse performance, such as:

- open or offset concrete cracks;
- binding, out-of-square, non-latching, warped, or twisted doors or frames;
- framing or frieze board separations;
- out-of-square wall openings or separations at wall openings or between the cladding and window/door frames;
- sloping floors, countertops, cabinet doors, or window/door casings;
- wall, floor, or ceiling cracks;
- rotating, buckling, cracking, or deflecting masonry cladding;
- separation of walls from ceilings or floors; and
- soil erosion, subsidence or shrinkage adjacent to the foundation and differential movement of abutting flatwork such as walkways, driveways, and patios.

Report as Deficient:

- exposed or damaged reinforcement;
- a crawl space that does not appear to be adequately ventilated;
- crawl space drainage that does not appear to be adequate;
- deteriorated materials;
- damaged beams, joists, bridging, blocking, piers, posts, pilings, or subfloor;
- non-supporting piers, posts, pilings, columns, beams, sills, or joists; and
- damaged retaining walls related to foundation performance.

Render a written opinion as to the performance of the foundation.

Specific limitations for foundations.

The inspector is not required to:

- enter a crawlspace or any area where headroom is less than 18 inches or the access opening is less than 24 inches wide and 18 inches high;
- provide an exhaustive list of indicators of possible adverse performance; or
- inspect retaining walls not related to foundation performance.

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In the following pictures:



The foundation is not readily visible. Access to the foundation is restricted. The limited visible portions indicate a concrete block foundation type.



Evidence of water intrusion at the bottom of the finished walls in the basement. Deteriorated wooden materials and components at those basement walls. Deficient.



Sloping floor at the doorway between the living space and the kitchen.



Cracking of the concrete exterior surface, located at the top of the foundation wall.



Differential movement, cracking, and uneven surfaces at the walkways.

Grading and Drainage

Report as Deficient:

- improper or inadequate grading around the foundation (including flatwork);
- erosion;
- water ponding; and
- deficiencies in installed gutter and downspout systems.



Specific limitations for grading and drainage.

The inspector is not required to:

- inspect flatwork or detention/retention ponds (except as related to slope and drainage);
- determine area hydrology or the presence of underground water; or
- determine the efficiency or operation of underground or surface drainage systems.

In the following pictures:



The sump pump is installed in a dirt hole in the corner of the basement. Its discharge pipe extends through finished basement wall, but its discharge point is undetermined. The pump is not professionally installed and its performance may be unreliable.

Roof Covering Materials

Inspect the roof covering materials from the surface of the roof.

Report:

- type of roof covering(s);
- vantage point from where the roof was inspected;
- any levels or surfaces that were not accessed;
- evidence of previous repairs to roof covering materials, flashing details, skylights, and other roof penetrations; and
- evidence of water penetration.



Report as Deficient:

- a roof covering that is not appropriate for the slope of the roof; and
- deficiencies in:
 - fastening of roof covering material, as determined by a random sampling;
 - roof covering materials;
 - flashing details;
 - skylights; and
 - other roof penetrations.

Specific limitations for roof covering.

The inspector is not required to:

- determine the remaining life expectancy of the roof covering;
- inspect the roof from the roof level if, in the inspector's reasonable judgment, the inspector cannot safely reach or stay on the roof or significant damage to the roof covering materials may result from walking on the roof;
- determine the number of layers of roof covering material;
- identify latent hail damage; or
- provide an exhaustive list of locations of water penetrations or previous repairs.

In the following pictures:



The type of roof covering is asphalt 3-tab shingle. The roof was inspected from the roof surface. All roof surfaces were accessible.



Missing shingle tab at the rear right corner of the roof. Exposed roofing nail. Prone to water penetration. Deficient.

Roof Structure and Attic

Report:

- the vantage point from which the attic space was inspected;
- the presence of and approximate average depth of attic insulation and thickness of vertical insulation, when visible; and
- evidence of water penetration.



Report as Deficient:

- attic space that does not appear to be adequately ventilated;
- deficiencies in installed framing members and decking;
- deflections or depressions in the roof surface as related to the adverse performance of the framing and the roof deck;
- missing insulation;
- deficiencies in attic access ladder and access opening; and
- deficiencies in attic ventilators.

Specific limitations for roof structure and attic.

The inspector is not required to:

- enter attics or unfinished spaces where openings are less than 22 inches by 30 inches or headroom is less than 30 inches;
- operate powered ventilators; or
- provide an exhaustive list of locations of water penetrations.

In the following pictures:



The attic space was inspected by entering it. The access was limited, because there was no flooring on which to stand or walk.



The access door to the attic space is inadequately insulated and not sealed properly. Deficient.



The approximate average depth of the fiberglass insulation is 8 inches (R-25).

Walls, Ceilings, Floors, and Doors

For the **INTERIOR** walls, ceilings, floors, and doors:

Report evidence of water penetration.

Report as Deficient:

- doors and hardware that do not operate properly;
- deficiencies related to structural performance or water penetration; and
- lack of fire separation between the garage and the residence and its attic space.



Specific limitation for interior walls, doors, ceilings, and floors.

The inspector is not required to:

- report cosmetic damage or the condition of floor, wall, or ceiling coverings; paints, stains, or other surface coatings; cabinets; or countertops, or
- provide an exhaustive list of locations of water penetrations.

For the **EXTERIOR** walls, ceilings, floors, and doors:

Report evidence of water penetration.

Report as Deficient:

- the lack of functional emergency escape and rescue openings in all sleeping rooms;
- the lack of a solid wood door not less than 1-3/8 inches in thickness, a solid or honeycomb core steel door not less than 1-3/8 inches thick, or a 20-minute fire-rated door between the residence and an attached garage;
- missing or damaged screens;
- deficiencies related to structural performance or water penetration; and
- deficiencies in:
 - claddings;
 - water resistant materials and coatings;
 - flashing details and terminations;
 - the condition and operation of exterior doors, garage doors, and hardware; and
 - window operation and components.

Specific limitations for exterior walls, doors, and windows.

The inspector is not required to:

- report the condition or presence of awnings, shutters, security devices, or systems;
 - determine the cosmetic condition of paints, stains, or other surface coatings; or
 - operate a lock if the key is not available.
-

For the exterior and interior glazing:

Inspect the window and door glazing.

Report as Deficient:

- insulated windows that are obviously fogged or display other evidence of broken seals;
- deficiencies in glazing, weather stripping, and glazing compound in windows and exterior doors; and
- the absence of safety glass in hazardous locations.

Specific limitation for exterior and interior glazing.

The inspector is not required to:

- exhaustively observe insulated windows for evidence of broken seals;
- exhaustively observe glazing for identifying labels; or
- identify specific locations of damage.

Interior and Exterior Stairways

Report as Deficient:

- spacing between intermediate balusters, spindles, or rails for steps, stairways, guards, and railings that permit passage of an object greater than 4 inches in diameter, except that on the open side of the staircase treads, spheres less than 4-3/8 inches in diameter may pass through the guard rail balusters or spindles; and
- deficiencies in steps, stairways, landings, guardrails, and handrails.



Specific limitation for stairways.

- The inspector is not required to exhaustively measure every stairway component.

In the following pictures:



According to modern standards, the minimum tread depth is 10 inches. The tread depth at the interior stairway is only 8 and 1/2 inches.

Fireplace and Chimney

Report as Deficient:

- built-up creosote in visible areas of the firebox and flue;
- the presence of combustible materials in near proximity to the firebox opening;
- the absence of fireblocking at the attic penetration of the chimney flue, where accessible;
- an inoperative circulating fan; and
- deficiencies in the:
 - damper;
 - lintel, hearth, hearth extension, and firebox;
 - gas log lighter valve and location;
 - combustion air vents; and
 - chimney structure, termination, coping, crown, caps, and spark arrestor.



