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LET MY KNOWLEDGE BE YOUR BUYING POWER!

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The 800lb Gorilla in the Room

This is an open letter to the North Carolina Inspector Licensure Board, the North Carolina Licensed Home Inspector's Association and all other home inspector's associations across the country.

Many thanks,
Kenneth R. Tabak
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My name is Kenneth R. Tabak and I am a Licensed Home inspector in North Carolina #697. I have been in this industry for 25 years and it is clear to me that we are facing an issue that threatens both the integrity of our profession and the health, safety and trust of the North Carolina public. Any person performing home inspections in NC must be state licensed, adhere to the Standards of Practice, maintain an active state license and complete at least 12 hours of CEU's every year and maintain to a loose code of Professional Ethics. But what does being a licensed home inspector in NC mean to the public?

Recently, my friend bought a 35 year old home and used an inspector recommended by his Realtor (I have a policy of not doing business with friends and family). He was present at the inspection, but as time went on he started to notice malfunctions around the house and called me to take a look at some of his issues. As I went through my normal routine, I noticed improperly wired kitchen GFCI electrical outlets, smashed roof ridge vents, missing shingles, windows not operating properly and water draining along all sides of the foundation. These items were all easily visible, accessible and clearly not functioning and should have been mentioned in the original report.

The crawlspace was damp with a noticeable mold odor and water penetrated through all sides of the foundation. Mold growth was evident on all wooden framing members and on the majority of the fiberglass floor insulation, along with damaged or missing sections of the insulation and standing water at the low point of the crawl ground slope. Falling HVAC ducts were full of water or debris and electrical wiring was hanging freely. I read the full report and none of these items were mentioned anywhere within.

As home inspectors we are not required to mention mold, but we are required to report on items that are not functioning as intended and any water issues that are present in crawlspaces. Mold growth is a symptom of high moisture content in the crawlspace or any other area, and therefore has created an uninhabitable condition. As a non-functioning component of the building this is a condition that we are mandated to detail in the report and summary. As I looked further into what was causing these conditions I noted clogged gutters, downspouts draining along the foundation, negative soil slopes and relatively easy items to spot and repair with minimal cost.

A few days before this I had met my friend's realtor, who had recommended this particular inspector for the inspection. He raved to me about how good he was and had saved him and his other clients thousands of dollars. As I stood there with my jaws agape I was once again confronted with the *800lb Gorilla* in the room: the realtor –inspector relationship.

I have seen more than a few inspectors who continue procuring business from this controlling faction, despite writing sub-par reports that do not meet the NC Standards of Practice [SOP] requirements. I have stood in front of realtors with my clients and watched as they were told they should have used a certain inspector because he was better but more expensive. I've had clients cancel appointments because they were coerced into using certain home inspectors their realtors had wanted them to use. The arrogance, insolence and disdain toward our profession has become so widespread that it is taken as the norm.

This letter is not written with malice, disgust or anger. It is written with great sadness. I am truly saddened that my profession, one that I and many home inspectors have spent decades learning, is compromised to the point that it has largely become ineffective. I have saved many of my clients tens of thousands of dollars only to hear loud protests from many Realtors about being excessive. I have been accused of deal killing, unprofessionalism and threatened to be reported to my board, all to intimidate and put the blame on the lowest rung - the home inspectors.

These abuses toward Home inspectors are not only tolerated, they are institutionalized in the form of the standardized summary continually pushed by NCAR [North Carolina Assoc. of Realtors]. All NC Home inspectors already have the SOP and what items must be inspected and included in the report, so the standardized summary would do little to raise the quality of inspections. Who, then, would benefit from this? It's not the Home inspectors and it's certainly not the public.

My state board members and fellow inspectors, letting an outside party dictate and control our business practices would be disastrous. If we consent to a standardized summary we are giving control of our industry to NCAR, an entity that does not have our best interests in mind. NCAR will supersede our state board, and home inspectors will soon be serving realtors before customers.

Are there any home inspectors on NCAR'S board? Are we telling them how to run their business? There are approximately 2,000 independent active licensed home inspectors in North Carolina, but over 89,384 licensed real estate agents (NCREC records as of 1/4/2010). If we are not careful we stand to lose our independence and there will no longer be anyone to look out for the interests of the home buyer.

The NCHILB was originally formed with the intent of providing ethical and educational Standards of Practice that all NC home inspectors are required to follow, as well as a framework for proper report writing. As stated on the NCHILB Home Page, The North Carolina home inspector Licensure Board is chartered to safeguard the public health, safety and welfare.

These are noble goals and realizing them is hard work, but I'm afraid the board has begun to lose sight of them. With all due respect to the board members and many others who have worked hard in this organization, I feel that the NCHILB has failed in their duty to protect the North Carolina public. Allowing, or even considering, handing over any amount of control to the State Realtors Association is directly opposed to what is best for our profession and the consumer. I deeply respect the accomplishments of past and current board members, especially in the area of educational standards, but our *800lb gorilla* has been ignored. There should be no NC realtor, now or ever, allowed to recommend any home inspectors to their clients. This is a blatant conflict of interest and completely nullifies our commitment to protect and safeguard both the home buyer and our profession's reputation. It is endemic to the industry as a whole, but this issue has been successfully dealt with before and Massachusetts no longer allows realtors to push individual inspectors on their clients.

I suggest that you, our state board members, reconsider how you want this organization to work and who it is meant to benefit. I ask that you take a stand on what I and many others see as the most serious issue facing our industry.

How else can we reverse this trend? I recommend drafting a statement, as outlined below, to be issued in a press release and appended to the NCHILB website and the ten-year-old brochure found in real estate offices.

It is strongly advised that all North Carolina home buyers do their own research and seek an unbiased, outside opinion from a professional home inspector before making their purchase. Recommendations from other sources in the home buying or selling process may not have your best interest in mind. There are many parties involved that have a vested interest in seeing your transaction close. The NC State directory is available here:

<http://www.ncdoi.com/OSFM/Engineering/HILB/Documents/DirectoryAlpHaHIbyCounty.pdf>

I know this is a tall order, but this is the job the NCHILB was created to do. If we are to preserve the integrity of our profession this must be accomplished as soon as possible. Our industry is in crisis mode.

The next step would be to petition the state legislature to sponsoring a bill similar to the one adopted by the State of Massachusetts, limiting the power of Realtors over our industry. This is no small matter – home buyers are putting large sums of money at risk, and it can and has been lost through unethical real estate practices. A misinformed client can become stuck with a money pit that will cost them their life savings, having no recourse while the other parties walk away smiling. The citizens of North Carolina deserve to have someone on their side.

I ask you, as the state home inspector's Board formed to protect the North Carolina public, to do the job you were appointed to do. Stay true to the NCHILB mission statement and take a stand. There are many honest people who are overwhelmed in this process and believe that the numerous people involved are working for them. Unfortunately, this is not always the truth. At the very least, the NCHILB has the responsibility to let the citizens of North Carolina know that there are double standards within this business that may not be in their best interest.

I honestly believe that we, as home inspectors, are the vanguard of home buyers in North Carolina. It is our responsibility to use our experience to educate them about the largest financial decision of their lives, and our duty to protect them from making a purchase that could haunt them for decades. If we hand over control of our profession to outside interests, there will be no one left to serve the public.

Sincerely,

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