

## Home Inspector Licensure Act

NC General Statutes Chapter 143, Article 9F and NC Administrative Code, Title 11  
Department of Insurance, Chapter 8, Engineering and Building Codes, Section .1000

### Summary Highlights

**§143-151.45** A home inspection is a written evaluation of 2 or more systems of the following components of a residential building: heating and cooling system, plumbing system, electrical system, structural components, foundation, roof, masonry structure, exterior and interior components, or any other related residential housing component.

Note: The administrative code lists in detail what the inspector must do for each component but more importantly what the inspector is not required to do. That's why inspection reports have those long small font paragraphs!

**§143-151.50** The Board may issue a license to an individual only (the same as real estate agents). The inspector may perform work for a company as an inspector but their name and license number must be shown on all reports.

**§143-151.55** Home inspector licenses expire on September 30. Verify that your inspector's license is current in the fall! [www.ncdoi.com/OSFM/Engineering\\_and\\_codes/HILB.aspx](http://www.ncdoi.com/OSFM/Engineering_and_codes/HILB.aspx).

**§143-151.58** Duties. The home inspector must give the client a written report by the date in the contract and if there is no date within 3 business days. The report must contain a detailed review and a summary report. The summary report must contain the following paragraph: *"This summary page is not the entire report. The complete report may include additional information of interest or concern to you. It is strongly recommended that you promptly read the complete report. For information regarding the negotiability of any item in this report under the real estate purchase contract, contact your North Carolina real estate agent or an attorney."* The summary page must describe any system or component that does not function as intended. It must also describe any system or component that appears not to function as intended, based upon documented tangible evidence, and that requires either subsequent examination or further investigation by a specialist. Note: **Admin Rule .1104, General Limitations**, states that inspections are not technically exhaustive. So when you see all those nice pictures of digital instruments showing hot water temperature, A/C cooling temps and water pressure (specifically not required to test!), the inspector may be hauled before the Board by a disgruntled seller especially if the seller gets a specialist that says things are ok.

**§143-151.59** A person who violates a provision of the Article is guilty of a Class 2 misdemeanor. Don't slam the inspector for following the law!

**Admin. Rule .1103.** **The home inspector shall provide a written contract**, signed by the client, before the home inspection is performed. It must describe what services shall be provided and their cost. The home inspector shall inspect readily visible and readily assessable installed systems and provide a report describing those systems and components listed in detail in Rules .1106 through .1115. The report must state the name, license number and signature of the person conducting the inspection. It also must disclose any business that the inspector operates.

Clients have various views on what a “good” inspection should cover. The General Assembly has been so kind to spell these items out in excruciating detail both in general exclusions and also Rules .1106 through .1115.

**Rule .1105 General Exclusions (highlights)** Home inspections are not required to report on: detached buildings unless in the contract, life expectancies, the causes for the need for repair, compliance or non-compliance with building codes, the market value of property, the advisability or inadvisability to purchase, the presence of pests such as wood damaging organisms, rodents, insects, or cosmetic damage. Home inspectors are not required to: evaluate the adequacy of any system or component, enter an area that may be damaged by entry (i.e. painted shut access panel), operate any system that has it’s breaker shut off, move personal items or objects that obstruct access or visibility, determine the presence or absence or any suspected adverse environmental condition or hazardous substance, including toxins, carcinogens, noise, contaminants in the building (i.e. mold), in the soil or water, predict future condition or failure of components.

Specific dos and don’ts are called out in Rules .1106 through .1115. For example, **Rule .1107, Exterior**, the inspector shall inspect driveways, operate garage doors manually but is not required to inspect screens, awnings, shutters or geological conditions (i.e. steep slopes) or buried fuel tanks. **Rule .1108, Roofing**, the inspector shall inspect, roof covering describe how the roof was inspected but is not required to walk on the roof. **Rule .1109, Plumbing**, the inspector shall inspect the distribution system for leaks, shall operate all plumbing fixtures, but is not required to operate any shut off valve or determine if the home has public or private water or sewer. These things are not obvious to the typical client or even the seasoned realtor! Inquiring minds should know.

**Rule .1116, Code of Ethics (highlights)** Opinions expressed shall be based on inspector’s education, experience and honest convictions. A licensee shall not disclose information without client approval, shall not accept compensation from more than one party unless all parties consent, shall not compensate any realty agent or other parties with a financial interest in the closing for: referrals or inclusion on a list of recommended inspectors, shall disclose to the client any interest the inspector has in a business or condition that may affect the client (i.e licensed contractor or electrician, has worked on the house before or has a relationship to the owner or listing agent), shall not solicit for repairs of systems or components found defective.

It’s not expected that the general public would know these things. That’s why inspection reports sometimes have lots of blah, blah blah everywhere making them very ominous to some people. I hope this little primer is of use to you to ensure that “our” clients get the best professional value.



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