Specific limitations for fireplace and chimney.

The inspector is not required to:

- verify the integrity of the flue;
- perform a chimney smoke test; or
- determine the adequacy of the draft.

Porches, Balconies, Decks, and Carports

Inspect balconies, attached carports, and attached porches and abutting porches, decks, and balconies that are used for ingress and egress.

Report as Deficient:

- decks 30 inches or higher above the adjacent grade, spacings between intermediate balusters, spindles, or rails that permit passage of an object greater than four inches in diameter;
- deficiencies in visible footings, piers, posts, pilings, beams, joists, decking, water proofing at interfaces, flashing, surface coverings, and attachment points of porches, decks, balconies, and carports; and
- deficiencies in, or absence of required, guardrails and handrails.



Specific limitation for porches, balconies, decks, and carports.

The inspector is not required to:

- exhaustively measure the porch, balcony, deck, or attached carport components; or
- enter any area where headroom is less than 18 inches or the access opening is less than 24 inches wide and 18 inches high.

Electrical Systems and Components

The inspection report should contain comments about the entrance cable and components, such as all of the electrical panels. Identifying the type of wiring inspected must be documented in the report. The electrical components including branch circuits, connection devices and fixtures must be inspected and documented within the report.



Service Entrance and Panels

Report as Deficient:

- a drop, weatherhead, or mast that is not securely fastened to the structure;
- the lack of a grounding electrode system;
- the lack of a grounding electrode conductor;
- the lack of a secure connection to the grounding electrode system;
- deficiencies in the insulation of the service entrance conductors, drip loop, separation of conductors at weatherheads, and clearances;
- electrical cabinets, gutters, meter cans, and panel boards that:
 - are not secured to the structure;
 - are not appropriate for their location;
 - have deficiencies in clearances and accessibility;
 - are missing knockouts; or
 - are not bonded and grounded;
- cabinets, disconnects, cutout boxes, and panel boards that do not have dead fronts secured in place with proper fasteners;
- conductors not protected from the edges of electrical cabinets, gutters, or cutout boxes;
- trip ties not installed on 240 volt circuits;
- deficiencies in the type and condition of the wiring in the cutout boxes, cabinets, or gutters;
- deficiencies in the compatibility of overcurrent devices and conductors;
- deficiencies in the overcurrent device and circuit for labeled and listed 240 volt appliances;
- a panel that is installed in a hazardous location, such as a clothes closet, a bathroom, where there are corrosive or easily ignitable materials, or where the panel is exposed to physical damage;
- the absence of appropriate connections, such as copper/aluminum-approved devices;
- the absence of anti-oxidants on aluminum conductor terminations;
- the lack of a main disconnecting means;
- the lack of arc-fault circuit interrupting devices serving family rooms, dining rooms, living rooms, parlors, libraries, dens, bedrooms, sunrooms, recreations rooms, closets, hallways, or similar rooms or areas; and
- failure of operation of installed arc-fault circuit interrupter devices.



Specific limitations for service entrance and panels.

The inspector is not required to:

- determine present or future sufficiency of service capacity amperage, voltage, or the capacity of the electrical system;

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- test arc-fault circuit interrupter devices when the property is occupied or damage to personal property may result, in the inspector's reasonable judgment;
- report the lack of arc-fault circuit interrupter protection when the circuits are in conduit;
- conduct voltage drop calculations;
- determine the accuracy of overcurrent device labeling;
- remove covers where hazardous as judged by the inspector;
- verify the effectiveness of overcurrent devices; or
- operate overcurrent devices.

In the following pictures:



There is evidence of water penetration and rust development inside the main electrical panel board.
Deficient.



Disconnected electrical wire hanging from the basement ceiling. Deficient.



Unenclosed electrical junction box in the basement ceiling. Deficient.



Missing GFCI protection at the laundry tub area. Deficient.



Open electrical junction box in the attic space. Deficient.



Improperly installed electrical components and wiring in the attic space. Deficient.



Missing GFCI protection in all of the bathrooms. Deficient.



The electrical junction box and fan component in the bedroom ceiling are loose and falling out of the ceiling. Deficient.

Circuits, Devices, and Fixtures

Report the type of branch circuit conductors.

Manually test the accessible smoke alarms by use of the manufacturer's approved test or by the use of canned smoke.

Report as Deficient:

- the lack of ground-fault circuit interrupter protection in all:
 - bathroom receptacles;
 - garage receptacles;
 - outdoor receptacles;
 - crawl space receptacles;
 - unfinished basement receptacles;
 - kitchen countertop receptacles; and
 - laundry, utility, and wet bar sink receptacles located within 6 feet of the outside edge of a laundry, utility, or wet bar sink; and
- the failure of operation of ground-fault circuit interrupter protection devices;
- receptacles that:
 - are damaged;
 - are inoperative;
 - have incorrect polarity;
 - are not grounded, if applicable;
 - display evidence of arcing or excessive heat;
 - are not securely mounted; or
 - have missing or damaged covers;
- switches that:
 - are damaged;
 - are inoperative;
 - display evidence of arcing or excessive heat;
 - are not securely mounted; or
 - have missing or damaged covers;
- deficiencies in or absences of conduit, where applicable;
- appliances and metal pipes that are not bonded or grounded;
- deficiencies in wiring, wiring terminations, junctions, junction boxes, devices, and fixtures, including improper location;
- the lack of equipment disconnects;
- the absence of appropriate connections, such as copper/aluminum approved devices, if branch circuit aluminum conductors are discovered in the main or sub-panel based on a random sampling of accessible receptacles and switches;
- improper use of extension cords;
- deficiencies in smoke alarms that are not connected to a central alarm system; and
- the lack of smoke alarms:
 - in each sleeping room;



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- outside each separate sleeping area in the immediate vicinity of the sleeping rooms; and
- on each additional story of the dwelling, including basements but excluding crawl spaces and uninhabitable attics (in dwellings with split levels and without an intervening door between the levels, a smoke alarm installed on the upper level and the adjacent lower level shall suffice provided that the lower level is less than one full story below the upper level).

Specific limitations for branch circuits, connected devices, and fixtures.

The inspector is not required to:

- inspect low voltage wiring;
- disassemble mechanical appliances;
- verify the effectiveness of smoke alarms;
- verify interconnectivity of smoke alarms
- activate smoke alarms that are being actively monitored or require the use of codes; or
- verify that smoke alarms are suitable for the hearing-impaired.

HVAC Equipment

In the inspection report, the inspector must document the type of heating and cooling equipment, including its respective energy sources. For the HVAC system, the report should note the duct system, chases, and vents.



Heating

Report:

- the type of heating system(s); and
- the energy source(s);

Report as Deficient:

- an inoperative unit;
- deficiencies in the controls and operating components of the system;
- the lack of protection from physical damage;
- burners, burner ignition devices or heating elements, switches, and thermostats that are not a minimum of 18 inches above the lowest garage floor elevation, unless the unit is listed for garage floor installation;
- inappropriate location;
- inadequate access and clearances;
- deficiencies in mounting and operation of window units; and
- deficiencies in thermostats.



In electric units, **report as Deficient** deficiencies in:

- operation of heating elements; and
- condition of conductors.

