

1 11 NCAC 08 .1101 is amended with changes as published in 38:06 NCR 332-334 as follows:

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11 NCAC 08 .1101 DEFINITIONS

The following definitions apply to this Section:

- (1) "Abnormal" means nontypical or unusual conditions that could cause damage to systems and components of the home.
- (2) "Arc-fault circuit interrupter" means a device intended to provide protection from the effects of arc faults by recognizing characteristics unique to arcing and [by functioning to] de-energize de-energizing the circuit when an arc fault is detected.
- ~~(2)~~(3) "Automatic safety controls" means devices designed and installed to protect systems and components from excessively high or low pressures and temperatures, excessive electrical current, loss of water, loss of ignition, fuel leaks, fire, freezing, or other unsafe conditions as stated in manufacturer's instructions.
- ~~(3)~~(4) "Central air conditioning" means a system that uses ducts to distribute cooled or dehumidified air to more than one room or uses pipes to distribute chilled water to heat exchangers in more than one room, and that is not plugged into an electrical convenience outlet.
- ~~(4)~~ (5) "Component" means a readily accessible and visible aspect of a system, such as a floor, floor or wall, but not individual pieces such as boards or nails where many similar pieces make up the component.
- ~~(5)~~(6) "Cosmetic damage" means blemishes or defects that do not interfere with the functionality of the component or system.
- ~~(6)~~(7) "Cross connection" means any physical connection or [arrangement] contact between potable water and any source of contamination.
- ~~(7)~~(8) "Dangerous or adverse situations" means situations that pose a threat of injury to the inspector, or those situations that require the use of special protective clothing or safety equipment.
- ~~(8)~~(9) "Describe" means report in writing a system or component by its type, or other inspected characteristics, to distinguish it from other systems or components used for the same purpose.
- ~~(9)~~(10) "Dismantle" means to take apart or remove any component, device, or piece of equipment that is bolted, screwed, or fastened by other means and that would not be disassembled by a homeowner in the course of routine household maintenance.
- ~~(10)~~(11) "Enter" means to go into an area to inspect all visible components.
- ~~(11)~~(12) "Functional drainage" means a drain that empties at a rate equal to or greater than the supply water flow to the fixture.
- ~~(12)~~ (13) "Functional flow" means a usable flow at the highest fixture in a dwelling when another fixture is operated simultaneously.

1 (14) "Gray water" means wastewater generated from household activities that do not involve human
2 waste, such as bathing, showering, handwashing, and laundry, which typically contains some
3 residues from soap, detergent, and dirt.

4 (15) "Gray water system" means a water reuse system contained within a single-family residence
5 or multiunit residential or commercial building that filters gray water or captured rainwater and
6 reuses it for ~~nonportable~~ nonpotable purposes such as toilet flushing and irrigation.

7 (16) "Ground-fault circuit interrupter" means devices intended for the protection of ~~personnel~~ people
8 that ~~functions to de-energize~~ de-energizes a circuit or portion thereof within an established
9 period of time when currents are out of balance.

10 ~~(13)~~(17) "Habitable space" means a space in a building for living, sleeping, ~~eating~~ eating, or cooking.
11 "Habitable space" does not mean a bathroom, toilet room, closet, or any space used or designed for
12 storage.

13 ~~(14)~~(18) "Harmful" means conditions that cause damage to systems and components of the home.

14 ~~(15)~~(19) "Inspect" means to make a visual examination.

15 ~~(16)~~ (20) "Installed" means attached or connected such that an item requires tools for removal.

16 ~~(17)~~(21) "Normal operating controls" means homeowner operated devices such as a thermostat, wall switch,
17 or safety switch.

18 ~~(18)~~(22) "On-site water supply quality" means water quality based on the bacterial, chemical, mineral, and
19 solids content of the on-site well water.

20 ~~(19)~~ (23) "On-site water supply quantity" means the rate of flow of on-site well water.

21 ~~(20)~~ (24) "Operate" means to cause systems or equipment to ~~function-~~ function as intended.

