

ADVISING CLIENTS ABOUT PROPERTY INSPECTIONS

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CROWE DILLON ROBINSON
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CANADIAN ASSOCIATION OF HOME INSPECTIONS - (ATLANTIC)

CAHI (Atlantic) is a self-regulated body of Home Inspectors, that is part of the Canadian Association of Home Inspectors (Atlantic) defines the qualification and performance requirements; regulating its members and granting the designation “Registered Home Inspector” to qualified practitioners in the provinces of Nova Scotia, New Brunswick, Newfoundland and Prince Edward Island.

Home Inspections began as a consumer service in the early 1970’s in direct response to the growing demand by the home buyers, and it soon became apparent that for the consumer, selecting a qualified home inspector was becoming as important as finding the right home. The Canadian Association of Home Inspectors (CAHI) was formed in 1982, and is the national organization of duly recognized provincial/regional associations. The CAHI (Atlantic), formed in 1997 is the Atlantic member of the CAHI.

One of the major goals of the Canadian Association of Home Inspectors (Atlantic) is to enhance the technical and professional performance of home inspectors through education. It is also devoted to promoting the Standards of Practice and Code of Conduct, as the broadly accepted requirements for home inspectors. The Standards of Practice provide inspection guidelines and the Code of Conduct stresses the home inspector’s responsibility to act in a strictly fair, impartial, and professional manner.

Attached are listings for registered inspectors, candidate and affiliate members in Nova Scotia. The member information is based on association data as of February 2nd, 2000.

CODE OF CONDUCT
PROFESSIONAL PRACTICE AND CONFLICT OF INTEREST GUIDELINES

Members shall:

1. Carry on the practice of Home Inspection in accordance with law, integrity and honesty.
2. Maintain client confidentiality.
3. Not act for or accept payment from more than one party concurrently in connection with the subject property unless fully disclosed to and approved by all parties.
4. Remain independent and at arms length from any other business or personal interest, which might affect the quality of the service provided. In particular:
 - (a) a member shall not repair for a fee any condition found during an inspection, nor use the inspection as a vehicle to deliberately obtain work in another field;
 - (b) a member who sells real estate may not inspect properties located within the jurisdiction of the real estate board or boards where he, or the company with which he is associated, are active;
 - (c) a member who provides public sector inspection services may not inspect a property within a jurisdiction where they have public sector authority or responsibility that would affect the subject property.
5. Promptly disclose to the client any relationship to the property or interested party, business or personal interest which might be construed as affecting the member's independence.
6. Not solicit, receive or give referral fees.
7. Refer trades or other specialists only when doing so in the best interest of the client, and does not detract from the member's independence.
8. Only provide an opinion on conditions and matters within the scope of the member's experience and profession.

9. To ensure fairness to all concerned parties, not knowingly comment on the work of another member without discussing the observations with the member concerned. A member is free to provide an independent opinion of property conditions, but should, if possible, advise the previous inspector.

10. Act in good faith to all. Uphold the integrity and reputation of this profession. Respond promptly to complaints.

MEMBERSHIP CATEGORIES

“REGISTERED” Member - a person who is a practicing home inspector that has successfully completed all the qualifying requirements defined by CAHI (Atlantic) and is in good standing with the Association. “Registered Home Inspector” and “RHI” are reserved and protected for the exclusive use of CAHI.

Qualifying requirements: a technical background in construction or a thorough working knowledge of the same. Completion of the Defect Recognition and Reporting course. The successful completion of the certification exam. Written reports must be verified as having met specific quality standards. The completion of a minimum number of paid inspections performed to CAHI standards. Proof of mandatory Errors and Omissions Liability Insurance.

“CANDIDATE” Member - a person who is a practicing home inspector that is actively working toward completing all of the eligibility requirements for “Registered” membership.

Qualifying requirements: have a technical back ground in construction or a thorough working knowledge of the same. Submit proof of Errors and Omission Insurance and be actively working on registered membership.

“AFFILIATE” Member - means a person or corporation that is not a practicing home inspector but wishes to be affiliated with the association or wishes to become a home inspector and is in good standing with the Association.

Note: Due to the relatively young age of CAHI (Atlantic), many Candidate members, while not having completed all the requirements for “Registered” membership, may have extensive experience. When in doubt, ask the inspector to verify his qualifications.