In gas units, **report as Deficient**:

- gas leaks;
- the presence of forced air in the burner compartment;
- flame impingement, uplifting flame, improper flame color, or excessive scale buildup;
- the lack of a gas shut-off valve; and
- deficiencies in:
 - conditioned, combustion, and dilution air;
 - gas shut-off valves and locations;
 - gas connector materials and connections; and
 - the vent pipe, draft hood, draft, proximity to combustibles, and vent termination point and clearances.

In the following pictures:



The type of heating system is a gas-fired, high-efficiency system.

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LINE SET LENGTH	FT.	ORIFICE SIZE	
REFRIGERANT ADDED	LBS. OZ.	RECLAIMED	LBS. OZ.
QUALITY ASSURANCE CHECK			
DATE	REMARKS	TECHNICIAN	
10/17/97	new HSR P7/22	601/60	
10/1/98	Heat inspection	John D	
10/10/90	Heating insp	John D	
3/1/01	New Glass Pack	John D	
2/24/03	change supply of new filter	John D	

According to the service record, the last time the heating system was serviced is dated in February 2003. That indicates delayed maintenance and service. Deficient.

Cooling

Report the type of system(s).

Report as Deficient:

- inoperative unit(s);
- inadequate cooling as demonstrated by its performance in the reasonable judgment of the inspector;
- inadequate access and clearances;
- noticeable vibration of the blower fan or condensing fan;
- deficiencies in the condensate drain and auxiliary/secondary pan and drain system;
- water in the auxiliary/secondary drain pan;
- a primary drain pipe that terminates in a sewer vent;
- missing or deficient refrigerant pipe insulation;
- dirty evaporator or condensing coils, where accessible;
- damaged casings on the coils;
- a condensing unit lacking adequate clearances or air circulation or that has deficiencies in the condition of fins, location, levelness, or elevation above ground surfaces;
- deficiencies in mounting and operation of window or wall units; and
- deficiencies in thermostats.



Evaporative Coolers

Report:

- type of system(s) (one- or two-speed);
- the type of water supply line; and
- winterized units that are drained and shut down.

Report as Deficient:

- inoperative units;
- inadequate access and clearances;
- corrosive and mineral build-up or rust damage/decay at the pump, louvered panels, water trays, exterior housing, or the roof frame;
- less than a one-inch air gap between the water discharge at the float and water level in the reservoir;
- corrosion, decay, or rust on the pulleys of the motor or blower;
- the lack of a damper; and
- deficiencies in the:
 - function of the pump;
 - interior housing, the spider tubes, tube clips, bleeder system;
 - blower and bearings;
 - float bracket;
 - fan belt;
 - evaporative pad(s);
 - installation and condition of the legs on the roof rails and fasteners to the roof structure and the unit;
 - roof jack; and
 - thermostats.

Ducts, Chases, and Vents

Report as Deficient:

- damaged ducting or insulation, improper material, or improper routing of ducts;
- the absence of air flow at accessible supply registers in the habitable areas of the structure;
- improper or inadequate clearance from the earth; and
- deficiencies in:
 - duct fans;
 - filters;
 - grills or registers;
 - the location of return air openings; and
 - gas piping, sewer vents, electrical wiring, or junction boxes in the duct system, plenum(s), and chase(s).



Limitations

Specific limitations for the heating equipment, cooling equipment, duct system, chases, and vents.

The inspector is not required to:

- program digital thermostats or controls;
- inspect:
 - for pressure of the system refrigerant, type of refrigerant, or refrigerant leaks;
 - winterized evaporative coolers; or
 - humidifiers, dehumidifiers, air purifiers, motorized dampers, electronic air filters, multi-stage controllers, sequencers, heat reclaimers, wood burning stoves, boilers, oil-fired units, supplemental heating appliances, de-icing provisions, or reversing valves;
- operate:
 - setback features on thermostats or controls;
 - cooling equipment when the outdoor temperature is less than 60 degrees Fahrenheit;
 - radiant heaters, steam heat systems, or unvented gas-fired heating appliances; or
 - heat pumps when temperatures may damage equipment;
- verify:
 - compatibility of components;
 - the accuracy of thermostats; or
 - the integrity of the heat exchanger; or
- determine:
 - sizing, efficiency, or adequacy of the system;
 - uniformity of the supply of conditioned air to the various parts of the structure; or
 - types of materials contained in insulation.

Plumbing Systems

In relation to the water supply and fixtures, the report must document the location of the water meter and the main water supply valve. The inspector must inspect and document the static water pressure and the meter's reading (or numerical value). The drains, wastes, and vents must be reported. The water heating equipment, including its energy source description and its capacity in gallons must appear within the inspection report. If there is hydro-massage therapy equipment installed in the home, the inspection report should document the inspector's comments about the equipment.



Plumbing

Report:

- static water pressure;
- location of water meter; and
- location of main water supply valve.

Report as Deficient:

- the presence of active leaks;
- the lack of fixture shut-off valves;
- the lack of dielectric unions, when applicable;
- the lack of back-flow devices, anti-siphon devices, or air gaps at the flow end of fixtures;
- water pressure below 40 psi or above 80 psi static;
- the lack of a pressure reducing valve when the water pressure exceeds 80 PSI;
- the lack of an expansion tank at the water heater(s) when a pressure reducing valve is in place at the water supply line/system; and
- deficiencies in:
 - water supply pipes and waste pipes;
 - the installation and termination of the vent system;
 - the operation of fixtures and faucets not connected to an appliance;
 - water supply, as determined by viewing functional flow in two fixtures operated simultaneously;
 - functional drainage at fixtures;
 - orientation of hot and cold faucets;
 - installed mechanical drain stops;
 - installation, condition, and operation of commodes;
 - fixtures, showers, tubs, and enclosures; and
 - the condition of the gas distribution system.



Specific limitations for plumbing systems.

The inspector is not required to:

- operate any main, branch, or shut-off valves;
- operate or inspect sump pumps or waste ejector pumps;
- inspect:
 - any system that has been winterized, shut down or otherwise secured;
 - circulating pumps, free-standing appliances, solar water heating systems, water-conditioning equipment, filter systems, water mains, private water supply systems, water wells, pressure tanks, sprinkler systems, swimming pools, or fire sprinkler systems;
 - the inaccessible gas supply system for leaks;
 - for sewer clean-outs; or
 - for the presence or operation of private sewage disposal systems;
- determine:

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- quality, potability, or volume of the water supply; or
- effectiveness of backflow or anti-siphon devices; or
- verify the functionality of clothes washing drains or floor drains.

In the following pictures:



The water meter is located at the front wall of the basement. The main water shut-off valve is located near the meter.



There is a small glass jar positioned below the TPR valve of the hot water tank. The valve is actively leaking water. Deficient.



The main shut-off valve at the gas meter is buried under dirt. Deficient.



The chrome-coated soft brass drain fitting under the laundry tub is showing evidence of leaking. Deficient.



Pressure was over 80 psi, and it is considered Deficient. A pressure reducing valve (or regulator) was not found. Recommend having a plumber determine if pressure regulator is present and adjust pressure as needed. Note: No comment on pressure reducing valve is required unless the pressure is over 80. If pressure is over 80, it is automatically Deficient, and, therefore, defer inspection for the regulator to the plumber. Photo: Marcel R. Cyr. Comment John Cahill.

Installed Appliances

The inspector must inspect and document within the inspection report the appliances installed in the home including the following:

- the dishwasher;
- food waste disposer;
- range exhaust vent;
- ranges, cooktops, and ovens;
- microwave oven; and
- trash compactor.



The mechanical exhaust vents and bathroom heaters must be reported. After inspecting the garage, the inspector must document the garage door operator. The doorbell and chimes must appear within the inspection report. The dryer vent inspection must be documented within the report.

