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Fall 2019, Volume 11

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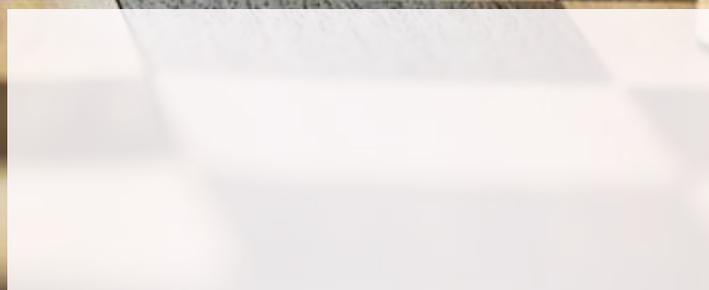
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Mission

Working RE Home Inspector is published to help home inspectors build their businesses, reduce their risk of liability and stay informed on important technology and industry issues.

Published by OREP

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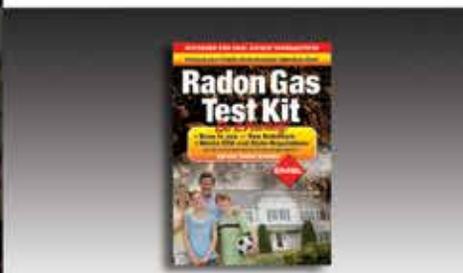
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From the Editor

What's Holding Us Back?

by Isaac Peck, Editor

Have you ever been in a business (or home) that's rundown and looks like the owners haven't spent one good nickel fixing, maintaining or improving the place in the last decade? In the case of a business, in addition to being rundown, oftentimes the place is understaffed or worse—staffed with low-performing individuals. The owners don't want to spend the money or the time to find motivated individuals with great customer service skills.

It doesn't take a rocket scientist or a savvy business genius to figure out that such businesses do not thrive. The excuses are many. Maybe the owner doesn't have the money (or time) to make improvements, doesn't have money (or time) to hire great team members, doesn't have a budget for marketing, and the list goes on.

Besides, the business is kind of working, right? At least some people are still patronizing it every now and then. After all, if no one went there, you or I would never have visited in the first place, right? I've talked to plenty of business owners with this exact mentality. One frequent excuse is that if the owner spent more money on improving the business, on staff, on hiring, on marketing, etc. then what little profit the owner is currently enjoying would be diminished further. Or if the owner him/herself spent more time on marketing or on other business improvements, the business wouldn't be able to be run at all!

Oftentimes we aren't doing as much business as we'd like because we're not putting the customer first...

And that's the trap. This kind of thinking too often prevents small business owners from growing, improving, expanding and reaching their full potential. Customers like good service, a professional presentation and an experience that "exceeds expectations," whether they are going to a convenience store, hiring a home inspector or shopping for insurance!

When we let ourselves get trapped into thinking that we *can't* improve, we *can't* do that extra marketing campaign, we *can't* hire another team member, or we *can't* offer that extra service to our customers, we resign ourselves to stagnation and eventual failure. Now I'm not advocating that you or I go out and hire five more staff *tomorrow* or start spending extravagantly in some "get rich quick" scheme, but I do think it's important to recognize this thinking in ourselves and in other businesses we frequent. Oftentimes we aren't doing as much business as we'd like because we're not putting the customer first and not stretching ourselves to make the improvements needed to reach and satisfy our customers.

Try it the next time you are out and about. What are the differences in service, presentation, product, and quality in some of the competing businesses that you frequent? And then ask those same questions about your own business. What are some differences between you and your competitors? Are you doing what is necessary to set yourself apart from your competitors and over-deliver in every way possible to deliver the best product and achieve the very best customer experience? These are the questions I ask myself about our business here at *Working RE magazine* and OREP E&O Insurance (www.OREP.org). If we're not improving and growing—why aren't we? And what do I have to do to make that happen?

I'm excited to announce that we are expanding our circulation again this issue, and ***Working RE Home Inspector is now reaching 25,000+ home inspectors nationwide with every print issue.*** From the beginning, our goal with this publication has been to connect home inspectors across the industry, regardless of association or location, to share the latest news, information, tools and techniques inspectors can use to grow and thrive as small business owners. Thanks for reading! And if you're shopping E&O insurance, you can compare coverage and price in less than five minutes at OREP.org. **WRE**

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EPA Methods

How to Price Your Services

by Ian Robertson, Inspector ToolBelt

As home inspectors, we are in business because we love what we do. But we also need to make a living. We should not simply “get by,” we should thrive. We have a lifetime of knowledge and information that is sorely lacking in modern society, and very much needed—especially by those buying or selling a home.

Our profession can't be outsourced to another country and the vast majority of people won't buy a home without us. But with our profession so needed, pricing our services is still one of the hardest things for a home inspector to do, especially if we are new to the industry. Sometimes we feel that we need to compete on price to start—and stay—in business. So how can we properly price our services? In this article we are going to discuss four topics:

- The cost of doing business
- The pitfalls of charging too little
- How to determine your inspection fee
- How to charge more and MAKE more
- Average Home Inspection Fee

Cost of Doing Business

I was young when I started my first home inspection company: before marriage, before kids and starting fresh. I had grown up surveying and contracting with my family, so home inspections fit right in. I remember doing one of my first inspections and the agent telling me I was “cheap.” I recoiled at this. I had done my research, saw what my competitors were charging and based my fee on that. But in the end, she was right—I was too cheap.

The cost of doing business, especially to new inspectors as I learned, creeps up in ways that may not be expected. As we grew, took on other inspectors and branched out, the expenses grew even more. What are some of those expenses? Some are obvious: gas, truck, inspection software, etc. Some inspectors may say, “what else do you need?”

You can go barebones and use a clipboard and a pen to write your reports, only accept checks to avoid credit card fees and wear unlettered T-shirts, but that won't help you grow a business. To



Ian Robertson is a veteran home inspector, owner of three inspection companies, owner of Full View Home Inspector Marketing, and one of the founders of Inspector Toolbelt. Inspector Toolbelt is simple administrative and scheduling software for home inspectors that makes running your inspection business easy and automated.



run a business properly, there is going to be overhead and the more you grow, the more your overhead grows. So let's do some quick math. Let's say you want to make \$100,000 gross in your inspection business annually. Use the chart below to see how many inspections you would need to do (See Figure 1).

How Many Home Inspections Must an Inspector Perform to Gross \$100,000 in Revenue?	
Fee	Number of Inspections
\$250	400
\$275	363
\$300	333
\$325	307
\$350	285
\$375	267
\$400	250
\$425	235
\$450	222
\$475	210
\$500	200

Figure 1: Number of Inspections to Gross \$100,000 in Revenue

Now let's analyze this even further. Let's say you are charging about the national average of \$300–\$350 per inspection (way too low—the national average today is about the same as it was 30 years ago, which means we are making less per inspection now because of inflation). So at \$325 per inspection, you would need to perform about 307 inspections to gross \$100,000 dollars. Sounds easy, right? After all, that is only two inspections a day, three days a week. But that's before expenses.

For instance, according to a 2017 study by the Automobile Association of America, the average vehicle costs about \$9,000 per year to operate (gas, repairs, maintenance, etc.). As an inspector, you will beat your vehicle up quite a bit, so let's increase that number slightly and say \$10,000 per year total.

Then you have inspection software. Let's say \$50 per month (depending on if you have subscription software or if you buy one outright, just average the cost over two years). Then you will have a website, hosting, email service, scheduling software and other office items (again, you can do paper, clipboard, and a calendar hanging on your wall—but that is no way to run a business).

Let's say that is all on the very cheap end of \$200 per month. Then you have marketing costs. If you do two real estate office visits where you bring food each month, that is \$50. Need cards, logo shirt, promotional items, trade show display items, etc? Then that is even more. On a low-end budget, let's say your advertising cost is \$500 per month.

Then there is home inspection insurance (E&O/GL), legal fees if something comes up, association dues, and a million other things. There will be expenses that you don't even expect. All in all, you will likely spend about \$25,000 to stay in business. So really you only net \$75,000—and the government takes about \$15,000 of that. So you hauled butt all year to make \$60,000 if you were pinching every business penny possible.

We did a cost calculation of what it costs for us to get out of bed in the morning and inspect if averaged out to every inspection, and we took into account every last expense. It turned out to be about \$125 per inspection. If we charged \$325 per inspection, we would only make \$200 per inspection. So the cost of doing business is important to understand. Many home inspection

companies don't last more than a year because they don't realize what I'm sharing with you now. Even then, if you don't start putting more money into your business, you will limp along and never grow. Now that we better understand the cost of doing business, that brings us to our next point—why charging too little hurts you and your company.

Pitfalls of Not Charging Enough

I was on the phone with a home inspector who charges WAY too little for his services. Here are his reasons:

- He worries about not getting enough work (i.e. cheap prices mean more volume).
- He worries no one will hire him if his prices are too high.
- He has startup costs and bills to pay and just needs to get working.
- He is not confident in his abilities.

Have those thoughts ever crossed your mind? Well, they were at the top of his. A lot of inspectors think they need to start off cheap to get things going. Some do it just to undercut their competition and try to "take their market share." But here are the problems with each of those points:

Not getting enough work: This is working off the assumption that everyone cares about price first. That is simply not true. Yes, there are price shoppers (and we will talk about how to deal with price shoppers in part two) but they aren't everyone.

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Cheap prices attract price shoppers, and higher prices attract people who don't care as much about price but prioritize getting a great inspection. Do a lot of price shoppers call you? If so, you may be attracting them and it may be time to raise your prices or change your marketing approach.