CAHI (Atlantic)
Present Nova Scotia Membership

Mr. Brian Hutchinson, Registered Home Inspector Pillar To Post 111 Deerbrooke Dr. Dartmouth, N.S. B2V 1X2	902-452-8858 902-462-3117	Phone Fax
Mr. Charles Kyte, Candidate Member Pillar To Post 27 Spring Garden Rd Kentville, N.S. B4N 2P6	902-678-1967 902-678-1981 902-680-6009	Phone Fax Cell
Mr. Doug Leahy, C.B.I. , Candidate Member Eagle Home Inspection Services Inc. 6422 Berlin St. Halifax, N.S. B3L 1T6	902-455-3377	Phone
Mr. Robert Lough, Candidate Member Home Remedies 31 Collins Grove Dartmouth, N.S. B2X 4G3	902-429-1597	Phone
Mr. Barry MacKenzie, Candidate Member V.I.P. Inspections 114 Woodlawn Road Unit 34-B, Suite 205 Dartmouth, N.S. B2W 2S7	877-471-8484 902-434-9193	Phone Fax
Mr. David MacMillan, Candidate Member David MacMillan Repairs 22 Flying Cloud Drive Dartmouth, N.S. B2W 4S9	902-499-6702 902-434-3167	Phone Fax
Mr. David Mason, Registered Home Inspector Amerispec Home Inspection service PO Box 702 Amherst, N.S. B4H 4B8	902-661-0220 902-661-0250	Phone Fax

CAHI (Atlantic)
Present Nova Scotia Membership

Mr. Don Pridy, Candidate Member Pridy Associates P.O. Box 44153 Bedford, N.S. B4A 3Z8	902-835-0739 902-835-0765	Phone Fax
Mr. Grant Rhyno, P.Eng., Candidate Member Contrast Home Inspection Services Ltd. 19 Melody Drive Brookside, N.S. B3T 1T3	902-876-7190 902-876-1485 902-483-1491	Phone Fax Cell
Mr. Greg Rhyno, Candidate Member Contrast Home Inspection Services Ltd. 19 Melody Drive Brookside, N.S. B3T 1T3	902-876-7190 902-876-1485 902-483-1491	Phone Fax Cell
Mr. Marc Rubarth, Registered Home Inspector Cornerstone Inspections 1600 Bedford Highway - Ste. 100-110 Bedford, N.S. B4A 1E8	902-456-6609 902-832-1321	Phone Fax
Mr. Phil Rubarth, Candidate Member Cornerstone Inspections 1600 Bedford Highway - Ste. 100-110 Bedford, N.S. B4A 1E8	902-790-0666 902-832-1321	Phone Fax
Mr. Paul Sammon, Registered Home Inspector Sammon Home Inspections 46 A Pine St. Kingston, N.S. B0P 1R0	902-765-6986 902-765-6986	Phone Fax
Mr. Darren Smith, Candidate Member AmeriSpec Home Inspection Service 114 Woodlawn Road Unit 34B, Suite 202 Dartmouth, N.S. B2W 2S7	902-469-1119 902-435-9655	Phone Fax

CAHI (Atlantic)
Present Nova Scotia Membership

Mr. Glen Strang, Candidate Member	902-469-1119	Phone
AmeriSpec Home Inspection Service	902-435-9655	Fax
114 Woodlawn Road		
Unit 34B, Suite 202		
Dartmouth, N.S. B2W 2S7		

Mr. Alan Thompson, P.Eng. , Candidate Member	902-456-1898	Phone
Inspector Clue-So Home Inspections		
5214 Smith Street		
Halifax, N.S. B3H 1M2		

Mr. Marv Wiers, Candidate Member	902-499-0999	Phone
Canadian Residential Home Inspections Ltd.	902-827-4211	Fax
P.O. Box 2121 D.E.P.S.		
Dartmouth, N.S. B2W 3Y2		

NOTE
CAHI (Atlantic) Toll Free Number
1-888-748-2244

(Material courtesy of CAHI (Atlantic))