Dishwasher

Report as Deficient:

- inoperative unit(s);
- rust on the interior of the cabinet or components;
- failure to drain properly;
- the presence of active water leaks; and
- deficiencies in the:
 - door gasket;
 - control and control panels;
 - dish racks;
 - rollers;
 - spray arms;
 - operation of the soap dispenser;
 - door springs;
 - dryer element;
 - door latch and door disconnect;
 - rinse cap;
 - secure mounting of the unit; and
 - backflow prevention.



Food Waste Disposer

Report as Deficient:

- inoperative unit(s);
- unusual sounds or vibration level;
- the presence of active water leaks; and
- deficiencies in the:
 - splash guard;
 - grinding components;
 - exterior casing; and
 - secure mounting of the unit.



Range Exhaust Hood

Report as Deficient:

- inoperative unit(s);
- a vent pipe that does not terminate outside the structure, if the unit is not of a re-circulating type or configuration;
- inadequate vent pipe material;
- unusual sounds or vibration levels from the blower fan(s);
- blower(s) that do not operate at all speeds; and
- deficiencies in the:
 - filter;
 - vent pipe;
 - light and lens;
 - secure mounting of the unit; and
 - switches.



Ranges, Cooktops, and Ovens

Report as Deficient:

- inoperative unit(s);
- the lack of a gas shut-off valve;
- gas leaks; and
- deficiencies in the:
 - controls and control panels;
 - thermostat(s) sensor support;
 - glass panels;
 - door gasket(s), hinges, springs, closure, and handles;
 - door latch;
 - heating elements or burners;
 - thermostat accuracy (within 25 degrees at a setting of 350°F);
 - drip pans;
 - lights and lenses;
 - clearance to combustibile material;
 - anti-tip device;
 - gas shut-off valve(s) and location(s);
 - gas connector materials and connections; and
 - secure mounting of the unit.



Microwave Oven

Inspect built-in units.

Report as Deficient:

- inoperative unit(s); and
- deficiencies in the:
 - controls and control panels;
 - handles;
 - the turn table;
 - interior surfaces;
 - door and door seal;
 - glass panels;
 - lights and lenses;
 - secure mounting of the unit; and
 - operation, as determined by heating a container of water or with other means of testing.



Trash Compactor

Report as Deficient:

- inoperative unit(s);
- unusual sounds or vibration levels; and
- deficiencies in the secure mounting of the unit.

Exhaust Vents and Bathroom Heaters

Report as Deficient:

- inoperative unit(s);
- unusual sounds, speed, and vibration levels;
- vent pipes that do not terminate outside the structure;
- a gas heater that is not vented to the exterior of the structure; and
- the lack of an exhaust ventilator in required areas.



Garage Door Operators

Report as Deficient:

- inoperative unit(s);
- door locks or side ropes that have not been removed or disabled; and
- deficiencies in:
 - installation;
 - condition and operation of the garage door operator;
 - automatic reversal during the closing cycle;
 - electronic sensors;
 - the control button; and
 - the emergency release components.



Door Bells and Chimes

Report as Deficient:

- inoperable unit(s); and
- deficiencies in components.



Dryer Vents

Report as Deficient:

- improper routing and length of vent pipe;
- inadequate vent pipe material;
- improper termination;
- the lack of a dryer vent system when provisions are present for a dryer; and
- damaged or missing exterior cover.



Limitations

Specific limitations for appliances.

The inspector is not required to:

- operate or determine the condition of other auxiliary components of inspected items;
- test for microwave oven radiation leaks;
- inspect self-cleaning functions;
- test trash compactor ram pressure; or
- determine the adequacy of venting systems.

Optional Systems

There are a few systems that are optional for the inspector. The inspector might include within the inspection report lawn and garden sprinklers, but they are not required. The following are also optional and not required to appear within the inspection report:

- swimming pools, spas, hot tubs and equipment (including the type of construction of the pool and systems);
- outbuildings, such as a garden shed;
- outdoor cooking equipment, such as a built-in gas grill (including the type of energy source);
- gas supply systems; and
- private water wells.

Lawn and Garden Sprinkler Systems

Manually operate all zones or stations on the system.

Report as Deficient:

- surface water leaks;
- the absence or improper installation of anti-siphon devices and backflow preventers;
- the absence of shut-off valves;
- deficiencies in water flow or pressure at the zone heads;
- the lack of a rain or freeze sensor;
- deficiencies in the condition of the control box; and
- deficiencies in the operation of each zone, associated valves, and spray head patterns.

Specific limitations for lawn and garden sprinkler systems.

The inspector is not required to inspect:

- for effective coverage of the sprinkler system;
- the automatic function of the timer or control box;
- the effectiveness of the rain or freeze sensor; or
- sizing and effectiveness of anti-siphon devices or backflow preventers.

Pools, Spas, Hot Tubs, and Equipment

Report the type of construction.

Report as Deficient:

- a pump motor, blower, or other electrical equipment that lacks bonding;
- the absence of or deficiencies in safety barriers;
- water leaks in above-ground pipes and equipment;
- deficiencies in lighting fixture(s);
- the lack or failure of required ground-fault circuit interrupter protection; and
- deficiencies in:
 - surfaces;
 - tiles, coping, and decks;
 - slides, steps, diving boards, handrails, and other equipment;
 - drains, skimmers, and valves; and
 - filters, gauges, pumps, motors, controls, and sweeps; and
 - when inspecting a pool heater, report deficiencies that these standards of practice require to be reported for the heating system.

Specific limitations for swimming pools, spas, hot tubs, and equipment.

The inspector is not required to:

- dismantle or otherwise open any components or lines;
- operate valves;
- uncover or excavate any lines or concealed components of the system or determine the presence of sub-surface leaks;
- fill the pool, spa, or hot tub with water;
- inspect any system that has been winterized, shut down, or otherwise secured;
- determine the presence of sub-surface water tables; or
- inspect ancillary equipment such as computer controls, covers, chlorinators or other chemical dispensers, or water ionization devices or conditioners other than required by this section.

Outbuildings

Report as Deficient:

- the lack of ground-fault circuit interrupter protection in grade-level portions of unfinished accessory buildings used for storage or work areas, boathouses, and boat hoists; and
- deficiencies in the structural, electrical, plumbing, heating, ventilation, and cooling systems that these standards of practice require to be reported for the principal structure.

Outdoor Cooking Equipment

Inspect the built-in equipment.

Report the energy source.

Report as Deficient:

- inoperative unit(s);
- a unit or pedestal that is not stable;
- gas leaks; and
- deficiencies in:
 - operation;
 - control knobs, handles, burner bars, grills, the box, the rotisserie (if present), and heat diffusion material;
 - gas shut-off valve(s) and location(s); and
 - gas connector materials and connections.

Gas Lines

Test gas lines using a local or an industry-accepted procedure.

Report as Deficient:

- leaks; and
- deficiencies in the condition and type of gas piping, fittings, and valves.

Specific limitation for gas lines.

- The inspector is not required to inspect sacrificial anode bonding or for its existence.

Private Wells

Operate at least two fixtures simultaneously.

Recommend or arrange to have performed water quality or potability testing.

Report:

- the type of pump and storage equipment; and
- the proximity of any known septic system; and

Report as Deficient deficiencies in:

- water pressure and flow and operation of pressure switches;
- the condition of visible and accessible equipment and components; and
- the well head, including improper site drainage and clearances.

Specific limitations for private water wells.