No one will hire you if your prices are too high: To be honest, some people won't hire you if your prices are too LOW either. For example, I recently I saw a Groupon for half off Lasik surgery... umm, not really something I want to get done cheaply—I will gladly pay full price for something that important. That company will lose clients like me for being too inexpensive. A friend of mine had kittens he wanted to give away free and put them on *Craigslist*—no one called for a week. He then went back in and charged \$5 per kitten—they all went in just a few days. The point is that a cheap price or the word “free” can devalue your service, and make your service look less appealing. In fact, you may get more calls from price shoppers if your prices are too low because that is the clientele a cheap price will attract.

Bills and startup costs: we all have bills but that does not mean you should go cheap. There is an inspector I helped get started. He charged \$250 for a home inspection. I charged more than double what he did. I told him to raise his prices but he said “I will lose inspections” and I said “Good!” I did the math for him. At \$500 per inspection, he would only need to do half as many to make the same amount as if he charged \$250. He would also cut his vehicle, travel, and gas expenses in HALF. So even if he lost half his business (which he didn't) he would literally make more money and work half as much. Don't worry about losing inspections, worry about the bottom line. Today he charges \$550 and does about 250 inspections a year (he has more time off, more money and less stress).

Not confident: none of us would probably admit that we are not confident in ourselves, but if we are totally and completely confident in our abilities, wouldn't we charge more? There is an inspector I know who charges some of the highest fees I have ever seen. When asked why he charges so much, he says “I'm worth it.” He is a very busy inspector. People sense his confidence on the phone, on his inspections and everywhere else. The point is to know that your knowledge of a home and how it works is becoming rarer in the world, and a more valuable and

desired skill every day. Be confident and people will be more inclined to pay your higher fees.

If you are the “cheap inspector” right out of the gate, you tend to get known for that—and not in a good way. There is a “cheap inspector” who I know who became known for his ridiculously cheap inspections. After his first year, he realized he couldn't make a living on those prices. The problem was that his entire customer base—both agents and clients—expected that, so he was stuck. Don't get stuck, start off on the right foot by charging the right price. So how much should you charge? Let's talk about that.

How to Determine Inspection Fees

My wife was staring at me funny. I had taken time off work and even turned down clients—why? I was sitting at the table calling and emailing inspectors. But this work was very important because it would make me more money and help me price my services properly in the long run. I was doing a market survey. I called and emailed every home inspector I could find in my service area, gave them the same size inspection with the same exact add-on services and got their prices. I learned so much from it that I did it almost every year after that. Some inspectors put their prices on their website, some who I knew really well just told me and some I would just message and call. I would take the average of all the inspection fees and use that as a starting point for setting my prices.

You don't have to go that far, but it helps. You can also use the InterNACHI Fee Calculator. You can also use the posted prices on inspector websites, join a local chapter of inspectors and ask around; some agents are happy to share that info to an extent. However you do it, every market is going to be different but don't choose the low-end price. My motto has always been to take the average number and tack some money onto it.

How to Charge More and Make More

If you are just starting out, or you have been inspecting for many years, there are things we can do to raise our prices, grow our bottom line and have our business in good order. Here are some things we have done to raise our prices over the years:

1. Do it slowly. If you charge \$199 for an inspection now, then you don't have to jump right up to \$500 per inspection. You can do it slowly. We found that if we raised our fees \$25–\$50 every six months, most people never even notice.

2. Time it properly. If it is mid-January and the housing market is crazy slow, then that's not really the time to raise your prices. Our busiest times are always April/May and October—so that is when we would raise our prices. When you raise your prices when you are busier, no one really complains when they stay that way in the slow season.

3. Don't apologize or make a big deal about it. Don't feel bad because you raise your fees. Don't tell a client the fee and fear they will be unhappy with it. Say it confidently and make them feel great about hiring you for that fee. Also, don't announce it

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4. Add value. Add more value to your inspections to show you are worth it. Every time we add value, we raise our prices. When we started using infrared, we raised our prices. When we got a series of new certifications, we raised our prices. Provide more than just a “standard inspection” and people will pay you above-standard fees. (**Editor’s Note:** E&O coverage from OREP includes most extra add-on services at no additional fee. Please ask your OREP agent for details or ask your agent if not OREP.)

5. Add services. Make every inspection count. You already have your overhead for being there, so add additional services to your arsenal. Offer sewer scopes, radon testing, pest inspections, pool inspections, and anything else that may be valuable to your client. When we added septic inspections to our services, we ended up getting a lot of people who wanted us because they could bundle everything together. We loved it because we were already on site, we gave them an awesome inspection, and they were thrilled—and we were too. Adding services helps the bottom line, and increases overall inspection volume. Always give your client the best services. Don’t give anything sub-par just to add a service on. Make sure you always have the proper training and equipment.

6. Be the best. Easier said than done, right? But it pays to work hard to be the most knowledgeable and capable inspector in town. You will have a fan club of clients who love you because you take care of them. You will attract the right kind of agents

who refer you—agents who want you because you really take care of your clients. Always work hard to be the best in your market.

7. Don’t go overboard. Don’t start throwing out big prices just because you want to charge more. That is why I encourage inspectors to find out what others are charging and only go over the average a bit. After that, slow and incremental increases are usually best.

Bottom Line

The lead inspector for one of my inspection companies was worried about raising our prices because he thought we would lose work. We raised them anyway, and work actually increased. Why is that? Because people saw more value in our service. We were also in a different range of clients. The clients we were marketing to cared less about price and more about who we are, what we do and getting a good inspection. We received fewer price shoppers and got busier every time we raised our prices.

The scourge of the home inspection business is low prices. But people would not be able to properly buy homes without us. We have years of experience, training, and knowledge that the average consumer truly needs and we can’t be outsourced or replaced—so why wouldn’t we charge more? **WRE**



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Getting the Most out of Your E&O Insurance *Protection*

by David Brauner, Senior Broker at OREP.org

E&O insurance is quite necessary in today's world if you're a home inspector. If you've been in business for any time at all, you know. For the cost of roughly three or four inspection fees you can rest easy for the year and not risk the loss of your assets. Here's how to get the most out of your E&O insurance protection.

Recently, I've seen claims made that were entirely frivolous, and seen them beaten back by the claims adjusters working with OREP, and at no cost to the OREP insured. But every once in a while a legitimate claim does cross my desk—mistakes happen. And let me say this about insurance—you sure are happy that you have it at times like that!

E&O Insurance

As you probably know, Errors & Omissions (E&O) is malpractice insurance for mistakes made in your reporting: a non-disclosure of a property condition, for instance, and the resulting damage (leaking shower pan and rotted subfloor that needs to be replaced). General Liability or Premises Coverage protects you if you knock over that expensive vase (property damage) during the inspection or drop a ladder on the homeowner's foot (bodily injury). Most home inspector policies include both coverages. If yours doesn't or if you buy two policies to get this coverage instead of just one, you may be paying too much.

Claims Made

Every professional or E&O policy that I'm aware of for home inspectors is *Claims Made*. The same goes for real estate appraisers, doctors, lawyers, engineers and most professionals. With Claims Made, the policy has to be current when the claim is reported for coverage to apply. Here is what that means in terms of a claim scenario.



David Brauner is Senior Broker at OREP, a leading provider of E&O Insurance for home inspectors and other real estate professionals in 50 states (OREP.org). He has provided E&O insurance to home inspectors for over 20 years. Contact him at dbrauner@orep.org or (888) 347-5273. OREP—Organization of Real Estate Professionals Insurance, LLC. Calif. Lic. #0K99465.



Scenario: An issue arises today from an inspection done 16 months ago when you had an E&O insurance policy in force:

1) Your policy is still in force (you didn't let your policy expire): if the issue is covered by the policy, the policy will respond and defend you.

2) You switched to a new policy at renewal time before the policy lapsed (and the new carrier offers prior acts coverage): if the issue is covered by the policy, the policy will respond and defend you.

3) You let your policy lapse/expire: there is probably no coverage in this case—even if you have a policy in force currently. Ouch!

Getting the Most Out of Your Insurance

There are two lessons to learn from this.

1) If you are in business and see the wisdom of having insurance protection, be sure to renew your policy before it lapses to keep coverage for past inspections. When you retire, tail coverage is available to you.

2) Report complaints/claims when they happen. Why?

In the scenario above, the claim surfaced two months after the inspection while the policy was still in force. If you reported it, you have coverage today—even if your policy has since expired (as long as it is a covered claim of course).

I've seen the worst happen when inspectors decide not to report a claim or circumstance in a timely manner, either because they thought it would go away or that they could handle it themselves, or that their insurance would "go up" if they did. In the worst case they don't report the claim, let their policy lapse and then buy a new policy. Then, that seemingly insignificant complaint blossoms into a claim. They report it to their new carrier and get the bad news: there is no coverage. Every home inspector E&O policy works this way. Because they never reported the claim and let their policy lapse, they are out of luck.

That is one very good reason for reporting claims when they surface.

Duty to Report

The other good reason for reporting claims when they happen is that most policies include "duty to report" language. This means it's your responsibility to report even seemingly frivolous complaints in a timely fashion. And for it to be a claim, it doesn't have to be on a lawyer's letterhead to qualify, or even in writing. Any demand for money qualifies. An email demand qualifies as does a verbal one. Carriers demand you report because they need to know what their potential losses/liabilities are in order to maintain adequate cash reserves. A Claim can actually be denied if you wait too long to report it and it harms the defense. Or they may defend it, but not pay the damages if you lose.

Further, if you knew about a claim or circumstance and didn't report it on your renewal application, well, let's just say most carriers don't look too kindly at that even if it's an honest mistake.

So it's a requirement to report, but one that works in your favor because the insurance is claims made. Again, your E&O policy, if you have one, is Claims Made. If you get the issue on the record and submitted to your agent/carrier while you're covered, it should be responded to—even years later, even if you're no longer covered. That's how you get the most out of your insurance.

Argument Against Reporting

I know, a lot of inspectors believe that reporting every single issue will cause their rates to rise. And that may be true at some programs but it is not the case at OREP. We've created a program where **your premium does not rise unless there is an actual loss**. There is also free pre-claim assistance furnished by our team of seasoned and professional adjusters who want to make frivolous claims go away as much as you do. Their support and help is free at OREP. And once again, you are not penalized for reporting issues that do not result in an actual expense with OREP's flagship program. So at OREP it does not cost you to protect yourself by reporting your claims and incidents—it protects you.