22 ~~(21)~~(25) "Readily accessible" means within reach, without the use of a ladder, not blocked by appliances,
23 and approachable or enterable for visual inspection without the risk of damage to any property or
24 alteration of the accessible space, equipment, or opening.

25 ~~(22)~~ (26) "Readily openable access panel" means a panel provided for homeowner inspection and
26 maintenance that has removable or operable fasteners or latch devices in order to be lifted off, swung
27 open, or otherwise removed by one person; and its edges and fasteners are not painted in place. This
28 definition is limited to those panels within reach standing on the floor or from a four-foot stepladder,
29 and that are not blocked by stored items, furniture, or building components.

30 ~~(23)~~(27) "Readily visible" means seen by using natural or artificial light without the use of equipment or tools
31 other than a flashlight.

32 ~~(24)~~(28) "Representative number" means, for multiple identical components such as windows and electrical
33 outlets, one such component per room; and, for multiple identical exterior components, one such
34 component on each side of the building.

35 ~~(25)~~ (29) "Roof drainage systems" means gutters, downspouts, leaders, splash blocks, and similar components
36 used to carry water off a roof and away from a building.

1 (30) “Sewage pump” means a device used at elevations where mechanical assistance is needed to move
2 effluent to a sewage system.

3 ~~(26)~~(31) "Shut down" means a piece of equipment or a system that cannot be operated by the device or control
4 provided for homeowner operation. If its safety switch or circuit breaker is in the "off" position, or
5 its fuse is missing or blown, the inspector is not required to reestablish the circuit for the purpose of
6 operating the equipment or system.

7 ~~(27)~~ (32) "Solid fuel heating device" means any wood, coal, fossil, or other similar organic fuel burning
8 device, including fireplaces whether masonry or factory built, fireplace inserts and stoves, wood
9 stoves (room heaters), central furnaces, and combinations of these devices.

10 ~~(28)~~ (33) "Structural component" means a component that supports non-variable forces or weights (dead
11 loads) and variable forces or weights (live loads).

12 (34) “Sump pump” means a device used to remove [clear water such as condensation or foundation
13 drainage not associated with the plumbing system.] non-effluent drainage.

14 ~~(29)~~ (35) "System" means a combination of interacting or interdependent components, assembled to carry out
15 one or more functions.

16 ~~(30)~~ (36) "Technically exhaustive" means an inspection involving the use of measurements, instruments,
17 testing, calculations, and other means to develop scientific or engineering findings, conclusions, and
18 recommendations.

19 ~~(31)~~(37) "Under floor crawl space" means the area within the confines of the foundation and between the
20 ground and the underside of the lowest floor structural component.

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22 History Note: Authority G.S. 143-151.49;
23 Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,
24 1996;
25 Temporary Adoption Eff. October 24, 1996;
26 Eff. July 1, 1998;
27 Amended Eff. February 1, 2007; April 1, 2005; May 1, 2003;
28 Readopted Eff. October 1, 2018.
29 Amended Eff. October 1, 2024.

1 11 NCAC 08 .1103 is amended with changes as published in 38:06 NCR 334 as follows:

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3 **11 NCAC 08 .1103 PURPOSE AND SCOPE**

4 (a) Home inspections performed according to this Section shall provide the client with an understanding of the
5 property conditions, as inspected at the time of the home inspection.

6 (b) Home inspectors shall:

- 7 (1) provide a written contract, signed by the client, before the home inspection is performed that shall:
- 8 (A) State state that the home inspection is in accordance with the Standards of Practice of the
9 North Carolina Home Inspector Licensure Board as set forth in this Section;
- 10 (B) State state what services shall be provided and the cost; and
- 11 (C) When when an inspection is for only one or a limited number of systems or components,
12 state that the inspection is limited to only those systems or components;
- 13 (2) inspect readily visible and readily accessible installed systems and components described in Rules
14 .1106 through .1115 of this Section;
- 15 (3) submit a written report pursuant to G.S. 143-151.58(a), to the client that shall:
- 16 (A) Describe describe those systems and components required to be described in Rules .1106
17 through .1115 of this Section;
- 18 (B) State state which systems and components present at the home and designated for
19 inspection in this Section were not inspected, and the reason for not inspecting;
- 20 (C) State state any systems or components inspected that do not function as intended, allowing
21 for normal wear and tear, or appear not to function as intended, based upon documented
22 tangible evidence;
- 23 (D) Describe describe each system or component, pursuant to Part (b)(3)(C) of this Rule; state
24 how the condition is defective; explain the implications of defective conditions reported;
25 and direct the client to a course of action for repair, monitoring, or further investigation by
26 a specialist;
- 27 (E) [On] on the first or second page clearly State state the name, license number, and signature
28 of the person conducting the inspection.
- 29 (4) submit a summary page(s) pursuant to G.S. 143-151.58(a1).

30 (c) Home inspectors may:

- 31 (1) report observations and conditions, including safety or habitability concerns, or render opinions of
32 items in addition to those required in Paragraph (b) of this Rule; or
- 33 (2) exclude systems and components from the inspection if requested by the client, and so stated in the
34 written contract.
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36 *History Note: Authority G.S. 143-151.49; 143-151.58;*

1 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
2 *1996;*
3 *Temporary Adoption Eff. October 24, 1996;*
4 *Eff. July 1, 1998;*
5 *Amended Eff. October 1, 2014; October 1, 2011; March 1, 2010; February 1, 2009; February 1,*
6 *2007; April 1, 2005; May 1, 2003; July 1, 2000;*
7 *Readopted Eff. October 1, 2018.*
8 *Amended Eff. October 1, 2024.*
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1 11 NCAC 08 .1105 is amended with changes as published in 38:06 NCR 334-335 as follows:

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3 **11 NCAC 08 .1105 GENERAL EXCLUSIONS**

4 (a) Home inspectors are not required to report on:

- 5 (1) Life life expectancy of any component or system;
- 6 (2) The the causes of the need for a repair;
- 7 (3) The the methods, materials, and costs of corrections;
- 8 (4) The the suitability of the property for any specialized use;
- 9 (5) Compliance compliance or non-compliance with codes, ordinances, statutes, regulatory
10 requirements, or restrictions;
- 11 (6) The the market value of the property or its marketability;
- 12 (7) The the advisability or inadvisability of purchase of the property;
- 13 (8) Any any component or system that was not inspected;
- 14 (9) The the presence or absence of pests such as wood damaging organisms, rodents, or insects;
- 15 (10) Cosmetic cosmetic damage, underground items, or items not installed; or
- 16 (11) The the presence or absence of systems installed to control or remove suspected hazardous
17 substances listed in Subparagraph (b)(7) of this Rule.

18 (b) Home inspectors are not required to:

- 19 (1) Offer offer warranties or guarantees of any kind;
- 20 (2) Calculate calculate the strength, adequacy, or efficiency of any system or component;
- 21 (3) Enter enter any area or perform any procedure that may damage the property or its components or
22 be dangerous to or adversely affect the health or safety of the home inspector or other persons;
- 23 (4) Operate operate any system or component that is shut down or otherwise inoperable;
- 24 (5) Operate operate any system or component that does not respond to normal operating controls;
- 25 (6) Move-move-personal items, panels, furniture, equipment, plant life, soil, snow, ice, or debris that
26 obstructs access or visibility;
- 27 (7) Determine determine the presence or absence of any suspected adverse environmental condition or
28 hazardous substance, including mold, toxins, carcinogens, noise, contaminants in the building or in
29 soil, water, and air;
- 30 (8) Determine determine the effectiveness of any system installed to control or remove suspected
31 hazardous substances;
- 32 (9) Determine determine House Energy Ratings (HER), insulation R values, system or component
33 efficiencies;
- 34 (10) Inspect inspect heat recovery and similar whole house ventilation systems;
- 35 (11) Predict predict future condition, including failure of components;
- 36 (12) Project project operating costs of components;
- 37 (13) Evaluate evaluate acoustical characteristics of any system or component;

- 1 (14) ~~Inspect inspect~~ special equipment or accessories that are not listed as components to be inspected in
2 this Section; ~~or~~
- 3 (15) ~~Disturb disturb~~ insulation, except as required in Rule .1114 of this ~~Section. Section:~~
- 4 (16) ~~[Inspect] inspect~~ elevators or related equipment meant to transport occupants or materials between
5 elevations; or
- 6 (17) ~~[Inspect] inspect~~ 240V receptacles or outlets.