The inspector is not required to:

- open, uncover, or remove the pump, heads, screens, lines, or other components or parts of the system;
 - determine the reliability of the water supply or source; or
 - locate or verify underground water leaks.
-

Private Sewage Disposal (Septic) Systems

Report:

- the type of system;
- the location of the drain field; and
- the proximity of any known water wells, underground cisterns, water supply lines, bodies of water, sharp slopes or breaks, easement lines, property lines, soil absorption systems, swimming pools, or sprinkler systems.

Report as Deficient:

- visual or olfactory evidence of effluent seepage or flow at the surface of the ground;
- inoperative aerators or dosing pumps; and
- deficiencies in:
 - accessible or visible components;
 - functional flow;
 - site drainage and clearances around or adjacent to the system; and
 - the aerobic discharge system.

Specific limitations for individual private sewage disposal (septic) systems.

The inspector is not required to:

- excavate or uncover the system or its components;
- determine the size, adequacy, or efficiency of the system; or
- determine the type of construction used.

Whole-House Vacuum System

Report as Deficient:

- inoperative units;
- deficiencies in the main unit; and
- deficiencies in outlets.

Specific limitations for whole-house vacuum systems.

The inspector is not required to:

- inspect the attachments or hoses; or
- verify that accessory components are present.

Accurate Condition Identification

Function #1: Accurate Condition Identification.

Inaccurate descriptions of conditions result in:

- financial damage. The buyer or seller spends money needlessly;
- inspector liability. The inspector may be liable for financial damages, including those stemming from injury or death, if he describes the condition in a way in which the narrative fails to protect;
- harm to the inspector's reputation (and business); and
- continued existence of dangerous conditions.

Narratives are read by people with different interests, including:

- buyers;
- sellers;
- buyer's agents;
- seller's agents;
- structural engineers;
- contractors;
- inspector's attorney;
- opposition's attorney; and
- judges or arbitrators.

Narratives must be designed in such a way that people with different motivations and perspectives come to the same conclusion after reading it.

Assessment of a Condition's Severity

Function #2: Assessment of a Condition's Severity

Clearly describing a defective condition may not tell the narrative reader how serious that condition is. As an inspector, you may find a serious defect which you know could be very expensive to correct, or which might be very dangerous. The reader may not know enough about homes to understand the gravity of the problem by the description alone. The narrative should make clear how urgent the problem is.

Consider this narrative:

“Flashing of the walkways was improperly installed and should be corrected by a qualified contractor.”

This narrative cost the property owners almost \$100,000. They bought a 14-unit, 35-year-old hotel in California. Three buildings formed a courtyard. Rooms on the second floor were accessed by wood exterior stairs and walkways. The owners had the hotel inspected, and the above narrative was the inspector's sole comment on the walkway's condition.

Flashing *had* been installed incorrectly, and it remained in place for a long time because the inspector hadn't made it clear that the improperly installed flashing might cause serious, widespread decay that could destroy the walkway and stair structure. Based on the narrative, the owners thought it was a minor issue and ignored it. About four years later, they spent around \$100,000 to replace all the exterior stairs and walkways.

Transfer of Liability

Function #3: Transfer of Liability.

When an inspector performs an inspection, that inspector assumes liability, meaning that the inspector assumes responsibility for the accuracy of the information provided, and for actions, events or conditions which may result from the condition about which the inspector is commenting. The third function of a narrative is to pass on this liability to the client. This won't be necessary with a narrative which describes a condition requiring no action by the client, such as the ampacity of a service:

"The label of the main electrical service panel listed the panel's amperage rating at 200 amps."

But if an inspector finds a defect which requires action, such as conductors at the service drop in contact with tree branches, liability would be passed on by transferring responsibility for action to the client.

A better way to render this example is this narrative:

"The overhead service-drop conductors had inadequate clearance from tree branches. This condition may result in abrasion and damage to the wires.

The Inspector recommends correction by a qualified contractor.

Work around service conductors should be performed by a qualified contractor only. Injury or death may result from attempts at correction by those without proper qualifications."

After reading this, the client should understand that contacting a "qualified electrical contractor" is the action that's required. The action may be taken by the seller or the buyer, according to the results of negotiation, but by notifying the client of the action required, the inspector has transferred the liability to the client.

Using the same example, let's identify the three parts of the narrative's function.

Part 1:

"The overhead service-drop conductors had inadequate clearance from tree branches."

Part 2:

"...to avoid abrasion and damage to the wires..." and "Injury or death may result from attempts at correction by those without proper qualifications."

Part 3:

"This condition should be corrected by a qualified contractor."

May Be Evidence Against You

"No Visible Evidence" Language May Be Evidence Against You

We often see clauses in inspection reports that take this form:

"No visible evidence of [insert applicable defect] was observed."

Most people would construe such a clause to mean that there was no visible evidence of the defect. However, a lawyer representing a client in a suit against an inspector might construe it to be an admission by the inspector that there was or may have been visible evidence of the defect, but the inspector simply missed it. "No visible evidence observed" could also mean "Visible evidence not observed," which, in turn, could mean "Visible evidence existed but it wasn't observed."

A court reviewing such language in a report may find that the language is ambiguous, and when a court finds an ambiguity in a document, the court will almost always construe the ambiguity against the party that drafted the document.

The last thing an inspector wants is a lawsuit in which the disgruntled client alleges that the defect was visible at the time of the inspection. Even if the inspector ultimately prevails, the battle may be costly.

The solution to this problem is to avoid using the word "visible" in your reports. Instead, write: "No evidence of [insert applicable defect] was observed." Even better, use the active voice, rather than the passive voice, and write: "I saw no evidence of [insert applicable defect]."

Most lawsuits against inspectors revolve around whether an alleged defect was visible. "Visible" is a fuzzy, subjective adjective, particularly when used to describe what an inspector did not observe. To the extent possible, the inspector's duty should be to report what he observed rather than what he did not observe, and that is how inspectors should write their reports.

Examples of Hazards

Each year, Texans sustain property damage and are injured by accidents in the home. While some accidents may not be avoidable, many other accidents, injuries, and deaths may be avoided through the identification and repair of certain hazardous conditions.

Examples of such hazards include:

- improperly installed or missing ground fault circuit protection (GFCI) devices for electrical receptacles in garages, bathrooms, kitchens, and exterior areas;
- improperly installed or missing arc fault protection (AFCI) devices for electrical receptacles in family rooms, dining rooms, living rooms, parlors, libraries, dens, bedrooms, sunrooms, recreations rooms, closets, hallways, or similar rooms or areas;
- ordinary glass in locations where modern construction techniques call for safety glass;
- the lack of fire safety features such as smoke alarms, fire-rated doors in certain locations, and functional emergency escape and rescue openings in bedrooms;
- excessive spacing between balusters on stairways and porches;
- improperly installed appliances;
- improperly installed or defective safety devices; and
- lack of electrical bonding and grounding.

Report as "Deficient"

To ensure that consumers are informed of hazards such as these, the Texas Real Estate Commission (TREC) has adopted Standards of Practice requiring licensed inspectors to report these conditions as "Deficient" when performing an inspection for a buyer or seller, if they can be reasonably determined.

Grandfathered

These conditions may not have violated building codes or common practices at the time of the construction of the home, or they may have been “grandfathered” because they were present prior to the adoption of codes prohibiting such conditions. While the TREC Standards of Practice do not require inspectors to perform a code compliance inspection, TREC considers the potential for injury or property loss from the hazards addressed in the Standards of Practice to be significant enough to warrant this notice.