Conclusion

To get the most out of your insurance, renew your policy on time and report issues when they happen.

To get the best value, look for an E&O program with broad coverage that includes the services you're qualified to provide included in the base policy form and for the minimum premium—without surcharging you.

Shop price for sure, and compare coverages and deductibles too. A low deductible keeps more money in your pocket should the worst happen. Most OREP insureds qualify for a \$1,500 deductible. If you have a \$5,000 deductible at your current program, in order to get a competitive rate, that's great until you have a problem. If you have OREP's \$1,500 deductible, that's

\$3,500 that stays in your pocket if there are expenses. And if a claim goes to the attorneys, there will be expenses. That's like three years of insurance payments! And that low deductible begins on day one for qualified insureds of OREP, and does not have to be accrued or earned over two or three or five years of paying premiums and being incident free.

Look for a program that will defend you for free against frivolous issues, won't raise your premiums for reporting problems and is happy to provide the professional help and support at no cost. Look for a program that gives you information, guidance and education. In other words, look to OREP! We're all this and more. Online indications take only minutes (OREP.org). Financing is available. Thanks for reading. **WRE**

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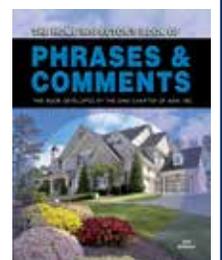
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How to Win at Blogging & Boost Your Business

by Kate Ivey, HomeGauge

If you had the opportunity to increase your website traffic by 55%, would you take it? Most likely, the answer is a resounding YES! According to Forbes, businesses that blog get 55% more web traffic than businesses that don't. That's a pretty good reason to start that blog you've been thinking about.

But increased traffic isn't the only good reason; companies that blog have over 400% more indexed pages than their non-blogging counterparts. That means when potential customers search online, companies that blog are four times more likely to show up in organic search results than companies that don't. So, the question is, are you ready to start that blog yet?

Why Does Google Love Blogs?

Google's algorithm may be an ever-changing mystery, but the one tried and true action that will always help your SEO is creating fresh, original, quality content. And a blog is the perfect vessel to deliver that sweet, sweet content to Google.

That's right, Google loves content! Every time you publish a new blog post, the search engines index the new content on your website. The more indexed pages you have on your site, the more likely you are to surface in someone's search results. The more visits to your website, the more you will sell.

Creating Killer Content for Your Blog

Start by creating a space for your blog on your website (you get bonus points if you've named it something other than "Blog," such as "Ask the Inspector" or "Tips from a Pro"). Now, you're ready to start posting regular content to it. The more often you post to your blog, the better. But start with what you can do—if you can only post once every few months, it's still better than leaving your website static.

Addressing Your Desired Readers

What should you write about? A common mistake is writing for the wrong audience. Remember, you're not writing technical blogs for other inspectors to read. You're writing to attract the visitors you want to your site—homebuyers, sellers, and real estate agents. You should be writing about topics that interest your audience in a language they'll understand.



Kate Ivey has been working with inspectors for more than 7 years and is currently the Marketing Manager at HomeGauge, a home inspection software company. Kate's background is in website development and SEO. HomeGauge also creates websites and content for inspectors all over the world. You can find examples of their work at HomeGauge.com.



Write about staging a home, increasing curb appeal, seasonal home maintenance, or warning signs that there could be mold in a home. Pick topics that are helpful and will attract the right audience to your site, showing Google that your content is relevant and useful.

Brainstorming ideas for your blog posts can be difficult, especially under pressure. Keep a list of your ideas in your notebook or on your phone and add to it as ideas come to you. You may think of something in a crawlspace or while out to dinner with friends—you never know when inspiration will strike!

While the majority of your blogs should be broad enough in scope to attract many clicks, it's good to occasionally write about the services that you offer. Think about what sets you apart from other inspectors. Do you offer thermal imaging as part of your inspection? Write about why it's a good idea to have a thermal imaging scan with your home inspection and what is often missed without it.

Relevant Content

Remember that people want to read about topics that will benefit them, so steer clear of the technical aspects of thermal imaging and focus instead on how thermal imaging results can help increase energy-efficiency, detect hidden leaks, and pinpoint electrical issues. This is a blog we'd file under the Safe & Healthy Home, Community, Homeowners, and/or Home Maintenance categories.

Do you want more pre-listing inspection business? Write a blog about the importance of a pre-listing inspection for sellers. Again, approach this from the angle of how it will benefit the homeowner wishing to sell, not how it will benefit you as the inspector. Topics should always educate your audience and address their needs.

Formula for Success

When it's time to put pen to paper—or fingers to keyboard—it's important to remember that the job of your blog is not only to entice readers to pick you to be their inspector. There's a science behind getting the most out of your posts from search engines. More often than not, the SEO boost to your website will be the biggest benefit of your post.

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Tips for Your Blog

Here are some tips to keep in mind while writing your blog posts:

Only post original content: A common mistake people make in the inspection profession is not using original content on their blogs. If you're posting content on your site that appears on other people's sites, it's not doing you any favors. In fact, it could be harming your site if you haven't told Google not to index those pages. That's why you always want to produce original content for your website.

We've seen SEO services in the home inspection industry that post the same blog on multiple websites—and inspectors are paying top dollar for that disservice. If you're paying for blog posts that aren't original content, you should consider changing your web services partner.

Word count: Your blog post should be anywhere from 350 to 1,000 or more words. The more content you have on a page, the more likely something relevant will appear on search engines for readers.

Keywords and Keyword Density: Your posts should contain a main keyword or keyword phrase that appears in a heading and organically throughout your post. For a thermal imaging blog, this might be "thermal imaging in home inspections." The right keywords will be what a user naturally searches for online, so choose your keywords carefully. Within the blog, don't force it—keep your language natural. If you use the phrase too many times, search engines will punish you for too many instances of the keyword, what's known as "keyword stuffing."

Headings: Your post should have a main heading and several sub-headings that describe the content. These should be written with HTML tags so that the search engines read them better. At least one heading should contain your keyword, possibly more depending on the length of your blog.

Featured Images and Media: Along with your text, include a visual image that's relevant to your post. If you have a picture—or even better—a video to go along with your post, it will make your blog that much more valuable. Be sure to never use someone else's images without their permission. Use your own or purchase stock images for commercial use to avoid legal issues.

Links: Hyperlink keywords and phrases from your post to other pages on your website. Whether that is your services page or another blog post you've written, these internal links will help your SEO efforts. If you've used another site's content as a resource for your blog, also create an external link pointing to that source article.

Alt tags, SEO titles and Meta Descriptions: These are things that you can't see in your post but that search engines read—and they're pretty important. These should match up with the key phrases you're targeting in your article. If you're not sure how this works, do some research or consider hiring an SEO specialist or web developer to help out.

Spelling Counts: Yes, Google is known to lower page rankings if your posts are full of spelling errors. Run that spell check and consider using other writing tools to help improve the quality of your content.

Sharing and Tracking

Now that you know what it takes to compose a great blog post, go ahead and start writing! Don't forget that you need to share your posts on any social channels you maintain. I repeat, take full advantage of your hard work and share your posts!

Once you create a post, share the link on your social media accounts, in emails, and anywhere else you might get noticed. Don't be shy! Each share of your blog post is an opportunity for clicks to your site. Google loves to see site visits because it means people like you and your site is a resource.

And how will you know if it's working? There is no way to measure the success of your blog posts without tracking visits to your site. If you haven't already, be sure to set up your domain in Google Search Console and then install the Google Analytics tracking code on your website. You can also setup Facebook Pixel to see your traffic from Facebook users. Over time, with a regularly updated blog, you will see your web traffic increase. Because business can be seasonal (depending on your area), it's best to compare the same time period to the previous year to track real traffic growth. With more visits will come more business.

Conclusion

You need a blog and you need to post regularly! Driving traffic to your site and increasing your search engine visibility is crucial to your online success. Write about what you know, focus on your target audience and be sure to do it well! If this sort of thing is out of your wheelhouse, hire someone to do it for you who understands your target audience and your goals. Don't let your website be a static storefront for your business, show Google that the lights are on and someone is home. **WRE**



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Vent and Insulate That Attic—Right?

The Science Behind Your Inspection

by Tom Feiza, Mr. Fix-It, Inc., HowToOperateYourHome.com

Why do we inspect attic ventilation and insulation? Because it's designed to protect a home. Ventilation keeps the attic cooler in the summer, which protects roof shingles and the home's basic structure, and it limits heat movement into the living space. During the winter, attic ventilation keeps the attic drier, which limits condensation (See *Figure 1: Stains on Roof Deck*) and helps remove winter heat from the attic, preventing ice dams and leaks.



Figure 1: Stains on Roof Deck

Insulation is the key to slow heat transfer from the home envelope to the outside. It limits the air conditioning load and controls heat loss. It also helps prevent ice dams.

Ventilation Openings (High and Low)

Whenever possible, attics should have ventilation openings high on the roof and low on the roof. Rising warm air moves from the soffits to the ridge. Wind pushing against a home also creates areas of higher pressure (soffit) and lower pressure (ridge). Wind often helps ventilate an attic.

Basic Requirements

Building codes and generally accepted data suggest that an attic should have one sq. ft. of ventilation for every 150 sq. ft. of attic space (1/150). If there is a low-perm vapor barrier, the ventilation requirement is reduced to 1/300, because we assume that less vapor (moisture) will move into the attic from the heated space. The vapor barrier is placed between the heated envelope and the attic limiting air transfer.