7 (c) Home inspectors shall not:

- 8 (1) ~~Offer offer~~ or perform any act or service contrary to law; or
- 9 (2) ~~Offer offer~~ or perform engineering, architectural, plumbing, electrical or any other job function
10 requiring an occupational license in the jurisdiction where the inspection is taking place, unless the
11 home inspector holds a valid occupational license. In that case the home inspector shall inform the
12 client that the home inspector is so licensed, and therefore qualified to go beyond this Section and
13 perform additional inspections beyond those within the scope of the Standards of Practice.

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15 *History Note: Authority G.S. 143-151.49;*
16 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
17 *1996;*
18 *Temporary Adoption Eff. October 24, 1996;*
19 *Eff. July 1, 1998;*
20 *Amended Eff. February 1, 2007; April 1, 2005; May 1, 2003;*
21 *Readopted Eff. October 1, 2018.*
22 *Amended Eff. October 1, 2024.*
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1 11 NCAC 08 .1107 is amended with changes as published in 38:06 NCR 335 as follows:

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3 **11 NCAC 08 .1107 EXTERIOR**

4 (a) The home inspector shall inspect:

- 5 (1) Wall wall cladding, flashings, and trim;
- 6 (2) Entryway entryway doors and a representative number of windows;
- 7 (3) Garage garage door operators; operators, including automatic safety controls;
- 8 (4) Decks, decks, balconies, stoops, steps, areaways, porches, and appurtenant railings;
- 9 (5) Eaves, eaves, soffits, and fascias;
- 10 (6) Driveways, driveways, patios, walkways, and retaining walls; and
- 11 (7) Vegetation, vegetation, grading, and drainage with respect only to their effect on the condition of
12 the building.

13 (b) The home inspector shall:

- 14 (1) Describe describe wall cladding materials;
- 15 (2) Operate operate all entryway doors;
- 16 (3) Operate operate garage doors manually or by using installed controls for any garage door operator;
17 [and]
- 18 (4) Report report ~~whether or not~~ any garage door operator that will not automatically reverse or stop
19 when meeting reasonable resistance during closing; ~~and~~
- 20 (5) ~~[Report] report [when]~~ any garage door that will not automatically reverse when photoelectric safety
21 devices are actuated;
- 22 (6) ~~[Report] report~~ any garage door operator that does not utilize a photoelectric safety device; and
- 23 (5)(7) Probe probe exterior wood components where deterioration is suspected.

24 (c) The home inspector is not required to inspect:

- 25 (1) Storm storm windows, storm doors, screening, shutters, and awnings;
- 26 (2) Fences; fences;
- 27 (3) For for the presence of safety glazing in doors and windows;
- 28 (4) Garage-garage door operator remote control transmitters;
- 29 (5) Geological geological conditions;
- 30 (6) Soil soil conditions;
- 31 (7) Recreational recreational facilities (including spas, saunas, steam baths, swimming pools, tennis
32 courts, playground equipment, and other exercise, entertainment, or athletic facilities), except as
33 otherwise required in 11 NCAC 08 .1109(d)(5)(F);
- 34 (8) Detached detached buildings or structures; or
- 35 (9) For for the presence or condition of buried fuel storage tanks.