VISUAL INSPECTION
AGREEMENT

PLEASE READ THIS AGREEMENT CAREFULLY
THIS AGREEMENT SUPERCEDES ALL PREVIOUS COMMUNICATIONS

Property: _____
Client : _____ Phone: _____
Address: _____

Real Estate Co. _____ Agent: _____
Fee: _____ Paid By: _____
Tax: _____ Payment Method: _____

THIS AGREEMENT, made and entered into on this _____ day of _____, by and between the above named Client and the undersigned, an independently owned and operated Franchise of Pillar To Post Inc., hereafter referred to as "Inspector". **Inspector will conduct a visual inspection of the Property only.** The inspection is performed in accordance with any State or Provincial specific standards. **This is not a Building Code inspection,** title examination, nor a By-law compliance inspection. The inspector does not offer an opinion as to the advisability or inadvisability of the purchase of the property, its value or its potential use. The inspection fee is based on a single visit to the property; additional fees may be charged for any subsequent visits required by the Client. If the Inspector is called upon to prepare for litigation or give testimony as a result of the inspection, additional fees shall be charged at the Inspector's then current hourly rate for any time spent, including, but not limited to, research, consultation, additional inspection time, preparation of reports, travel time waiting to testify, and court appearances.

The Client will receive a written report of Inspector's observations of the accessible features of the Property. Subject to the terms and conditions stated herein, the inspection includes the visual examination of the home's exterior including roof and chimney, structure, electrical, heating and cooling systems, insulation, plumbing, and interior including floors, walls, ceiling and windows; it is a reasonable effort to disclose the condition of the house based on a visual inspection. Additionally, Inspector will functionally operate major built-in appliances. Conditions beyond the scope of the inspection will not be identified. No engineering services are offered.

This Inspection Report is based on the condition of the Property existing and apparent as of the time and date of the inspection. Not all conditions may be apparent on the inspection date due to weather conditions, inoperable systems, inaccessibility of areas of the Property, etc. Without dismantling the house or its systems, there are limitations to the inspection. Throughout any inspection, references are drawn which cannot be confirmed by direct observation. Clues and symptoms often do not reveal the extent or severity of problems. Therefore, the inspection and subsequent Inspection Report may help reduce the risk of purchasing the property; however, an inspection does not eliminate such risk nor does the Inspector assume such risk. While some of the less important deficiencies are addressed, an all inclusive list of

minor building flaws is not provided. **Inspector is not responsible nor liable for the non-discovery of any patent or latent defects in materials, workmanship, or other conditions of the Property, or any other problems which may occur or may become evident after the inspection tie and date.** Inspector is not an insurer nor guarantor against defects in the building and improvements, systems or components inspected. Inspector makes no warranty, express or implied, as to the fitness for use or condition of the systems or components inspected. Inspector assumes no responsibility for the cost of repairing or replacing any unreported defects or conditions, nor is Inspector responsible or liable for any future failures or repairs.

Inspector and its employees are limited in liability to the fee paid for the inspection services and report in the event that Client or any third party claims that Inspector is in any way liable for negligently performing the inspection or in preparing the Inspection Report, or for any other reason or claim that Inspector has not fully satisfied all its obligations hereunder. Client hereby agrees to indemnify, defend and hold harmless Inspector and Pillar To Post Inc. if any third party brings a claim against Inspector or Pillar To Post Inc. relating to the inspection or Inspection Report.

Inspections are done in accordance with ASHI Standards, are visual, and are not technically exhaustive. The following items are specifically excluded from the inspection: water softening systems, security systems, telephone and cable TV cables, timing systems, swimming pools and spas, underground or concealed pipes, sewer lines, septic systems, electrical lines and circuits, central vacuum systems, central air conditioning when outside temperature is below 60 F or 15 C, and any other condition, item, system or component which by the nature of their location are concealed or otherwise difficult to inspect or which the Inspector cannot visually examine. Excluded is the assurance of a dry basement or crawl space; also excluded is the assurance that double and triple pane glazing seals in windows are intact. Inspector will not dismantle any component or system; full evaluation of the integrity of a heat exchanger requires dismantling of the furnace and is beyond the scope of a visual inspection; Inspector will not conduct geological tests; will not inspect inaccessible or concealed areas of the Property; will not enter dangerous areas of the Property; will not inspect for environmental concerns such as hazardous substances or gasses, including but not limited to, radon gas, asbestos, formaldehyde; or for pests such as wood destroying organisms, insects, rodents, or for fungus. Inspector examines a representative sample of components that are identical and numerous, such as electrical outlets, bricks, shingles, windows, etc., and does not examine every single one of these items, therefore, some detectable deficiencies may go unreported.