How Professionals Calculate Attic Ventilation

Simple math allows you to calculate the need for attic ventilation (See *Figure 2: Attic Ventilation Requirements*). Determine the square footage of the attic and check whether there is a vapor barrier. Divide the square footage by 150 or 300 and you have the required net free area (NFA) for venting. Of this venting, 50% should be at the ridge and 50% at the soffit. Next, you need to identify the type of vents. They will all be NFA-rated. For a typical can vent, the screen and

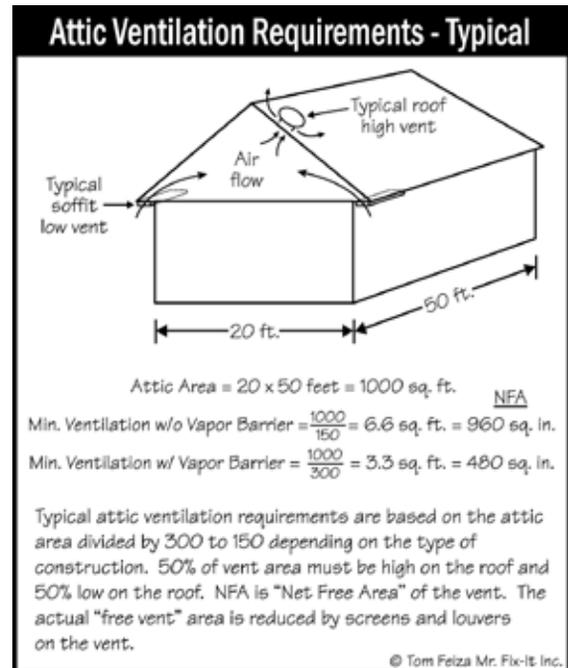


Figure 2: Attic Ventilation Requirements

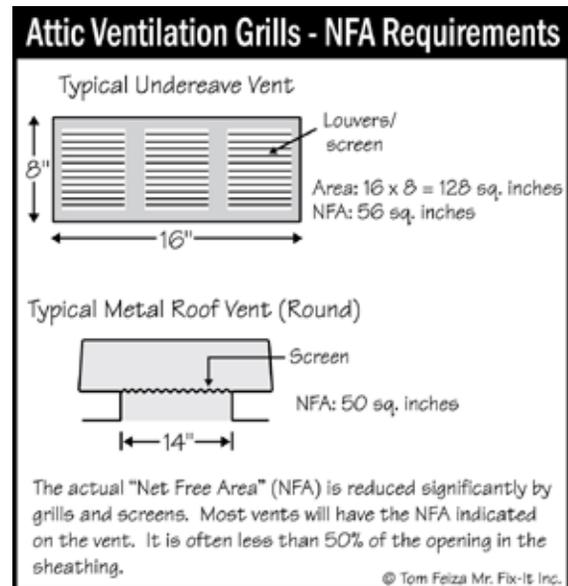


Figure 3: Attic Ventilation Grills, NFA Requirements

cover limit the actual NFA area of the vent opening by 50% (See *Figure 3: Attic Ventilation Grills—NFA Requirements*). Ridge vents and continuous soffit vents are rated by manufacturers for NFA per lineal foot. You can find details at the manufacturers' websites.

Signs of Poor Ventilation

During your inspection of the attic, always note excessive stains, water stains, organic growth, improper bath and kitchen fan venting, delaminating plywood, excessive rust, and improper attic venting (See *Figure 4: Attic Rusty Nails, Delamination, Stains*). Look for blocked vents, restricted openings below ridge vents, and an inadequate number of vents. You don't need to determine how to fix these shortcomings; just recommend further evaluation.

Basically, whenever you see signs of poor ventilation, recognize that you should report this as a problem.

Attic Insulation Gaps and Goofs

We have all inspected attics and noticed large gaps in the insulation covering the ceiling of the living space. Or maybe they were just small areas of uneven insulation. We make a note in our inspection report about gaps in insulation, but how did they get there?

Many homes are constructed with dropped soffits over the kitchen and bath. These dropped soffits filled in gaps above cabinets or above a shower/tub. At some point, an insulation contractor or carpenter spread a plastic Visqueen vapor barrier over the rough framing of the ceiling and exterior walls to stop airflow from the heated space. As they covered the ceiling, that dropped soffit framing was in the way. So, what did they do? Who knows? (See *Figure 5: Heat and Air Bypass at Inside Soffit*).

All-Too-Common Fault

It's very common to see this faulty installation: the dropped soffit is not blocked at the attic floor and not covered by the vapor barrier. These gaps in attic insulation create a huge potential problem, since heated air contains lots of moisture. (See *Figure 6: Insulation Gap at Dropped Soffit*)

When you notice gaps or disturbances in the insulation, lack of blocking to support the insulation, or lack of a continuous vapor barrier, check the roof sheathing for signs of condensation and moisture. Look at the insulation for black stains that result from filtering dirt out of the air flow.

Gaps at Chimneys

Air gaps are required at chimneys for fire safety but as we tighten homes the large gap and air leaks can cause ice dams and attic moisture issues. Today when insulation is added to any attic, proper fire-resistant air sealing must be completed around all penetrations from the heated space, including the chimney. In *Figure 7*, note the insulation and the black stains. The fiberglass insulation is a great dirt filter for the air flow from the basement to the attic. Talk about stack pressure and air flow!

Powered Attic Ventilation Fans

At times we encounter powered ventilation fans that draw air out of an attic. Are they a good solution? What might go wrong? For many years we understood that attics must be evenly ventilated. About half of the static vent openings were evenly spaced near

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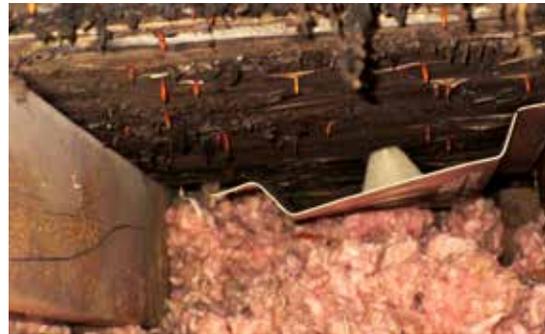


Figure 4: Attic Rusty Nails, Delamination, Stains

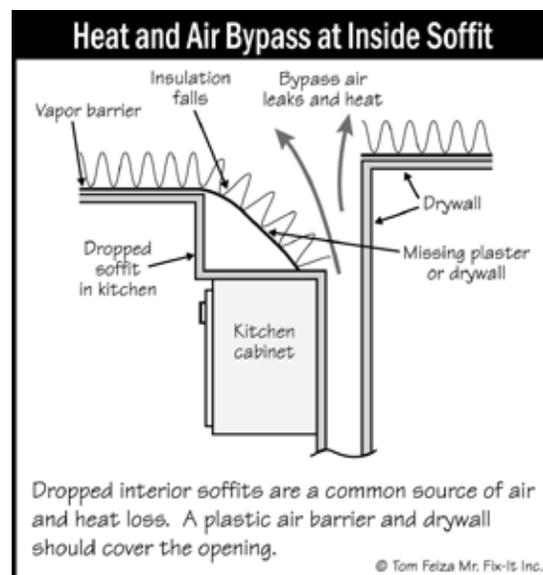


Figure 5: Heat and Air Bypass at Inside Soffit



Figure 6: Insulation Gap at Dropped Soffit



Figure 7: Insulation Gap at Chimney





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the ridge of the roof and the other half evenly spaced near the soffits or overhangs. These created a balanced flow of air throughout the attic.

In those days, upper vents—can vents, static vents and box vents—were placed high, near the ridge of the roof. Lately these have been replaced with a ridge vent: an opening in the ridge of the roof covered with a mesh or plastic frame and shingles (See *Figure 8: Attic Ventilation Fan*). In static vent systems, wind or rising heat in the attic pushes air from lower vents to upper vents, removing heat and moisture. This worked well with simple roof designs. Older homes often had gable end vents, too, which worked in combination with soffit vents.

As homes were built with more complicated roof designs and tight envelopes that trap moisture, attic ventilation became an issue. The need to “cool” the attic to supplement air conditioning also became a concern. Solution: the powered attic ventilator, a fan that sucks air from the attic (*Figure 9: Attic Ventilation—Ridge Vent*). The fan responds to levels of heat and humidity.

This is a great solution but most of these fans were installed wrong. (See *Figure 10: Attic Ventilation Fan—Installation Problems*) When a powered attic ventilator is installed, all

the upper vents in a roof must be closed. Yes, all the upper vents must be closed! The fan pictured here (See *Figure 11: Attic Fan with Ridge Vent*) sucks air only from the adjacent ridge vent opening, which means the attic still is not ventilated. Whenever a home has roof vents or gable end vents, they also must be closed to allow an attic fan to vent an attic properly. A lower vent at the overhang will enable complete ventilation.

Check the Powered Attic Ventilation Fans

During your inspection, note powered attic ventilators and check the fan installation; you may find an issue to be recorded. In many cases, the attic fan is incorrectly combined with upper vents. If the ventilation system is performing well, with no moisture issues, the best recommendation may be to turn the fan off—but that’s not your call.

Watch Your Step

When peering into an attic, keep in mind that gaps in the insulation could indicate the existence of a dropped soffit or a stairway. Walking in an attic is dangerous and you have the potential to step through a ceiling. When your foot slips off the framing, expect a hole in the ceiling and an injury. Excessive heat in an attic can also be dangerous to an inspector. Never enter an attic if you don’t feel safe.