Buyer is Informed

Contract forms developed by TREC for use by its real estate licensees also inform the buyer of the right to have the home inspected and can provide an option clause permitting the buyer to terminate the contract within a specified time. Neither the Standards of Practice nor the TREC contract forms requires a seller to remedy conditions revealed by an inspection. The decision to correct a hazard or any deficiency identified in an inspection report is left to the parties to the contract for the sale or purchase of the home.

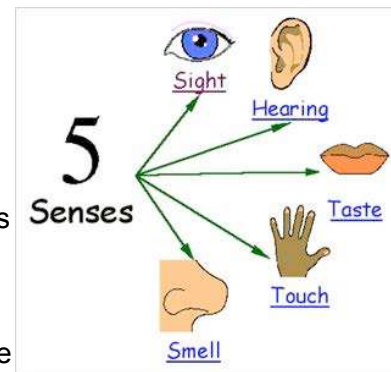
Introduction

Inspectors are “details” people. They deal in facts. They deal in what they can see. That’s the very definition of the job. So, it would seem that, for most inspectors, their confidence in recognizing defects would translate just as easily into their inspection reports. But writing, in general, can be intimidating. For many inspectors, report writing constitutes the most writing they’ve ever done, and calls to bear their sometimes minimal skills in that area. Even for the naturally gifted or most enthusiastic writers, the act is fraught with its usual difficulties, including problems with spelling, punctuation and grammar, that often slip through the net of the average word-processing program.

Engage Your Senses

Observe and Report

The point for inspectors who need to write – as well as news reporters, law enforcement, medical personnel, scientists, contractors and architects – is to communicate clearly and precisely. And details are what constitute precision. When going beyond the checklist and writing a narrative, you leave little room for misinterpretation when you describe something in sensory-based details. The rule for all writers is: “Show, don’t tell.” When your reports are based on having engaged your five senses – seeing, hearing, touching, smelling and tasting (although it’s unlikely that you’ll actually be tasting anything on an inspection!) – you provide your clients with accurate and valuable information that they can rely upon while protecting yourself against legal liability.



Many inspectors advertise that their reports are “easy to understand.” That’s the beauty of good writing. It is simple, but it includes observational details that are dense yet clearly written. For example, your gut may tell you that there is something seriously wrong with a roof when you first poke your head over the top of the ladder. But when you actually inspect it up close, you can see exactly why it’s not in good condition. Those are the details that you can relate in your report:

- *There was a standing puddle where the slopes intersect on the west side of the roof, but it hasn’t rained in more than 48 hours.*
- *The tiles on the roof surrounding the puddle were darker, indicating that the moisture was extended.*
- *While depressing four tiles outside the perimeter of the puddle, they became detached from the roof’s underlayment.*
- *There was a musty smell, indicating possible onset of mold growth.*
- *The attic vent fan operated intermittently instead of continuously; heard scraping noise of fan blades against metal.*

You’re probably more adept at inspecting using your five senses than you’re consciously aware of. The trick is to integrate that information into your report using language that reflects the observational details that your senses produce.

Observation vs. Opinion

One weakness of reports that lack detailed observations is that the information sounds more like an opinion. “The roof is in good condition” is arguably the opinion of the inspector, but that type of statement is all too often the sort of default language that is wide open to interpretation. And that leaves the inspector wide open to liability. Even if your client accompanied you on parts of your inspection, and even if you were confident in your findings and explanations that you verbally conveyed to him, you can’t assume that he shares your perspective, knowledge or insight (or even that he remembered everything you said).

A roof that appears "in good condition" to a layperson may mean one thing to him, but another to you. The value of the adjective "good" is largely subjective. Most adjectives, unless they're based in sensory details, are left up to the individual to define, such as "good," "bad," "less," "more," and even "adequate" and "inadequate," unless the conditions are specified. That's why you should forgo the vague, value-weighted adjectives, and stick to reporting exactly what your five senses have told you.

Furthermore, a "good" roof may still be compromised by secondary issues, which you will report, but those defects that you list may get lost in the relief of the homeowner telling himself, "At least I don't need a new roof!" While the roof may appear to be sound, your inspection may reveal underlayment problems, moisture intrusion, potential mold issues, and something that's interfering with the operation of the vent fan – all of which can compromise the roof at some point.

And if the roof is in good condition with no defects, you still need to explain what that entails in order to convey basic information to your client to prove that you performed your own due diligence as an inspector. You don't need to overwhelm him with minutiae, but part of your job is to educate, which is especially important if you've been asked to inspect for specific concerns.

EXAMPLE:

"I saw two missing shingles, but no apparent hail damage from hailstorm two days prior. Underlayment was adequately secured to structure; saw no nail pops or missing nails; saw no visible tears. No aggregate accumulation noted in gutters; gutters were free of foliage debris. Flashing at chimney was present, with no leaks noted."

And so on.

Past vs. Present

InterNACHI recommends that all inspection contracts and agreements include language that specifically states that observations made and reported were true for the time and date of the inspection, and that there is no guarantee or implied warranty of any future condition. Some attorneys also recommend that inspectors use the past tense in all their inspection reports. The reason is simple. It reinforces that the observation was made in the past and does not reflect a system's or component's current condition.

By reporting using the past tense, you leave a plaintiff's attorney, who may be quoting from your report, no option but to draw from past-tense statements that, again, reinforce the current obsolescence of those statements. Should a plaintiff's attorney accuse you of stating something incorrect in your report, you can respond: "I'm not stating that at all. I have no idea what the current state of the system or component is."

When an inspector writes, "The furnace is in functional condition," a customer may interpret that as a warranty of some kind. But the plaintiff's attorney will be stuck quoting what you wrote, which is written in past tense: "The furnace *was* in functional

condition."

Your Recommendations

The observational details that you record will then inform your recommendations, which will give your client a next step, and even a roadmap to recovery:

- *Roof's condition indicated issues related to moisture intrusion, as evidenced by presence of standing water, and weakened tile adhesion to underlayment.*
 - *Recommend further investigation by a roofing contractor.*
- *Musty smell indicated possible onset of mold growth.*
 - *Recommend further investigation to include mold testing and possible mitigation.*
- *Attic vent fan operated intermittently instead of continuously; heard scraping noise of fan blades against metal.*
 - *Recommend further investigation and repair or replacement.*

How Good is Your Product?

Your client may follow you around for parts of your inspection, and you may be able to show him many problems as you discover them. You can educate him by explaining their significance, imparting the wisdom of your experience and expertise. This is the service you provide as an inspector, and this is also part of the overall service-ethic that we encourage at InterNACHI. It's one of the things that sets InterNACHI inspectors apart. But the product of your inspection is not two hours on a Tuesday afternoon. It's your inspection report. A great inspection report is dense with relevant observational details.

Newspaper reporters are often called "the eyes and ears" of a story. They put their readers in the room, so to speak. The good ones rely on their senses because their credibility hinges on their impartial accuracy. By using observational details, inspectors can accomplish the same goals. Always keep in mind that a party who uses your inspection report may never see the property. So, be their eyes. Put them in the room. A clear and concise inspection report is a valuable product, and a valuable product leads to more business.

Introduction

Are longer narratives better, or should you keep it simple?

It's usually better to keep narratives simple, as long as sufficient information is provided. It's always a mistake to leave important information out in order to make the narrative shorter, and you should be sure that narratives which describe defective conditions perform the three functions described above.

The rule of thumb is related to liability, and has to do with the level of assumption you can make about what the reader knows.

Level of Assumption

The more liability in the subject covered by the narrative, the less you should assume the reader will understand, and the more comprehensive the narrative should be. “Comprehensive” means that you try to cover all the bases and make your meaning as clear as possible, not that you should make the narrative complex or complicated.