The inspection excludes defects such as cracking, leaking, surface discoloration's, or landslides resulting from hidden defects, including but not limited to, water leaks, land subsidence, or other geological problems. The inspection also excludes merely cosmetic features, including but not limited to, paint, wall coverings, carpeting, floorings, paneling, lawn, and shrubs. The Inspector is not required to determine property boundary lines or encroachments.

Any controversy or claim between the parties hereto, arising directly or indirectly out of, connected with, or relating to the interpretation of this Agreement, the scope of the services rendered by Inspector, the Inspection Report provided to the Client by Inspector, or as to any other matter involving any act or omission performed under this Agreement, or promises, representations or negotiations concerning duties of the Inspector hereunder, shall be submitted to arbitration in accordance with the applicable rules of the American Arbitration Association, or the Canadian Association of Arbitrators, as the case may be. The parties shall mutually appoint an arbitrator who is knowledgeable and familiar with the professional home inspection industry. Judgment on any award may be entered in any court having jurisdiction, and the arbitration decision shall be binding on all parties. Secondary or consequential damages are specifically excluded. In the event that any dispute arises out of the Inspection or Report, and proceedings are commenced by the Client, if the Client is unsuccessful in maintaining the claim, then the Client shall be liable to the Inspector for all charges, expenses, costs and legal fees (on a lawyer and client basis) incurred by the Inspector on a complete indemnity basis, including a reasonable fee for all the time spent by the inspector or Inspector's personnel in investigating, research, preparation for, and attendance at court hearings and examinations. **Any claims must be presented within one (1) year from the date of the inspection; Inspector shall have no liability for any claims presented one (1) year after the date of the inspection.**

Client guarantees Inspector a right to examine the subject matter and area of any claim and offer a resolution prior to Client's performance of remedial measures (except in the event of an emergency, or to protect for personal safety, or to reduce or avoid damage to property). This is a condition precedent to Client's claim.

This Agreement and the documents referred to herein constitute the entire Agreement between the parties hereto, and supercedes any and all prior representations, discussions, or agreements, whether written or oral. No amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to, in writing, and signed by the parties hereto. If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the parties that all other provisions of this Agreement be construed to remain fully valid, enforceable, and binding on the parties.

THE INSPECTION REPORT DOES NOT CONSTITUTE A WARRANTY, GUARANTEE OR INSURANCE POLICY OF ANY KIND. THERE ARE NO WARRANTIES MADE AGAINST ROOF LEAKS, WET BASEMENTS, OR MECHANICAL BREAKDOWNS. THE REPORT IS A PROFESSIONAL OPINION BASED ON A VISUAL INSPECTION OF THE ACCESSIBLE AREAS AND FEATURES OF THE PROPERTY AS OF THE DATE AND TIME OF THE INSPECTION AND IS NOT A LISTING OF REPAIRS TO BE MADE. THE REPORT IS NOT AN ASSESSMENT NOR IS IT AN APPRAISAL. NEITHER THE INSPECTOR NOR PILLAR TO POST INC. IS ASSOCIATED WITH ANY SELLER, BUYER, CONTRACTOR, LAWYER OR REALTOR. OTHER THAN THE INSPECTION FEE INSPECTOR HAS NO FINANCIAL INTEREST IN THE PROPERTY.

THE INSPECTION PROCESS IS A TWO PART SYSTEM: THE VERBAL SURVEY AND THE REPORT. AS SUCH, THIS REPORT IS NOT TRANSFERABLE TO THIRD PARTIES AS IT WILL NOT CLEARLY CONVEY THE INFORMATION HEREIN. THIS REPORT IS PREPARED BY INSPECTOR AT YOUR REQUEST, ON YOUR BEHALF, AND FOR YOUR USE AND BENEFIT ONLY; THIS REPORT AND ANY MEMORANDA OR INFORMATION PROVIDED TO YOU PURSUANT TO THIS INSPECTION AGREEMENT ARE NOT TO BE USED, IN WHOLE OR IN PART, OR RELEASED TO ANY OTHER PERSON WITHOUT INSPECTOR'S PRIOR WRITTEN PERMISSION.