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37 *History Note: Authority G.S. 143-151.49;*

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Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15, 1996;
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1 11 NCAC 08 .1109 is amended with changes as published in 38:06 NCR 335-336 as follows:

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3 **11 NCAC 08 .1109 PLUMBING**

4 (a) The home inspector shall inspect:

5 (1) ~~Interior~~ interior water supply and distribution system, including: piping materials, supports, and
6 insulation; fixtures and faucets; functional flow; leaks; and cross connections;

7 (2) ~~Interior~~ interior drain, waste, and vent system, including: traps; drain, waste, and vent piping; piping
8 supports and pipe insulation; leaks; and functional drainage;

9 (3) ~~Hot~~ hot water systems including: water heating equipment; normal operating controls; automatic
10 safety controls; and chimneys, flues, and vents;

11 (4) ~~Fuel~~ fuel storage and distribution systems including: interior fuel storage equipment, supply piping,
12 venting, and supports; leaks; and

13 (5) ~~Sump~~ sump pumps.

14 (b) The home inspector shall describe:

15 (1) ~~Water~~ water supply and distribution piping materials;

16 (2) ~~Drain,~~ drain waste, and vent piping materials;

17 (3) ~~Water~~ water heating equipment, including fuel or power source, storage capacity or tankless point
18 of use demand systems, and location; and

19 (4) ~~The~~ the location of any main water supply shutoff device.

20 (c) The home inspector shall operate all plumbing fixtures, including their faucets and all exterior faucets attached to
21 the house, except where the flow end of the faucet is connected to an appliance.

22 (d) The home inspector is not required to:

23 (1) ~~State~~ state the requirement for or effectiveness of anti-siphon devices;

24 (2) ~~Determine~~ determine whether water supply and waste disposal systems are public or ~~private~~ private;
25 ~~or the presence or absence of backflow devices;~~

26 (3) ~~[Operate] automatic safety controls~~ determine the presence or absence of backflow devices;

27 (3)(4) ~~Operate~~ operate automatic safety controls;

28 (4)(5) ~~Operate~~ operate any valve except water closet flush valves, fixture faucets, and hose faucets;

29 (5)(6) ~~Inspect;~~ inspect:

30 (A) ~~Water~~ water conditioning systems;

31 (B) ~~Fire~~ fire and lawn sprinkler systems;

32 (C) ~~On-site~~ on-site water supply quantity and quality;

33 (D) ~~On-site~~ on-site waste disposal ~~systems;~~ systems including electrical controls, alarms,
34 sewage pumps, and gray water systems;

35 (E) ~~Foundation~~ foundation irrigation systems;

36 (F) ~~Bathroom~~ bathroom spas, whirlpools, or air jet tubs except as to functional flow and
37 functional drainage;

- 1 (G) ~~Swimming~~ swimming pools;
- 2 (H) ~~Solar~~ solar water heating equipment; ~~or~~
- 3 (I) ~~Fixture~~ fixture overflow devices or shower pan liners; ~~or~~
- 4 ~~(6)(7)~~ ~~Inspect~~ inspect the system for proper sizing, design, or use of approved materials;
- 5 ~~(7)(8)~~ ~~Report~~ report on the absence or presence of thermal expansion tanks; ~~or~~
- 6 ~~(8)(9)~~ ~~Report~~ report on the adequacy of the reported water heater ~~capacity.~~ capacity; or
- 7 ~~(9)(10)~~ ~~[Operate]~~ operate sewage pumps.

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10 *History Note: Authority G.S. 143-151.49;*
11 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
12 *1996;*
13 *Temporary Adoption Eff. October 24, 1996;*
14 *Eff. July 1, 1998;*
15 *Amended Eff. February 1, 2007; April 1, 2005;*
16 *Readopted Eff. October 1, 2018.*
17 *Amended Eff. October 1, 2024.*

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1 11 NCAC 08 .1110 is amended with changes as published in 38:06 336 as follows:

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3 **11 NCAC 08 .1110 ELECTRICAL**

4 (a) The home inspector shall inspect:

5 (1) ~~Electrical electrical~~ service entrance conductors;

6 (2) ~~Electrical electrical~~ service equipment, grounding equipment, main overcurrent device, and interiors
7 of panelboard enclosures unless unsafe conditions are reported;

8 (3) ~~Amperage amperage~~ and voltage ratings of the electrical service;