Although you can sometimes simplify or shorten a narrative by substituting one word for three or four, try to use words you’re sure the reader will understand. The purpose of a narrative is to transfer information clearly and accurately, not to impress the reader with your sophisticated vocabulary.

In a way, the codes written by the International Code Council (ICC) are similar to narratives. They describe conditions and make statements concerning what’s acceptable and what’s not. In looking through codes for the various home systems, you’ll see that they follow the “Level of Assumption” rule.

Compare the language used to describe roof codes with the language used to describe electrical codes. Dangerous conditions can exist in roofing, such as the danger of collapse from installing heavy roof-covering materials on roof framing which is structurally inadequate, but, generally, they don’t carry as much liability as electrical conditions. Electricity can cause electrocution or can burn down a home. Many defective conditions are possible. Much electrical wiring is hidden behind wall, floor and ceiling coverings, which raises the potential for hidden defects to escape detection during an inspection. Electrical codes are written in very specific language. Although this language may be difficult for a layman to understand (remember, it’s not a narrative, but a code), electrical codes are very defensible in court because they’re specific and comprehensive, and don’t leave room for assumption.

Quoting Code

Inspectors should follow the same rules as building codes by providing more information about conditions or situations which carry high liability, but quoting building codes in a narrative is not a good idea. Home inspections are not code inspections -- they are inspections for safety and system defects. For reasons related to liability, it's important to keep the two separate. If an inspector quotes a code in a narrative, an attorney may argue that the inspector was performing a code inspection and was responsible for finding all code violations.

Because building codes were developed to address safety in buildings, it's difficult to avoid referring to them occasionally. When a narrative refers to building codes, it's better to use a different term, such as "modern safety standards" or "generally accepted current standards."

Should Inspectors Write Their Own Narratives?

Because of the differences in climate and jurisdictional requirements across North America, inspectors are almost forced to write at least some of their own narratives. Custom narrative libraries are available, but they won't be able to cover all situations encountered by inspectors everywhere.

It's always a good idea to have an attorney review narratives, but review is especially important for those inspectors who lack confidence in their writing or verbal skills.

In writing narratives, inspectors will face choices in selecting terms which may be similar but which may offer differing degrees of protection. In making decisions, in addition to seeking advice from an attorney, inspectors may discover different approaches to wording a narrative by reading the InterNACHI message boards, which have an entire forum dedicated to report-writing. It's sometimes helpful to see how other inspectors have solved problems, and an inspector may find that a good solution has already been invented.

Introduction

Being able to write clearly your inspection reports is fundamental to business success. Knowing how to communicate effectively is an enormous competitive advantage.

Tips

Tip: Write in a simple language.

Tip: Write positively and directly to your client.

Tip: Your writing style reflects your image, so choose your words carefully.

Tip: Sometimes all that is needed is one special word or phrase.

Words and Your Image

The written word projects your professional image to your clients and your competition. If your report is badly written, it will not be clearly understood, particularly if your clients are first-time home buyers and are unfamiliar with, or do not have, knowledge of home systems and how they function.

Right Amount of Information

Give your client the right amount of information, enough to make an informed decision or to take action. Inspectors with a technical background tend to write very precisely. Other inspectors may write with a more narrative style. Whatever your background, you need to develop a report writing style that is concise in its approach, but also allows for more descriptive comments, particularly when a system or component needs more explanation. It takes balance. Leaving too much information out can make the report too short, not enough clarification or description of the essential facts. Conversely, a long inspection report may lose the reader in confusing elaboration. Oftentimes, it's best for both inspectors and their clients to have the report simple and straightforward.

Keep in Mind

When developing your inspection report writing skills, keep in mind the following questions:

- What do my clients need to know?
- Why do my clients need this information?
- What type of background does my typical client have?
- Are the language and vocabulary used in my reports suitable for my clients?

Jargon

Refrain from using acronyms and jargon or “inspector-speak.” There are phrases that inspectors use that not everyone in the conversation will comprehend. Not everyone knows what an FSBO or FHA inspection is. If you say, “It’s an old, 3½-ton air-to-air R22 com RTU over a pizza shop,” not everyone present may get what you’re saying. If you’re not sure whether your client understands you, check their non-verbal communication for clues. Your inspection report can be filled with technical terms and robust vocabulary, but when you're speaking in person with a first-time home buyer, you may want to use simpler terminology and phrases.

"You can have brilliant ideas, but if you can't get them across, your ideas won't get anywhere."

-- Lee Iacocca

Training

Writing good inspection reports comes from writing a lot of reports and learning a lot of information. Taking InterNACHI's online training and education courses can provide you with the background knowledge and vocabulary necessary for writing good inspection reports. Taking training courses helps you write effectively. InterNACHI's free online training for inspectors is available at <http://www.nachi.org/education.htm>.

Tip: As you gain more knowledge, your report writing will improve.

Tip: Read reports from other inspectors in your area.

Taking Action

If you are writing recommendations for your client to take action based upon your inspection report, you want to make them clearly. To indicate that a particular recommendation is essential or immediate may require choosing the correct word. The verbs “may,” “can,” “must,” and “should” are used when making recommendations to take action.

To Express

The word “must” is used to express an action step that fulfills a definite need. For example, the roof material must be repaired to prevent further roof leaks.

The word “may or can” is used to express an action step but has some amount of choice involved. For example, the roof material may be replaced to prevent roof leaks in the future.

The word “should” is used to express a strong preference for a particular action step. For example, the roof material should be inspected every year as part of a routine maintenance plan.

One

Buyers can consider the reported conditions of the home's systems to determine their ability to afford and maintain the property. A home with a 12-year-old water heater, an 18-year-old furnace, and a 25-year-old composite-shingle roof is going to need some costly investments in the near future.

Two

Buyers can sometimes use information regarding undisclosed defects to negotiate the seller's action to repair the defect(s) or adjust the asking price for the home.

Three

Sellers can obtain a home inspection and use the report to disclose known defects to potential buyers.

Four

Sellers can obtain a home inspection and use the report to identify and correct significant defects that could interfere with a buyer's desire to submit a contract to buy the property.

Five

Buyers can use the inspection report as a punch list (or to-do list) for maintaining the property after purchase.

Six

Buyers/Sellers can use the report to communicate to contractors the nature of the defect(s) to obtain estimates for repair or to arrange for repairs or replacements.

Seven

Buyers can sometimes use the inspection report as a means to withdraw from the contracted agreement to purchase the home when certain types of undisclosed defects are reported.

Advantages

Advantages for a property seller to hire a home inspector to produce an inspection report prior to selling a home:

- A seller inspection is the ultimate gesture in forthrightness on the part of the seller.
- The seller can choose a certified inspector to inspect the home properly before the buyer's inspector arrives.
- The seller can schedule the inspection at his or her own convenience.
- The seller can assist the inspector during the inspection -- something not normally done during a buyer's inspection.
- The inspection may alert the seller to any immediate concerns, such as radon gas or an active termite infestation.
- A [Move-In Certified](#) yard signs attract potential buyers.
- A seller inspection reveals problems ahead of time, which:
 - gives the seller time to shop for competitively-priced contractors to make repairs;
 - permits the seller to attach repair estimates or paid invoices to the inspection report;
 - makes the home show better after problems are addressed; and
 - removes over-inflated buyer-procured repair estimates from the negotiation table.
- A seller inspection lightens negotiations and 11th-hour re-negotiations.
- The seller is given an opportunity to dispute any misstatements in the inspection report before it is distributed to real estate agents and prospective buyers.
- The report provides an unbiased, third-party, professional opinion to potential buyers.
- The report may encourage the buyer to waive the inspection contingency, so the deal is less likely to fall apart the way they often do when a buyer's inspection reveals unexpected problems at the last minute.
- The report can help the seller realistically price the home if problems exist.
- The report can help the seller substantiate a higher asking price if problems don't exist or have been corrected.
- The report may relieve a prospective buyer's unfounded suspicions, before he/she walks away.
- The report provides full-disclosure protection from future legal claims.

