

May 12, 2011

Home inspection regulation protects Alberta homebuyers

Edmonton... The Alberta government will license and set standards for home inspectors under new rules to protect Albertans who rely on an inspection when buying a home.

“A home is the single largest investment most Albertans make. They deserve to have confidence that the person they hire to inspect a home is qualified to make a reliable assessment,” said Service Alberta Minister Heather Klimchuk, responsible for consumer protection. “Most home inspectors are professionals, but the financial consequences of a faulty or negligent inspection can be staggering for families.”

The Home Inspection Business Regulation, which comes into force on September 1, 2011, will require all home inspection businesses and individual inspectors be licensed by the provincial government. To qualify for a licence, inspectors must have successfully completed training from an educational institution approved by the provincial government and pass a test inspection, or hold a Certified Master Inspector or Registered Home Inspector designation. Home inspectors, organizations or industry associations will also have the ability to submit training programs or credentials for assessment by the government.

Alberta consumers, home inspectors and the real estate industry indicated widespread support for regulation during public consultation by the government.

“Many Albertans take the prudent step of getting an inspection when buying a home and they trust that advice when making their decision,” said Gael MacLeod, who chaired a committee advising the government on the regulation. “Alberta’s new rules will give homebuyers the assurance that the inspector is a qualified professional.”

The regulation also provides additional protection for homebuyers:

- requiring home inspection businesses carry errors and omission insurance in case an inspector makes a mistake or is negligent;
- requiring home inspection businesses post a security to cover consumer losses if the regulation is not followed;
- establishing what parts of a home and property must be included in a home inspection; and
- prohibiting contract clauses that limit the liability of the business and inspectors.

Service Alberta can investigate complaints that a home inspector has violated the regulation. Enforcement actions include suspension or cancellation of the licence, and prosecution under the *Fair Trading Act*, with a maximum fine of \$100,000 and up to two years in jail.

The Alberta government is working to build a better Alberta by fostering economic growth, strengthening our health and education systems, investing in infrastructure, supporting safe and strong communities and ensuring a clean and healthy environment.

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Backgrounder: Standards for home inspectors

Media inquiries may be directed to:

Sharon Lopatka
Communications
Service Alberta
780-415-6051

To call toll free within Alberta dial 310-0000.

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Standards for home inspectors

As of September 1, 2011, home inspection businesses and individual home inspectors must obtain a licence from the provincial government.

Qualifications for a home inspector licence

- Inspectors must have a degree, diploma or certificate in home inspection from an approved educational institution and successfully complete a test inspection. The government currently recognizes the Carson Dunlop & Associates curriculum offered by SAIT and will evaluate other courses that become available in Alberta.
- Inspectors are automatically qualified for a licence if they hold a Registered Home Inspector designation from the Canadian Association of Home and Property Inspectors; or a Certified Master Inspector designation from the Master Inspector Certification Board, Inc., affiliated with the International Association of Certified Home Inspectors.
- Inspectors who do not meet these requirements may apply for a conditional licence valid until March 31, 2013 to give them time to acquire the necessary qualifications.

Standards for home inspections

The Home Inspection Business Regulation establishes basic requirements that home inspections must include, unless the consumer specifically agrees otherwise.

Inspections must address the condition of a home's:

- roofing, flashings or chimney;
- exterior, including lot grading, walkways, driveways, retaining walls, patios and decks;
- structure;
- electrical;
- heating, heat pumps and cooling;
- insulation;
- plumbing; and
- interior.

Inspectors can make recommendations on any deficiencies they identify, such as suggesting the consumer obtain an expert opinion, but are prohibited from estimating the cost of any repairs or improvements.

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