9 (4) ~~Branch branch~~ circuit conductors, their overcurrent devices, and the compatibility of their
10 ampacities at the interiors of panelboard enclosures unless unsafe conditions are reported;

11 (5) ~~The the~~ operation of a representative number of installed ceiling fans, lighting fixtures, switches,
12 and receptacles located inside the house, garage, and on the dwelling's exterior walls;

13 (6) ~~The polarity and grounding of all [All] all readily accessible 120V receptacles within six feet of~~
14 ~~interior plumbing fixtures, not separated from a fixture by an operable door, and all receptacles in~~
15 ~~the garage or carport, and on the exterior of inspected structures; structures; and~~

16 (7) ~~The the~~ operation of ground fault circuit ~~interrupters; and interrupters within six feet of the~~
17 ~~floor/ground.~~

18 (8) ~~Smoke detectors and installed carbon monoxide alarms.~~

19 (b) The home inspector shall describe:

20 (1) ~~Electrical electrical~~ service amperage and voltage;

21 (2) ~~Electrical electrical~~ service entry conductor ~~materials; materials at the readily openable access~~
22 ~~panels at the main;~~

23 (3) ~~The the~~ electrical service type as being overhead or underground; and

24 (4) ~~The the~~ location of main and distribution panels.

25 (c) The home inspector shall report in writing the presence of any readily accessible single strand aluminum branch
26 circuit wiring.

27 (d) The home inspector shall report in writing ~~on~~ the presence or absence of ~~readily accessible; smoke detectors, and~~
28 ~~installed carbon monoxide alarms in any homes with fireplaces, fuel fired appliances or attached garages, and operate~~
29 ~~their test function, if readily accessible, except when detectors are part of a central alarm system.~~

30 (1) ~~[Installed] installed~~ smoke alarms, and operate their test function, except when smoke alarms are
31 ~~part of a central alarm system;~~

32 (2) ~~[Installed] installed~~ carbon monoxide alarms in any homes with fireplaces, fuel fired appliances, or
33 ~~attached garages, and operate their test function, except when carbon monoxide alarms are part of a central alarm~~
34 ~~system; and~~

35 (3) ~~[Ground] ground~~ fault protection of receptacles within six feet of interior plumbing fixtures not
36 ~~separated from a fixture by an operable door, and all receptacles in the garage or carport, on the exterior of inspected~~
37 ~~structures.~~

- 1 (e) The home inspector is not required to:
- 2 (1) ~~Insert~~ insert any tool, probe, or testing device inside the panels;
- 3 (2) ~~Test~~ test or operate any arc-fault circuit interrupters or other overcurrent device. ~~devices; except~~
4 ~~ground fault circuit interrupters;~~
- 5 (3) ~~Dismantle~~ dismantle any electrical device or control other than to remove the covers of panelboard
6 enclosures; or
- 7 (4) Inspect:
- 8 (A) ~~Low~~ low voltage systems;
- 9 (B) ~~Security~~ security systems and heat detectors;
- 10 (C) ~~Telephone,~~ telephone, security, cable TV, intercoms, or other ancillary wiring that is not a
11 part of the primary electrical distribution system;
- 12 (D) ~~Built in~~ built-in vacuum equipment;
- 13 (E) ~~Back~~ back up electrical generating equipment;
- 14 (F) ~~Other~~ other alternative electrical generating or renewable energy systems such as solar,
15 wind, or hydro power;
- 16 (G) ~~Battery~~ battery or electrical automotive charging systems; ~~or~~
- 17 (H) ~~Electrical~~ electrical systems to swimming pools or spas, including bonding and ~~grounding,~~
18 ~~grounding;~~ or
- 19 (I) ~~Elevators~~ elevators or related equipment used for the purpose of transporting occupants
20 or materials between elevations.