Definitions

Accessible: In the reasonable judgment of the inspector, capable of being approached, entered, or viewed without:

- undue hazard to the inspector;
- moving furnishings or large, heavy, or fragile objects;
- using specialized tools or procedures;
- disassembling items other than covers or panels intended to be removed for inspection;
- damaging property; or
- using a ladder for portions of the inspection other than the roof or attic space.

Cosmetic: Related only to appearance or aesthetics, and not related to structural performance, operability, or water penetration.

Deficiency: A condition that, in the inspector's reasonable opinion, adversely and materially affects the performance of a system or component or constitutes a hazard to life, limb, or property as specified by these standards of practice. General deficiencies include but are not limited to inoperability, material distress, water penetration, damage, deterioration, missing parts, and unsuitable installation.

Deficient: Reported as having one or more deficiencies.

Inspect: To look at and examine accessible items, parts, systems, or components and report observed deficiencies.

Performance: Achievement of an operation, function, or configuration consistent with accepted industry practice.

Report: To provide the inspector's opinions and findings on the standard inspection report form.

Specialized tools: Tools such as thermal imaging equipment, moisture meters, gas leak detection equipment, environmental testing equipment and devices, elevation determination devices, and ladders capable of reaching surfaces over one story above ground surfaces.

Specialized procedures: Procedures such as environmental testing, elevation measurement, and any method employing destructive testing that damages otherwise sound materials or finishes.

Avoid Ambiguity

Avoid ambiguity. Understand that some words can have several meanings or nuances. In avoiding causing confusion, refer to a standardized glossary for property inspectors. InterNACHI's glossary is available at <http://www.nachi.org/glossary.htm>.

Technical Language is for Experts

Remember that technical language is for experts in the same field to communicate effectively. Don't confuse your client by writing your inspection report with highly technical information and terminology that is NOT normally used by the typical homeowner.

Tip: Check the meaning of the technical words that you use and your vocabulary will improve.

Introduction

It's not good to miss something on an inspection, but, because they're human, sooner or later, every home inspector is going to miss something. But, believe it or not, this can actually be turned into a good opportunity.

One of the measures of an inspector's ability is the gravity of the miss. Did they miss a structural issue which was easily visible and will cost \$15,000 to correct, or was it a saturated desiccant strip in a double-pane window which may be apparent only under certain conditions? The former is not the good opportunity.

The good opportunity is the chance to turn a negative circumstance into a positive opportunity.

Was it Really a Miss?

Inspectors are sometimes accused of missing something clearly disclaimed in the home inspection contract, especially when they're following InterNACHI's *Standards of Practice*, such as air-conditioning performance. That's why it's a good idea to include the SOPs in the appropriate section of the inspection report.

As inspectors, we each need to do our best to ensure that, before the inspection begins, the client has a realistic idea of what is and isn't included. We need to educate our clients.

In addition to giving a brief verbal description of the inspection and its limitations, refer your new clients to a "New Clients" page and include web links to InterNACHI's *Standards of Practice*, the inspection contract (also developed by InterNACHI), and a "Systems Excluded" page detailing what's not typically included as part of the General Home Inspection. This page may also mention that you offer some of the stated exclusions as ancillary inspections, if that's the case.

You want clients to read the contract. Ask your clients to read, then FAX or e-mail you signed copies of the contract and the "Systems Excluded" pages. InterNACHI's online agreement system includes a feature which allows clients to sign and return your contract electronically. Some contract requirements may vary by state.

The first line in InterNACHI's standard home inspection contract explains that it is not an inspector's duty to find every defect:

"INSPECTOR agrees to perform a visual inspection of the home/building and to provide CLIENT with a written inspection report identifying the defects that INSPECTOR both observed and deemed material."

And you should also consider providing your client a copy of InterNACHI's *Now That You've Had a Home Inspection* book. It will protect you from future claims.

Judgment

If you do miss something, there are times when you have to simply admit your mistake, make an apology, and get on with it. There are also times to demonstrate why you haven't made a mistake, but always graciously offer to make things right anyway, and convert the situation into a marketing opportunity. There are also times which will require you to take a position and stand fast because there are a number of situations in which others involved in the transaction may be motivated to make the inspector the fall guy.

Which approach to use involves judgment, and that's what it finally comes down to in home inspections. This is true not only for handling mistakes, but also in evaluating the limitless combinations of home systems and components, and all the grey areas in between, for which an inspector finds him or herself forced to make a decision that they may be called upon later to defend in court.

As an inspector, good judgment is one of your most important tools, and it's a skill which can be learned. Reading the [InterNACHI message boards](#) will help you sharpen this skill painlessly by allowing you to learn from the mistakes and experiences of other inspectors. In addition to providing education, the boards offer inspectors a chance to become part of the world's largest international inspection community that offers opportunities and support during the difficult times many inspectors face in breaking into the industry.

Introduction

In the next few slides, we'll go over a few ways that help home inspectors avoid lawsuits.

To read about all twelve tips, visit <http://www.nachi.org/avoiding-lawsuits.htm>, and read "12 Steps That Help Home Inspectors Avoid Lawsuits."

Tip: InterNACHI's Pre-Inspection Agreement

Tip: Use InterNACHI's Pre-Inspection Agreement.

It is designed to work hand-in-hand with InterNACHI's Standards of Practice and includes:

- a definition of the scope of the inspection;
- a disclaimer of warranties;
- a limitation on liability, and a liquidated-damages provision;
- a provision for payment of costs and attorney's fees;
- a "merger clause" stating that there are no promises other than those set forth in the agreement, and that all prior discussions are merged into the agreement;
- a clause stating that any modification of the agreement must be in writing;
- a forum selection clause so that any lawsuit must be filed in the county or district where the inspector has its principal place of business; and
- a personal guaranty of payment if the client is a corporation or similar entity.

[Click here to download InterNACHI's pre-inspection agreement.](#)

Be sure to reference and link to the Pre-Inspection Agreement within your inspection report.

Tip: InterNACHI's Library of Narratives

Tip: Write your reports properly with InterNACHI's library of narratives.

This library is the world's largest collection of dedicated, industry-savvy home inspection narratives. These narratives were developed using a variety of sources, including the International Residential Code (IRC), technical data sheets, and systems specifications from various manufacturers' associations, installation manuals for a variety of building products, and various building science-related sites. Narratives are worded with safety in mind, and specific code is not quoted.

In addition to reducing the amount of time you spend filling out reports, the quality of your reports will improve, and you'll enjoy greater protection from liability.

[Click here to order InterNACHI's DVD of inspection narratives.](#)

Tip: InterNACHI's Home Maintenance Book

Tip: Use InterNACHI's "*Now That You've Had a Home Inspection*" home maintenance book.

The book is also written specifically to reduce your liability by reminding your clients that a home inspection does not reveal every defect that exists, that certain issues are outside the scope of a home inspection, and that a homeowner is now responsible for maintaining their home.

Include a home maintenance book with every inspection report.

[Click here to order books.](#)