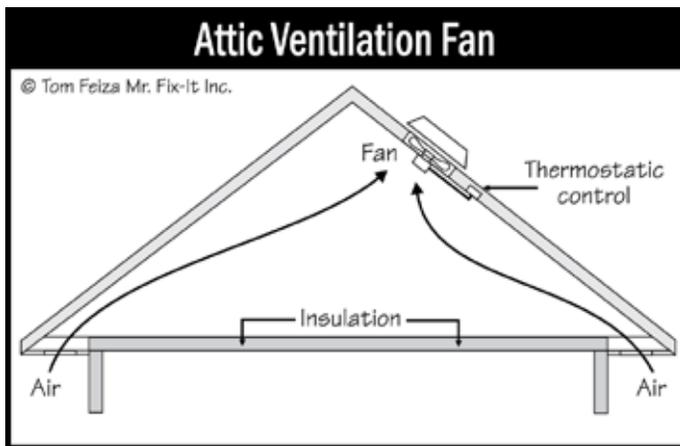


Figure 8: Attic Ventilation Fan

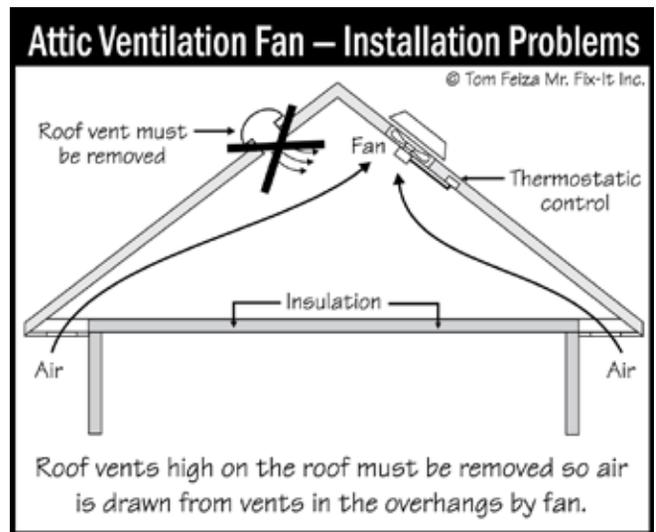


Figure 10: Installation Problems

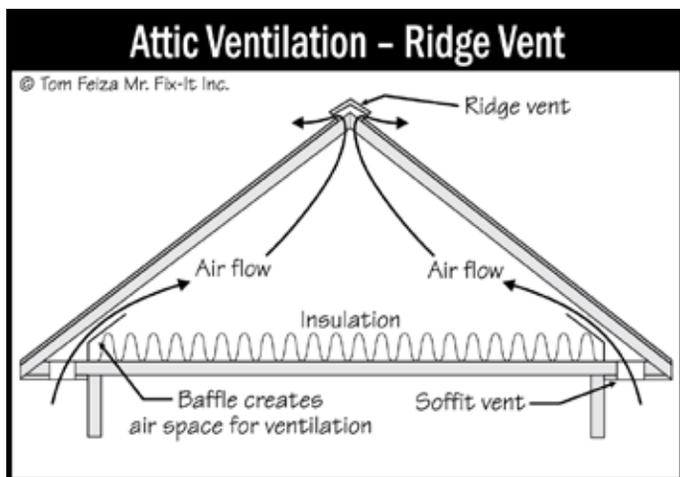


Figure 9: Attic Ventilation—Ridge Vent



Figure 11: Attic Fan with Ridge Vent

Attic Take Away

Watch for moisture issues and signs of organic growth—this indicates improper attic ventilation and/or lack of proper air sealing. Making a report notation for visible gaps in the insulation, existence/condition of the vapor barrier, and improper air sealing. Watch the location of vents and if they are blocked or limited in size and number. Watch for those attic fans. Always report bath and kitchen fans that terminate in the attic.

Remember to report your limitations. Most inspectors should not exceed their home inspection standards. Always note insulation in an attic that obstructs your visual inspection. You don't need to lift insulation. You don't need to walk in the attic. You don't need to report on the performance of attic fans.

This article includes information so an inspector understands the science behind proper attic ventilation and the causes of attic moisture issues. I am not suggesting expanding a home inspection beyond the accepted standards. Do not miss the visible inspection issues. **WRE**

Tom Feiza has been a professional home inspector since 1992 and has a degree in engineering. He has inspected over 9,000 homes. Copyright © 2019 by Mr. Fix-It, Inc. Visit HowToOperateYourHome.com (or htoyh.com) for more information about building science, books, articles, marketing, and illustrations for inspectors. Tom helps professional inspectors help their customers and boost their business. E-mail Tom (Tom@misterfix-it.com) or call 262-303-4884. Tom also provides educational presentations for home inspector events.

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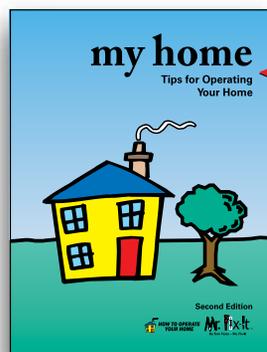
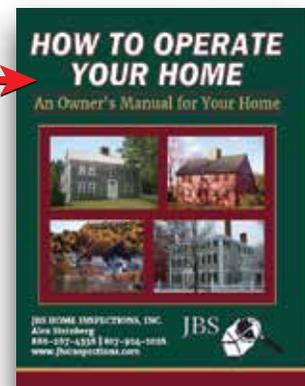
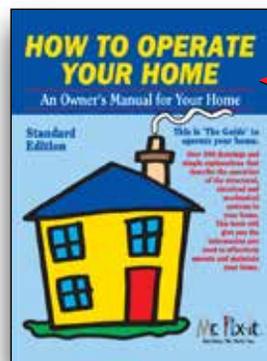
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Free Inspection Training for OREP Insureds

by Shayan Moghaddam, Assistant Editor

As part of OREP's built-in (free) risk management program, the E&O insurance provider is offering its insureds/members free online training in a variety of core trades/skills. Also part of the free risk management package included with the OREP insurance program are free pre-claims assistance, risk management webinars and other educational materials, expert legal and inspection guidance and more. You can find details of the insurance package on the Inside Front Cover.

The free training is made possible through OREP's partnership with the All-American Association of Home Inspectors (AAHI), founded by Scott Newcomer (aaahi.org). "The training has three advantages for our insureds," said David Brauner, Senior Broker at OREP. "First, it provides training to help our insureds expand their services and make more money. Second, the training helps them grow professionally and minimize their risk through education, which is great for the insurance program. Third, of course, is it saves them money," Brauner said.

OREP is now in its 17th year of serving the home inspectors insurance market, with over 100,000 policies issued for all lines. The program offers home inspectors broad coverage with competitive rates.

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- Radon
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- And much more!

Inspecting Homes & Income Properties: Free Training

Included in the free coursework available to OREP insureds is a 32-hour online course covering all the facets of inspecting both residential and income property titled *Inspecting Homes and Income Properties*. The six sections are broken out so that students can access the topics they would like to learn about most. One of the advantages of this structure is that any time an OREP insured wants to research a topic or has a question, they can navigate easily and find the information needed. The course also allows inspectors to stop and save



Shayan Moghaddam is the Assistant Editor of *Working RE Home Inspector* and Marketing Coordinator at OREP. He graduated with a B.S. degree in Marketing from San Diego State University. He can be contacted at shayan@orep.org or (888) 347-5273.



their work at any time, which is handy for busy inspectors. The course is taught by Scott Newcomer, Chairman of AAHI. Newcomer is a home inspection industry veteran and founder of American Home Inspectors Training (AHIT). Newcomer offers expert advice on how to control the client's expectations and "lay out the ground rules," as well as providing excellent insight on risk management and ways to limit liability.

Each section has modules on specific topics and includes PowerPoints, videos and flashcards with quizzes to help test knowledge along the way. Students will find that there are full length chapters packed with expert information from the textbook *Principles of Home Inspection: Systems and Standards* by Carson Dunlop and Associates included for each topic.

Down to the Details

The coursework also gives inspectors an in-depth look at a home's structure and substructure, showing students the entire process of building a small home from start to finish through the lens of a Go-Pro camera. Also included is a useful list of every item that should be inspected for the structure and foundation of a home, alongside useful photos and figures to help demonstrate the concepts.

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and CPSC. The guides available to home inspectors include:

- Home Buyer's and Seller's Guide to Radon (EPA)
- Citizen's Guide to Radon (EPA)
- A Brief Guide to Mold (EPA)
- Guide to Repairing Aluminum Wiring (CPSC)
- Guide to Pool Safety (CPSC)

The course also covers inspector tools, inspector safety, legal issues, and best practices for marketing of your mold and radon services.

All About Drones

With more and more home inspectors using drones, it's important to know the ins and outs of the law surrounding drones and how to get a license. OREP insureds also enjoy a free course on drones that shows inspectors which drone regulations apply to them and how to operate a drone legally. The FAA has several requirements for those hoping to fly drones and getting a remote pilot certification is one of them. The course, *All About Drones* includes a study guide for the remote pilot certification exam, so home inspectors can study with confidence. Students can even take FAA's online class and exam for small unmanned aircraft systems, and even register their unmanned aircrafts with the FAA.

Standard Report Writing

OREP insureds also enjoy a free course on home inspection report writing. The course breaks down all the different components of writing a comprehensive report and even includes

a final exam at the end for students who would like to test their knowledge. "The guide is really handy. You can click on different tabs and look at pictures of nearly everything you would see during an inspection," said Brauner. "The fact that it's interactive makes it easy to absorb all the information."

Free, Free, Free

These courses are free to OREP insureds for one year. OREP inspectors can take this time to grow their skills and expand their services. "This partnership is a great addition to our Professional Support Network," Brauner says. If you are already insured with OREP, email subscription@workingre.com now to get access to your free one year subscription to AAAHI's training courses. For more information on getting insured through OREP, visit orep.org/inspectors. **WRE**

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Dryer Venting: Safety Tips

by Todd Peach, InOvate Technologies

The responsibility of inspecting a house can be daunting, to say the least. There are many rules that come into play. Some defects can be benign while some present an immediate safety hazard. Then there are the dynamics between the home seller, buyer and agents. Everyone wants to pull you in a different direction while, as an inspector, you must keep a keen eye on safety.

