



QUALIFYING A PROPERTY INSPECTOR

An experienced property inspector can provide the following services for your real estate business:

- Complete a pre-purchase visual property inspection of single-family, multi-unit, and commercial properties
- Provide a written inspection report
- Identify property components that may be reaching the end of their lifespan
- Outline property maintenance tips or suggest next steps for further consideration
- Suggest resources for further education on property-related topics such as eco-friendly building products, consumer information on remediating outdated building materials (i.e. asbestos, knob and tube wiring), etc.

General Business Questions

Use these questions to help you qualify a property inspector to ensure you feel confident completing due diligence on your next investment property.

1. Can you tell me about your background and experience in the industry?

Experience and longevity in the industry are key. Consider how long the property inspector has been working in the industry, how many homes they have inspected in the past year, what types of properties they inspect, and whether they have past experience in the construction industry. You can also research the inspector's experience online by looking at their website and online reviews.

2. What certifications and credentials do you have?

Some provinces require property managers to be licensed or certified. To confirm the regulations in your province, check the Canadian Association of Home & Property Inspectors (CAHPI) website. Your inspector should be able to provide proof of their certification immediately and without delay. This is also the inspector's opportunity to explain extra training or certifications they have acquired in the business such as continuing education courses and training with new technology.

3. What is your fee for a single-family property? Multi-unit property? Commercial property? What does your fee include?

Property inspection fees can vary from inspector to inspector and according to property type. The larger the property is or the more units it has, the greater the property inspection fee will be. Normally the inspector will expect payment on site, but some may also want a deposit before at the time of scheduling. Be wary of inspectors whose fees are significantly less than the competition as that may indicate less experience in the industry or lack of certification.

4. What will your property inspection focus on?

The inspector should check a number of things including, but not limited to, the electrical system (the breaker panel, all plugs and light fixtures for ground, GFCI protection if applicable, signs of incorrect wiring or overloaded circuits); the HVAC system (determining the approximate age and overall visual condition of all components); the proper function of

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plumbing fixtures (and approximate age); overall exterior condition of the property (including roof and windows); exterior grading; condition of foundation, deck, and porches; and overall interior condition (visual signs of leaks, structural problems, building deficiencies). Ask if the inspector has a checklist you can follow along with or download the Property Inspection checklist from the Keyspire Member Dashboard.

5. Can you show me a sample property inspection report? What will the report include?

It is important to have clear expectations from the beginning of the relationship. Ask the property manager to explain their report and its key features. At minimum, your property inspector should provide a detailed written report that documents the overall condition of key property elements. Many reports use a grading system to indicate whether features are in good, fair, or poor condition. The report should also indicate notable deficiencies or areas of concern, and it is very valuable if the report also includes photos which you can reference after the inspection or show to any partners or co-venturers you have.

6. Can I follow you and watch as you complete the property inspection?

An experienced property inspector should encourage buyers to be part of the inspection process and encourage you to follow along. While you may not want to climb up ladders to view the roof, the inspector should walk you through what they are doing step by step and explain what they are seeing. Be wary of inspectors who discourage you from being part of the inspection as this may indicate they would have cut corners when you weren't watching.

7. What are some potential red flags or things I should be aware of about this type/age of property?

Different property types have different considerations and property age is always something to be aware of. Your property inspector should be able to outline common problems they may see such as asbestos, outdated wiring, poor quality construction, etc. Ideally the inspector shouldn't fearmonger, but instead provide you with a clear, expert understanding so you can make an informed decision about the property you are considering.

8. Are there any factors I should consider regarding the location of this property?

Property inspectors are often local area experts. They often have inspected multiple homes in the area and may even live close by. This connection to the area often enables them to provide insight into things such as future development, busy roads, areas prone to flooding, neighbourhoods with aging infrastructure, and perspective on how the local area has been changing over the past couple years. This information, combined with your real estate agent's expertise, can give you a lot of insight into whether the property aligns with your investing goals.

9. What isn't covered by this property inspection? What can't you advise me on?

A property inspector is only able to visually inspect the property, so they are largely limited to what they can see. The inspector should outline that they cannot identify hidden issues behind the walls or other finishes, but they will do their best to look for signs or indications of concern that should be further investigated. Your inspector should also explain their qualifications. Even if they have past experience in the construction industry, this does not mean your inspector is a licensed electrician, structural engineer, HVAC technician, etc. If they cannot advise on a specific component of the property, they should identify it in the report and advise on the type of professional you should consult.

10. If this was your property, what would you fix and when?

A property inspector should have a solid understanding of significant repairs required versus property improvements that are nice to have but aren't crucial. This is the inspector's opportunity to point out what they have noticed during the course of inspection and areas they believe should be further assessed by qualified professionals (i.e. furnace or electrical). Inspectors also understand no property is perfect, so they can help alleviate your anxiety by giving context to your concerns or questions.

11. How do you leverage technology?

At the bare minimum, your inspector should take photos throughout the inspection and have a tester that verifies electrical outlets are functioning and have ground. However, great advances in property inspection technology are allowing many inspectors to go much further into detail by new tools such as scope cameras in drains, heat or moisture

sensing cameras in walls and ceilings and much more. If your inspector is using technology to aid in their inspection, ask questions such as: What information will this tool provide? Why do you use it? What are you seeing right now?

12. Which local associations are you part of? Are you a part of the Better Business Bureau?

Property inspectors are not required to be part of local associations or the Better Business Bureau, but it can be helpful if they are. Being part of a local association means they will be more up to date with regulation changes to the market. This is also your inspector's opportunity to show how they give back to the community or add value to others.

13. Can you provide me with references to some of your local clients?

Be wary of businesses that will not provide references. Look for a minimum of 3 to 5 references, preferably some who are investors who have had inspections completed within the past year and have a similar property type to yours. When checking references, ask questions such as: Are you satisfied with their level of service? How long have you been a client? How have they helped you in your business? Is there anything you don't like about their service? Would you recommend them to your family, friends, and other real estate investors?

14. Is there anything else I should know about you or working with your company if we decide to proceed with this relationship?

Ideally, this is the property inspector's opportunity to add value to you, explain more about their services, and outline next steps for you to confirm the business relationship. Look for answers that appear genuine, are informative, aren't a heavy sales pitch, and don't appear scripted.