

# TOP 5 CLAIMS AGAINST HOME INSPECTORS

## WHAT'S A CLAIM?

The **InspectorPro Program** defines a claim as any demand for money or insurance information. That demand doesn't need to be formal or written. It can be as simple as a phone call. And the demand doesn't need to be justified.



It's estimated that

# 80%

of accusations against home inspectors are highly exaggerated, and most have no merit. That's why it's so important to carry home inspection insurance to help with any defense and payout costs.

Of all the claims filed against home inspectors each year, these 5 allegations continue to be the most common.

### Why it's common

Homeowners that don't maintain their pipes and potential water entry points will run into trouble as both leak and even break with age. Even little things like sprinklers spraying the building and recent construction can let water in and damage the property.

### Example

Shortly after moving in, your client finds water damaged spots on the wood floors where the previous owner's potted plant used to be.

# 1

## WATER DAMAGE (Non-Roof)



### Tips

Note any areas that look stained or swollen. Pay special attention to basements and attics as they are common places for water intrusion to start. Consider using an infrared camera to expose leaky pipes before they've left their mark on the ceiling and walls. And don't forget to look for signs of water intrusion outside of the house, too.

### Why it's common

The typical roof lasts from 20 to 30 years, depending on the material, before it needs to be replaced. However, it's common for roofs to require regular maintenance due to normal wear and particularly after harsh weather. Some professionals recommend having a roof inspection once every two years to look for signs of needed maintenance. However, many homeowners aren't so proactive, repairing their roofs only after a larger problem, such as a leak, manifests. In fact, most roof claims involve water damage, making water damage the top two most common claims.

### Example

Your client's roof starts leaking after the first storm of the season.

# 2

## ROOF



### Tips

When trying to spot a leak, think like water. Look for worn, broken, or missing shingles. Try to spot loose nails and poorly sealed roof flashing. If any of the roofing is improperly installed and, therefore, less likely to do its job, be sure to note it in your report. Wetness along the framing members in the attic will help you find where leaks may be entering the house. Be sure to note the condition of the roof on the day of inspection and how that condition may change with weather.

### Why it's common

Foundation problems are significant and costly, especially if smaller foundation issues went unaddressed, developing more expensive repair needs with time. Some areas are more susceptible to foundation issues due to expansive soils that swell in the spring and summer. Other areas suffer from foundation issues because poor materials were used in the initial building of the home.

### Example

Your client's kitchen floor slopes toward the backyard door, which your client is no longer able to latch.

# 3

## FOUNDATION



### Tips

Uneven floors, doors and windows that struggle to open or lock, and cracks in the drywall can all point to foundation issues and should be noted in your report. Be sure to look for leaks in the basement as well as wet soil around the foundation. Consider performing radon tests since elevated radon levels may indicate cracks in the foundation that are allowing the gas from the soil to seep through.

### Why it's common

Every home has some mold and mold spores and it's up to homeowners to control moisture to prevent additional mold growth. Each instance of mold can be hard to spot, and it's common for furniture, belongings, and walls to obstruct the inspector's view. A lot of people assume that home inspectors will look for and report on mold even if they aren't mold certified.

### Example

Your client finds mold behind the walls during a renovation.

# 4

## MOLD



### Tips

Make sure to set clear expectations in your inspection agreement and report, particularly if you're not certified to do a formal mold inspection. If you aren't certified for mold and have excluded mold in your agreement, it's unwise to attempt to identify mold in your report. Instead, recommend they get an environmental evaluation.

### Why it's common

Not to be confused with septic, sewer, and waste issues, plumbing problems arise from drainage leaks and misidentification. With plumbing replacement costing several thousands of dollars and needing immediate attention, it's no wonder why inspectors are often asked to foot the bill.

### Example

While washing dishes, your client ran the garbage disposal. As they did, water began to leak from the trap.

# 5

## PLUMBING



### Tips

Since most plumbing claims have to do with the inspector misidentifying the pipes in their report, be sure you know the differences between copper, CPVC, polybutylene, and PEX and how to spot them. Note any cracked drains or drainage leaks. Also be sure to check that the hot water is properly labeled.



Don't perform any of the above inspections? That doesn't mean your clients won't sue. Be sure to set clear expectations with your clients so they know what is and isn't covered in your inspections. Remind them every chance you get: in your pre-inspection agreement, in your report, on your website, and in person.

In every case, one of your best defenses is taking pictures—LOTS of pictures. Take pictures to document the state of every inch of the home during the inspection so you're not made liable for something that wasn't there or wasn't visible during the inspection.



It's the inspector's job to report any claims or potential claims to their insurance provider. If you're a member of the InspectorPro Program, contact our risk management experts at Capital Claims Management today for assistance.

**CALL 866-916-9419**



Protect yourself from the most common claims today by getting a free quote with InspectorPro.

And don't forget to keep educated on insurance and industry tips like the ones in this infographic by reading **our blog**.

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<sup>1</sup> National Association of Home Builders, and Bank of America Home Equity. "Study of Life Expectancy of Home Components." Interstate Brick. February 2007. Accessed December 11, 2017. <https://www.interstatebrick.com/sites/default/files/library/nahb20study20of20life20expectancy20of20home20components.pdf>.

<sup>2</sup> Schneider, Rob. "How often should your roof be maintained?" Hipages. June 20, 2016. Accessed December 11, 2017. [https://www.homeimprovementpages.com.au/article/how\\_often\\_should\\_your\\_roof\\_be\\_maintained](https://www.homeimprovementpages.com.au/article/how_often_should_your_roof_be_maintained).

<sup>3</sup> "Ten Things You Should Know about Mold." United States Environmental Protection Agency. February 22, 2017. Accessed December 7, 2017. <https://www.epa.gov/mold/ten-things-you-should-know-about-mold>.