One of the most important things stressed during inspection training is that inspectors are safety inspectors, not code-enforcers. This is an important distinction because so much is riding on your ability to spot trouble areas. Electrical, plumbing, mechanical, deck and hand railings, and their myriad variations create plenty of areas for concern. Today, let's focus on an area of the house that often gets too little attention—dryers.

Laundry Room Can Be Dangerous

Every year, according to National Fire Protection Agency (NFPA), there are more than 14,000 dryer fires reported. In your travels, you've likely come across evidence of small fires that homeowners didn't even know they had (and could become disasters), so the actual numbers are probably more daunting. The importance of properly configured and maintained dryers and dryer exhaust systems can hardly be overstated. And what about efficiency? If there are problems with the exhaust, drying times can grow into hours, which wastes energy, not to mention the extra wear and tear on the appliance and the clothes. An efficient, well designed exhaust system can let the dryer work at peak operating levels.

Things to Check

If a home has a gas dryer, the first thing to check for is the smell of a gas leak, which requires immediate action. Then, check for lint leaking out of the dryer or around the dryer transition hose. Lint blowback into the heating element can create a very dangerous situation. Then there are questions for the homeowner: has the dryer been taking too long to finish? Does the exterior of the dryer become hot to the touch toward the end of the cycle? Is the lint trap being cleaned?

Importance of the Transition Hose

Now it's time to look closely behind the dryer. The first thing to keep an eye out for is plastic. If there is a plastic connector or



plastic transition hose, this should be noted. It is a fire hazard. Then it gets a little tricky. There are some dangerous "slinky foil" transition hoses that might look a little like a UL 2158A listed transition hose, but they are not. To the touch, the difference can be obvious. A UL 2158A flexible hose can be adjusted (try prodding it to keep from pulling out the appliance), but it takes a little work to move it around. Slinky foil just flips around and is, well...slinky. Watch for a newcomer in UL 2158A listed flexible transition hose called DryerFlex™ (dryerflex.com). DryerFlex is more efficient than "slinky foil," resists flame spread, and it is stronger than semi-rigid. Which brings us full circle to the old, approved way of connecting the dryer: semi-rigid hose can be UL 2158A, but it is hard to work with and crushes easily. While it does not represent the serious fire hazard of plastic or slinky, be sure to watch that it is not crushed behind the dryer. If it is, lint blowback into the dryer element can create a hazard.

Duct Run Length Can Be a Major Issue

In some cases, it can be obvious that the exhaust system only runs a few feet to get from the back of the dryer to the exterior of the building. The rule of thumb is the shorter the better. This is because even straight pipe creates airflow resistance, and a long run can keep lint from escaping. Once again, you can end up with lint blowback into the dryer's element. Most building code requires a run of 35 feet or less, including five-foot penalties for each standard elbow (long turn elbows are the exception). Some dryer manufacturers allow longer runs, so it is a good idea to check the dryer's manual as well. If the run is too long, it is time to recommend a re-route or the addition of long turn elbows if there are too many standard elbows.



Understanding the Exit Port

Now that you've found the system to be in good shape, there is one more issue you'll want to address: the external vent. You'll be surprised how many vents 1) have screens, 2) are too small of a port or 3) have no damper. All of these are prohibited by code for venting a dryer and need to be replaced. Surprisingly, a bad termination can be responsible for 90% or more of airflow restriction.

As an inspector, spotting and successfully diagnosing danger points is a critical job. Take the time to learn the difference in transition hose options so a correct assessment can be made, and the proper recommendation given. For latest information on transition duct and exhaust system efficiency visit <https://dryerflex.com>. **WRE**



Todd Peach has over 14 years' experience developing new products for venting efficiency and safety and has extensive knowledge of building code requirements. Peach is the Vice President of Marketing for InOvate Technologies, which works to improve upon and minimize the dangers associated with this important system.

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Pre-Offer Verbal Consultations

by Dylan Chalk, ScribeWare

With record-low levels of housing inventory, historically low interest rates and swarms of eager buyers in bidding wars over the same house, there is a lot of pressure on home inspectors in the Seattle area, at least, to cut corners. The problem is, homebuyers have no time and little incentive to complete a thorough home inspection. In the midst of a bidding war, buyers are now forced to get inspections in a short window of time prior to making an offer, and then waiving the inspection contingency on the offer. Despite spending money on home inspections and sewer inspections, a prospective buyer might have only a one in 10 chance of actually getting the house. Some buyers pay for more than five inspections before they get an offer accepted! This creates a strong demand for a less expensive and even more cursory version of a home inspection.

Pre-Offer Inspections

As a home inspector I first encountered the pre-offer inspection in the roaring 2005–2006 market but it was not long before buyers grew weary of paying for complete home inspections on homes for which they were getting outbid. In response to the demands from buyers and real estate professionals, the word pre-inspection started getting lobbed about, often as a word to describe a “pre-offer verbal consultation.” This was not a real home inspection, just a cursory look at the property so that a buyer could waive their inspection contingency without paying for the full inspection fee.

Then the great recession hit, the real estate market tanked, many home inspectors went out of business and the verbal consultation disappeared for a while. At the same time, the state of Washington began a new licensing program for home inspectors. The idea of licensing seemed logical: to insure the public that state-licensed home inspectors would be performing inspections to meet or exceed a set of standards. All home inspections performed in the state should meet these standards and come with a written report. The problem for consumers is that the state law also allows for verbal consultations, and for these types of services, there are virtually no standards.

According to the home inspection licensing law: WAC 308-408-010, Washington state licensed home inspectors are allowed



Dylan Chalk is the author of *The Confident House Hunter* – a book to teach homebuyers how to look at and understand houses: Cedar Fort Press-DylanChalk.com. He is also the founder of ScribeWare LLC inspection report software offering innovative and professional report-writing solutions getscribeware.com and he is the owner of Seattle-based Orca Inspection Services LLC.



to do a pre-offer verbal consultation as defined this way: (10) A “Pre-offer consultation” is a verbal report that is limited in scope performed by a licensed home inspector. A pre-inspection agreement must be signed by the client and describe the limited scope of the consultation. This pre-offer consultation is conducted only prior to mutual acceptance.

State law contrasts this pre-offer consultation with a standard home inspection. (14) A “Standard Home Inspection” is a pre-listing or presale written report that contains all or most of the components listed in the standards of practice. The components must be listed in the pre-inspection agreement. This standard home inspection report cannot be delivered verbally and must be in writing.

The important thing that homebuyers may not understand is that the state does not define the scope of this pre-offer consultation. The scope of this inspection is defined by the pre-offer consultation contract. It’s unknown what you will receive or what you should expect for your verbal consultation dollars.

Some Real Life Experience

About a year ago, I had the uncomfortable experience of being one of two inspectors inspecting a house for sale at the same time. My fellow inspector was doing a pre-offer verbal consultation for his clients and I was doing a standard home inspection for mine. Both sets of clients were potential buyers. The other inspector informed me that he had been inspecting for over 20 years and proceeded to spend an hour with his clients talking about the house. Meanwhile, I met with my clients and spent almost three times that amount of time inspecting the house.

After he left, his clients were loitering about, measuring and evaluating the house, when they overheard me discussing the abandoned oil tank in the backyard with my clients. (See *Figure 1: Oil tank fill valve in the grass.*) My client’s wife had a previous experience with buried oil tanks. “She is not going to like this one bit,” my client said rather loudly. When the other buyers overheard his tone of voice they came over and started asking



Figure 1: Oil tank fill valve in the grass

about abandoned oil tanks and my client launched into a horror story about his wife's \$40,000 experience. When their complexion lost a few shades of color it became apparent that they had no idea about buried oil tanks nor that one was lurking in the backyard of the house they were measuring to buy.

I tell this story not to disparage the other home inspector but to point out the discrepancies in what we were paid to do. I was paid to spend two–three hours looking at a house. I was paid to follow 40 years of carefully developed national standards regarding the scope of a home inspection and he was paid to come out and spend an hour looking at the house and talking to his clients. When I hear things like “just check the big stuff,” I become alarmed. That is what a standard home inspection is! The idea that a standard home inspection can be arbitrarily cut in half and still be effective is shortsighted and does not respect the complexity of the houses we are living in. Verbal consultations will lead to more frequent mistakes and confusion, big problems will be overlooked and buyers will feel fleeced. This is inevitable and it is built into the process of a real estate transaction in Washington state by a home inspector licensing law designed to protect consumers!

Are Inspectors Insured for Verbal Consultations?

Most if not all home inspector's E&O policies do not extend to verbal consultations, according to my insurance agent. Most require a written report to provide coverage—some require a signed inspection agreement to respond. This means, if you burn the house down by accident during a verbal consultation, you are not insured. It also means that the licensing law in Washington State allows home inspectors to perform a scope of inspection service for which they cannot be insured, yet at the same time, the law requires home inspectors to carry insurance! As a response to this, it appears that some inspectors are now doing very cursory reports accompanied by inspection agreements that severely limit the scope of the inspection.

Inspectors Adjusting to Consumer Demand?

I posted this story in a home inspector chatroom and a fellow inspector made a great point; home inspectors in these hot real estate markets are not performing verbal consultations because they think it is a great idea. Most of us are simply reacting to market demands for our services; the verbal consultation is an effort to help our clients in the midst of house-buying frenzies.

I wish I had a solution to this problem. It is complicated. At the very least, I think it is important that we educate the home buying public that a verbal consultation is not as thorough as a complete home inspection. I have heard that in some states, licensing laws forbid verbal inspections; that is an option to protect consumers but I worry that homebuyers might just forgo the inspection all together.

One place to start would be simply coming up with industry-acceptable vocabulary to better describe the various scopes of services we offer so our clients are a bit more aware of the limitations. As a fellow home inspector so aptly pointed out to me, inspectors in Seattle are constantly being asked to do

“pre-inspections” which is vague and frustrating and contributes to the obfuscation of the scope of our various services.

Perhaps we could try to get the following four terms more widely applied in the industry to better describe the various scopes of services home inspectors are offering today.