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22 *History Note: Authority G.S. 143-151.49; 143-151.58;*

23 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
24 *1996;*

25 *Temporary Adoption Eff. October 24, 1996;*

26 *Eff. July 1, 1998;*

27 *Amended Eff. September 1, 2013; February 1, 2007; April 1, 2005;*

28 *Readopted Eff. October 1, 2018.*

29 *Amended Eff. October 1, 2024.*

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1 11 NCAC 08 .1116 is amended with changes as published in 38:06 337-338 as follows:

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3 **11 NCAC 08 .1116 CODE OF ETHICS**

4 (a) Licensees shall discharge their duties ~~with fidelity~~ faithfully, accurately, and impartially to the public and to their
5 clients. ~~with fairness and impartiality to all.~~

6 (b) Opinions expressed by licensees shall be based only on their education, experience, and honest convictions.

7 (c) A licensee shall not disclose any information about the results of an inspection without the approval of the client
8 for whom the inspection was performed, or the client's ~~representative.~~ representative, unless the licensee finds that
9 public health, safety, or welfare imperatively requires immediate or emergency action.

10 (d) No licensee shall accept compensation or any other consideration from more than one interested party for the
11 same service without the written consent of all interested parties.

12 (e) No licensee or licensee's company shall compensate, either financially or through other services or benefits, realty
13 agents or other parties with a financial interest in closing or settlement of real estate transactions for the following:

14 (1) Referral of inspections; or

15 (2) Inclusion on a list of recommended inspectors or preferred providers.

16 This Rule also prohibits co-marketing or sharing of expenses between the licensee or licensee's company and realty
17 agents or other parties with a financial interest in closing or settlement of real estate transactions that obligates the
18 realty agents or other parties with a financial interest in closing or settlement of real estate transactions to include the
19 licensee or the licensee's company on preferred lists of providers. [However, nothing set forth in this Rule shall
20 prohibit a licensee or licensee's company from engaging in customary marketing activities of low monetary value,
21 such as providing food or beverages or other items, where the costs for such marketing activities are nominal, so
22 long as the marketing activities are not intended to be a form of compensation in exchange for recommendations for
23 referrals or placement on preferred lists of providers.]

24 (f) No licensee shall express, within the context of an inspection, an appraisal or opinion of the market value of the
25 inspected property.

26 (g) Before the execution of a contract to perform a home inspection, a licensee shall disclose to the client any interest
27 he or she has in a business that may create a conflict of interest for the home inspector or the client. No licensee shall
28 allow his or her interest in any business to affect the quality or results of the inspection work that the licensee may be
29 called upon to perform. The client must approve in writing the licensee's dissemination of personal information
30 [including names, addresses, email addresses or phone numbers] unrelated to the results of the home inspection to
31 any third parties, other than the Board.

32 (h) A licensee shall not solicit for repairs of systems or components found defective in the course of a home inspection
33 performed by the licensee or that licensee's company.

34 (i) Licensees shall not engage in false or misleading advertising or otherwise misrepresent any matters to the public.

35 (j) Licensees shall not inspect properties under contingent arrangements whereby any compensation or future referrals
36 are dependent on reported findings or on the sale of a property.

1 (k) A licensee shall not impugn the professional reputation or practice of another home inspector, nor criticize another
2 inspector's reports.

3 (l) ~~[Unless]~~ Licensees must obtain written permission ~~[is obtained]~~ from the ~~[appropriate party or parties,]~~ client or
4 clients ~~[the licensee shall not]~~ to sell, ~~[share]~~ share, or provide data or personal information ~~[such as names,~~
5 ~~addresses, email addresses, telephone numbers]~~ about the home inspection or the client or clients to third parties,
6 other than the ~~[Board,]~~Board. ~~[and shall "opt-out" of software programs that seek permission from the licensee to use~~
7 ~~such data or personal information obtained from home inspection.]~~

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9 *History Note: Authority G.S. 143-151.49;*
10 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
11 *1996;*
12 *Temporary Adoption Eff. October 24, 1996;*
13 *Eff. July 1, 1998;*
14 *Amended Eff. May 1, 2013; October 1, 2010; July 1, 2000;*
15 *Readopted Eff. October 1, 2018.*
16 *Amended Eff. October 1, 2024.*

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