By initialing here (____), you authorize us to distribute copies of the Report to the real estate agents directly involved in this transaction, who are not designated beneficiaries of the Report, intended or otherwise.

I hereby authorize the inspection of this Property having read and understood this Agreement:

Signature of Client or Client's Representative

FRANCHISEE _____

Time of Inspection: _____

By: _____

Spoke with Vendor: Yes No

(Agreement Courtesy of Pillar to Post Inc.)

MANDATORY INSPECTIONS

Building Inspections

Pursuant to part 2 of the Provincial Building Code Regulations, the Building Inspector **shall be notified and given an opportunity to inspect** the following for compliance with the Building Code:

1. the **footings** in place;
2. the site **prior to backfilling** a foundation, and before superstructure is placed on a foundation;
3. the **framing**, roof and mechanical;
4. the insulation and vapor barrier **prior to drywall** or framing covering; and
5. **prior to the occupancy** of the structure.

Plumbing Inspections

In addition to the building inspections, the Plumbing Inspector **shall be notified and given an opportunity to inspect** for compliance with the Building Code the following:

1. the **underground** services before the basement floor or slab-on-grade is poured;
2. the **rough in** of all plumbing systems prior to the installation of drywall or framing covering; and
3. **prior to the occupancy** of the structure.

In most municipalities the building inspection and plumbing inspection are carried out by the same individual. By contrast in Halifax Regional Municipality there are inspectors dedicated to building inspections and those that are dedicated to plumbing inspections.

Building inspections are carried out by municipal employees whose professional designation is Certified Building Inspector (CBI) which they earn through their professional organization known as the Nova Scotia Building Officials Association (previously known as Building Inspectors Association of Nova Scotia).

That organization maintains a part time office in Dartmouth managed by Mr. Jack Leedham. The office number is 464-1522.

Electrical Inspections

The inspections carried out on the electrical services being provided to a building are being done by Nova Scotia Power. There are basically two inspections.

1. Wiring inspection prior to insulation being installed.
2. Prior to occupancy of the structure at which time the permanent meter for the property will be hooked up.

During construction, the property is on a “temporary” metered service. At the final inspection the meter is removed from the temporary hookup to the home itself.

The person who will ultimately be billed for the electrical service is the individual who will usually apply for the service, including the temporary service.

LIABILITY

HOME AND BUILDING INSPECTORS

Before completing a purchase, many prospective buyers engage an inspector to examine the property and prepare a report on its physical condition. A number of companies now advertise their expertise in the field and offer their services to the public for a fee.

A building contractor agreed to purchase a vacant house with the intention of fixing it up for possible resale. The vendor had engaged a building inspection company to look at the house and give a written report. This report was given to the prospective purchaser, and he completed the transaction. The report was found to be inaccurate, and the contractor had to expend sums additional to those originally budgeted for the renovation. The matter went to court and it was determined that the inspector had no knowledge that its report would be given to a third party by the vendor and, accordingly, the inspection company was not liable to the purchaser. Since the inspection company was not aware that the house was going to be sold, it did not owe a duty of care to the purchaser.

In *Winnipeg Condominium Corp. No 36 v. Bird Construction Co.*, it was decided that proof of proximity between the parties was not required to be shown in cases of pure economic loss where the loss resulted from the cost of repairing defects which obviously created a danger to life and property. This doctrine was found not to apply in the foregoing case since the building inspector had not been the party which created the dangerous conditions but, to the contrary, had pointed them out in its report. It was further decided that if liability had been found on the part of the inspection company, the sole principal and owner of the company would not personally liable because he would be protected by the "corporate veil", not having acted improperly or fraudulently.

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1. *Perry v. Capeland Housing Cooperative Ltd.* (1997), 158 N.S.R. (2d) 113, 446 A.P.R. 113 (S.C.).
 2. *Winnipeg Condominium Corp. No 36 v Bird Construction Co.*, [1995] 1 S.C.R. 85.
 3. *Perry v. Capeland Housing Cooperative Ltd.* (1997), 158 N.S.R. (2d) 113, 466 A.P.R. 113 (S.C.).

(Nova Scotia Real Property Practice Manual - MacIntosh)

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