1. Pre-offer verbal consultation (no report or truncated report to satisfy insurance)
2. Pre-offer inspection (includes report)
3. Home inspection (regular inspection, under contract)
4. Pre-listing inspection (regular inspection for home seller)

I hope this helps start the conversation as to how we can best serve our clients while maintaining a strong reputation among consumers. **WRE**

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How to Stand Out to Your Clients

by Shayan Moghaddam, Assistant Editor



Any business that is service-based relies heavily on, you guessed it, providing great customer service. Home inspectors are no different. The customer experience is a top priority, or should be, for any inspector who wants to be a successful business owner. If you aren't making your clients happy, chances are there's a competitor down the road who would be happy to do so. So how can you stand out from your competition?

For many inspectors, providing a free 90-day warranty is an effective and easy way to deliver value to their clients, limit their liability, reduce headaches and stand out from the competition. Read on for why and how.

Value Added

Although a 90-day warranty is designed with the client in mind, it doubles as added protection and a competitive advantage for the inspector who offers one. Offering something extra to your clients allows you to differentiate yourself from your competitors and gives your clients an extra reason to choose you. It can be a powerful marketing tool, helping you increase the value proposition of your company and giving your clients peace of mind.

It also is an effective way to protect yourself and limit your liability. When (not if) the client has a problem with something covered under the warranty, the warranty professionals handle it and leave you out of it! With OREP's 90-day warranties, all major appliances are covered. If the client has an issue, they can contact the warranty company directly. This makes your client happy and gives you the freedom to perform more inspections without the headache of dealing with minor issues.

Marketing Boost

Buying a new home is a stressful and costly process. Most customers are reluctant to dish out more money for a home inspection than they need to and it can be tough for you to compete on the basis of price alone. In any developed inspection market, there's always someone who will do it for less. With all the stress of the home buying process, chances are that whoever offers the customer a clear benefit and some peace of mind will win. All other things being equal, if your competitor isn't offering a warranty, you will have a leg up if you do. Shoppers can find the warranty protection language right on your website; it should give them some measure of peace knowing they have some protection—and better yet, that they are getting it free!

Liability Protection

Now that you've provided your client with a 90-day warranty, you won't have to worry about them calling you about a faulty

air conditioner, or a water heater that needs repair. If an appliance you cleared during your home inspection is having issues, the client may feel like you're to blame. Maybe you missed it; maybe the appliance was working fine when you inspected it, but now it doesn't matter. It gets resolved at no cost to you. The client has the power to give you a negative review or worse, so regardless of who's at fault, keeping your customers happy as much as possible is important to running a good business. Since you decide to offer 90-day warranties with your inspections, any issues the customer has with the appliances covered by the warranty do not involve you anymore. They call the warranty company and you're free to keep working and growing your business.

How It Works

OREP offers 90-day warranties from one of the top companies available, Complete Protection™ (CP). At OREP.org/warranty you can learn all about the CP™ warranty program and review the warranty language yourself, along with a list of everything that's covered. "It's great that such a simple and inexpensive thing reduces headaches and attracts more clients for inspectors," says David Brauner, Senior Broker at OREP. "Like most of our other products, the cost is reduced if you're an OREP insured."

A warranty can be provided to your clients for as little as \$12.75, and even less if you're an OREP insured. This minimal amount can be added to your pricing without affecting your competitive position. Including a warranty for free with your inspections is how you really stand out to the clients.

Added Coverage, Try It Free

OREP has added new coverage this year: now you can get \$2,000 of coverage for any deductibles paid for claims made on foundation, framework, and roof. The process of purchasing and administering the warranties is automated and seamless also, which saves you time. OREP is also offering a package where you get **10 free warranties when you sign up for 10**. This will give you a month's trial at a very minimal cost. "This offer applies to all inspectors," says Brauner. "These warranties will help any inspector no matter who they are insured with lower their liability and reduce their headaches."

Differentiate from the competition and watch your business grow. Visit OREP.org/warranty for more information or call OREP at (888) 347-5273. **WRE**



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Handling Disgruntled Clients and Reducing Claims

by Jillian Shiflett, HomeBinder.com, Inc.

Have you ever noticed how an unhappy customer can transform a normal conversation into a shouting match? How a typically even-tempered, mostly happy person such as yourself can lose your temper when speaking with a disgruntled customer? What if you had the secret to diffusing even the angriest customer and turning the conversation around into a five-star review?

Best-selling author William Ury has traveled all over the world helping others with successful negotiation. The following is based on his book, *Getting Past No, Negotiating in Difficult Situations*. Whether you are negotiating with your boss, a customer or your teenager, some basic strategies can turn a disaster into an opportunity. They involve a bit of personal stretching to get there, but the techniques are so effective that if you can master them, you will see a decline in claims in your business and an increase in your five-star reviews. Most importantly, you will feel more satisfied with your business and how you treat each customer no matter how they behave.

According to David Brauner, Senior Broker at OREP the vast majority of complaints they see have little or no merit and are diffused pre-claim. While this should give you a sense of relief, the customer complaint must still receive attention. Ignoring an unhappy customer is an option but you do so at your peril. That unhappy customer on social media can wreak havoc on your business reputation. Even those ridiculous claims must be handled.

To avoid the stress of negotiating, convert a process that is usually based on confrontation into a process grounded in joint problem-solving. Using this approach, both parties pay attention to the problem at hand without involving their ego. (Please see the Editor's Note at the end of this article on best practices for reporting complaints and claims.)

The key to successfully winning over a disgruntled customer lies in how you react, how you disarm them and how you reframe the argument, making it easy for the customer to say, "Yes" and making it difficult for the customer to say, "No." Each of these steps is strong individually, but together they make a solid plan for dealing with difficult situations.



Jillian Shiflett is the VP of Customer Success at HomeBinder.com, Inc. She has over 10 years of experience in customer support and satisfaction in both service-oriented business as well as SaaS environments.



Your reactions are vital, especially in the first few moments of the dialog. Most of us fall into one or more of these common behaviors: strike back, give in or break off. When confronted we all have our innate method of dealing with confrontation. Some people immediately have a comeback, while others either give in or cannot complete the conversation and have to break it off. None of these behaviors helps you resolve the conflict. By losing control of your emotions and reactions, you lose control of the negotiation. What is a better choice? Step back for a moment and evaluate.

Go to the Balcony: The first step is to control your own behavior and not try to control your client's. When the other person says no or launches an attack, it may feel natural to be stunned into giving in or counterattacking. So, suspend your reaction by naming the game, then buy yourself time to think. Use the time to reflect on your interests and your best alternative to a negotiated agreement, or BATNA. Throughout the negotiation, keep your eyes on the prize. Instead of getting mad or getting even, focus on getting what you want. Don't react: go to the balcony. Once you have suspended your natural reactions, you can put yourself in the customer's shoes more easily. One of the best ways to disarm a disgruntled customer is to agree with them or to acknowledge that they have a point.

Step to Their Side: Before you can negotiate, you need to create a favorable climate. You need to defuse the anger, fear, hostility, and suspicion on the other side. They expect you to attack or to resist. So do the opposite. Listen to them, acknowledge their points and agree wherever possible. Acknowledge their authority and competence too. Don't argue: step to their side. When the customer is disarmed, you have an opportunity to change the context of the situation. You can reframe the argument into what you wish to discuss—pointing to language in your agreement, for instance, that excludes the issue at hand. You now are steering the situation and have a better opportunity to orchestrate the outcome.

Reframe: The next challenge, should a complaint go this far, is to change the game. When the other side takes a hardline position, you may be tempted to reject it, but this usually only leads them to dig in further. If you have insurance, this is probably the time to get it on the record with your agent/carrier. Try to

direct their attention to the challenge of meeting each other's interests. Take whatever they say and reframe it as an attempt to deal with the problem. Ask problem-solving questions, such as, "Why is it that you want that?" or "What would you do if you were in my shoes?" or "What if we were to...?" Rather than trying to teach the other side directly, let the problem be their teacher. Reframe their tactics, too, by going around their stone walls, deflecting their attacks, and exposing their tricks. Don't reject: Reframe.

Build them a Golden Bridge: At last, you're ready to negotiate. The other side may stall, not yet convinced of the benefits of agreement. You may be tempted to push and insist, but this will probably lead them to harden and resist. Instead, do the opposite—draw them in the direction you would like them to go. Think of yourself as a mediator whose job is to make it easy for them to say yes. Involve them in the process, incorporating their ideas. Try to identify and satisfy their unmet interests, particularly their basic human needs. Help them save face and make the outcome appear as a victory for them. Go slow to go fast. Don't push: build them a golden bridge. Make it easy for the customer to say "Yes" to your offer or your solution to the problem.

Use Power to Educate: If the other side still resists and thinks they can win without negotiating, you need to educate them to the contrary. You need to make it hard for them to say no. You could use threats and force but these often backfire. If you push them into a corner, they will likely lash out, throwing even more resources into the fight against you. Instead, educate them about the costs of not agreeing. Ask reality-testing questions, warn rather than threaten, and demonstrate your best alternative to a negotiated agreement or BATNA. Use it only if necessary and minimize their resistance by exercising restraint and reassuring them that your goal is mutual satisfaction, not victory. Make sure they know the golden bridge is always open. Don't escalate: use power to educate.

In other words, what often happens in difficult conflicts is that when we've got an idea, we tend to push the other side. We tend to try and put pressure on them. Of course, the more pressure you put on someone, what do they instinctively do? They resist. So, unless you're much more powerful than them, you're in a standoff. What you find successful negotiators do is attract. Instead of making it harder for the other side, they try to make it easier for the other side to make the decision that they would like them to make. Make it more difficult to say "no" than to agree with your offer. In a difficult conversation with a customer, you want them to understand things like your limits of liability, the warnings included in your report, the scope of the inspection and perhaps all the items that they were able to negotiate on the purchase of a home because of your excellent inspection report. You're here and you're saying to them, "Come on over to my position. Come over to where I am." But if you put yourself in their shoes for a moment, it's not so easy for them to go where you'd like them to go. It's almost like there's a canyon or chasm—a Grand Canyon perhaps—of dissatisfaction and anxiety. Am I going to look like a fool? Am I going to look

weak? What am I going to say to my spouse, friends or agent? It's not easy for a disgruntled client to move where you'd like them to, so it's incumbent upon us to leave where our minds are for a moment, begin the conversation over where they are, and build them a golden bridge over that chasm. Make it as easy as possible for them to move in the direction you'd like them to move.

When you actively listen to them, you create a favorable climate for negotiation. You can then reframe the argument and change the complaint into an opportunity. When your aim is mutual satisfaction, you are more likely to use your power constructively than trying to "win." Then you have an opportunity to reaffirm the relationship and turn a disgruntled customer into a favored client. That client will feel valued and heard. In return for your patience and restraint, you will often find a relieved customer who will happily leave you positive feedback. **WRE**

Editor's Note: Senior Broker at OREP, David Brauner, says that it is a best practice to report any complaint or claim to your carrier early on, before getting into a negotiation. "OREP's E&O program is unique in the market in that frivolous complaints that don't turn into claims do not result in increased premiums for OREP insureds," Brauner says. "Most are handled at no cost in the pre-claims process. It is a good idea to report claims early on and let the experts support and guide you through any negotiation." To learn more, see *When to Report a Claim or Incident* (Visit WorkingRE.com, search "Report").

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Inspector Advisor Q&A

by Jerry Peck, InspectorAdvisor.com



Editor's Note: InspectorAdvisor.com is a free inspection support service from OREP E&O which allows OREP member-insureds to get their tough inspection questions answered—fast. Other inspectors can subscribe for just \$59 per year at InspectorAdvisor.com.

OREP Insured: I'm a new inspector starting my business. Is it okay to sub out mold and radon inspections to stay competitive? What would be the best practice?

Jerry Peck/InspectorAdvisor: If you sub out work to another company, you may still have some liability and responsibility for the mistakes of whom you hire. You could be entangled in their claim, so if you are using subcontractors, the best practice is to make your agent/carrier aware, OREP in your case, and to become a Certificate Holder (see below). There is no additional charge for this at OREP. You might also want to have the coverage yourself for radon and mold as an added protection. Radon is included free. Mold is a small additional premium.

If mold and radon are necessary inspections in your area, then I would contract with mold and radon professionals who are not home inspectors, to keep your client list exclusive.

Another idea is to work with inspectors if they are properly licensed/trained for mold and radon. In this way, you obtain the training and experience you need to offer the services yourself in the future. They get part or all of the fee and you learn what you need to know. Your cost is the cost of education. Make sure the arrangements are legal for your area as radon testing requires a license in some states. Some areas also require a mold license. So make sure your arrangement meets the requirements of the applicable licensing for your area and includes you getting the job training and verifiable experience, where required. For licensing in some areas, you will need a verifiable log of your hands-on training hours.

Risk Management Note from OREP.org: OREP sees many new home inspectors sub-contract out specialized services such as mold and radon, until they have the required training and experience. We advise OREP insureds to request that their subcontractors list them as a Certificate Holder on the subcontractor's E&O and GL insurance policy and that the subcontractor be insured. The certificate is a way the OREP insured can have confidence that the company performing the subcontracted work is carrying insurance. When you are listed as a Certificate Holder, you are notified if the coverage in place is cancelled,

which is an added protection. This is a smart way to reduce your liability and avoid taking on unnecessary third-party risk when referring business or subcontracting work.

OREP has a broad, competitively-priced policy that includes E&O, General Liability/Off-Premises, Infrared, Radon, Drone and much more. New inspectors are welcome, and OREP's package includes free pre-claims assistance and guidance, no increase in premium for frivolous complaints, risk management materials and training webinars on how to stay out of trouble and limit your liability. You can learn more at OREP.org/inspectors. **WRE**

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Broad coverage should never be optional, according to David Brauner, Senior Insurance Broker at OREP. "If you want to do the best for yourself, your family and your business, be sure to choose a professional insurance policy that will protect you adequately should the unexpected happen," Brauner says. "A broad policy covers you for the threats that you can anticipate as well as the unexpected ones that you don't see coming. A broad policy covers all the bases and keeps you safe." The OREP E&O insurance program offers Errors and Omissions, General Liability/Premises Coverage, Radon, Termite/WDI/WDO, Lead Paint, Pool & Spa, EIFS/Stucco, Indoor Air Quality Testing, Green Building Inspections, Infrared Thermography, Rodent Inspections, Mold and Septic/Water testing, and more (most states). Prior Acts, multiple inspectors, commercial, additional insured for agents/referring parties and much more. Please ask your OREP agent for details. All insureds enjoy automatic membership in the OREP Professional Support Network (\$95 value), which includes free, on-demand inspection support, savings on professional contracts, discounted state-approved education and training, *Working RE* magazine, discounts on office supplies, technology and more. Visit OREP.org or call toll-free (888) 347-5273. OREP—Organization of Real Estate Professionals Insurance Services, LLC. Calif. Lic. #OK99465.



Save on Office Supplies, Telecom and More

Corporate savings is a little-known but significant cost-saving benefit of being an OREP insured. Home inspectors insured through OREP save money with Office Depot, Staples, Dell, FedEx, UPS, Sprint, travel, and more. The program is free. OREP/*Working RE* saves well over \$1,000 a year on office supplies alone. Rod Lopez, an OREP insured from New Jersey, says that he saved over \$100 on the discounts at Staples and Office Depot. Cynthia Traylor, from House Calls Home Inspections in California, said "YES! We are saving 19% on our Verizon bill and I order all of our office supplies through the discounted Staples portal—they provide overnight, FREE shipping, even on Sunday orders! Lastly, we are considering the Six Flags discount. So, yes, yes, and yes. We are taking advantage and truly enjoying your program. Great job!" A cost comparison of a typical office shopping list netted a savings on supplies of \$500 (\$3,500 total order). Large company or small, you can enjoy significant discounts on the goods and services you use most. The corporate savings program is part of the OREP Professional Support Network (\$95 value), free for OREP E&O insureds. For details, email isaac@orep.org.



Risk Management: 90-Day Warranties Increase Your Business/Reduce Your Headaches

Offering a solid and simple, no-gimmick home warranty grows your business and makes your clients happy when you include it free with your home inspections. It tells your clients that your product is good enough to back up. Sometimes you only get one conversation with a potential client or one click to your website to close the deal. Make your business the obvious choice for homebuyers AND reduce your headaches: warranty-related nuisance claims are handled professionally and quickly by the experts, instead of burning up your time and attention trying to "fix the problem." You concentrate on inspecting, not problem solving; meanwhile your clients are in good hands. "The warranty program fits squarely in line with our approach to business. They stand behind everything they say and the commitment really shows," says Tom Sullivan, home inspector and founder of Inspecl0 in Arizona. The Complete Protection (CPT™) 90-Day Guarantee provides your clients with a warranty on the major mechanical systems in the home. The 90-Day Guarantee is valid for 90 days from the day of inspection or 30 days after house closing (whichever comes later) and has no dollar caps on repairs with no deductible or copay. Unlike other programs, all claims are done over the phone without having to submit any documentation in order to receive service. Home inspectors can offer a warranty to every client for as little as \$12.50, which can be easily built into your fee without notice. Visit OREP.org/warranty or see page 32 to learn more or call (888) 347-5273. OREP E&O insureds save.

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Pats on the Back

by Ron Passaro, ASHI Member 0000001

Home inspectors should pat themselves on the back. Prior to the introduction of home inspections into the process of a home purchase, once a home was built and passed whatever local building code existed at the time, it was never or rarely ever entered again and looked at by a professional. In some areas, even this minimal type of inspection was not performed. Add to this, improperly trained service and repair technicians who didn't care much about pride in workmanship or worse—scams and just general incompetence. When repairs were made, many were performed in a slip-shod manner with no thought to craftsmanship or longevity.

The repair people were confident that whatever they fixed would probably never be scrutinized by a professional, so many did not care. I remember finding furnaces and boilers with their electrical wires hanging out of the boxes, vent pipes improperly connected or held in place by string shortly after being serviced, and many “barometric” dampers screwed shut, instead of resolving the problem and correcting the condition that required it to be screwed shut in the first place. The unit should be serviced properly: adjusting combustion, temperature, draft and checking all the components that make the unit run safely. The vent pipe, if damaged or not properly secured, should be addressed; any visible leaks should be addressed immediately.

These are but a few of the things the Home Inspector will be looking at. There is more to a furnace or boiler than just keeping the oil burner consuming fuel. Cracked heat exchangers were a regular occurrence, hazardous electrical repairs as common as some of the dust bunnies you might find under the bed.



America's housing stock was falling into disrepair. Then in the early '70s something new began, so new there wasn't even a recognized name for it. That is when the seed for this profession took root and The American Society of Home Inspectors (ASHI) was born. The law of the land for years was “caveat emptor”—let the buyer beware. Once you bought it you owned it, along with all problems associated with it. No one really represented the best interests of the buyer. At times this could make a buyer feel overwhelmed. A home inspection made the buyers more relaxed and leveled the playing field between buyer and seller.

What this now mature profession has done is made our homes and the homes of our neighbors safer to live in. How many lives have been saved from carbon monoxide poisoning, due to leaking furnace heat exchangers and other sources, that inspectors have detected over the years? How many house fires were avoided because of the electrical faults uncovered by inspectors and how many trips, falls and other injuries have been prevented by inspectors? There is no national source for this information, but know that you are part of a proud tradition. **WRE**



Ronald J. Passaro is the President of RES-I-TEC, Inc. and the founder of ASHI. He has played a key role in organizing the inspection profession as we know it today. Passaro's ASHI Member number is 0000001.

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