

1 11 NCAC 08 .1006 is amended as published in 40:16 NCR 1318 as follows:

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3 **11 NCAC 08 .1006 INSURANCE REQUIREMENTS**

4 (a) To be licensed as a home inspector, an applicant must meet the requirements set forth in G.S. 143-151.51(b)
5 including general liability insurance that meets the following requirements:

6 (1) The general liability insurance policy must cover the licensee's activities performed during the
7 course of a home inspection on the premises of the home inspection; and

8 (2) The general liability insurance policy must include coverage for both property damage and bodily
9 injury coverage.

10 (b) The amount of the surety bond required in G.S. 143-151.51(b) shall be at least five thousand dollars (\$5,000).
11 Any surety bond shall be written by a surety company that is authorized by the Commissioner of Insurance to do
12 business in this State.

13 (c) Each licensed home inspector shall annually submit, during the month of January, a certificate of insurance
14 evidencing the general liability insurance required by G.S. 143-151.58(b) and Paragraph (a) of this Rule. The Board
15 shall be listed as the certificate holder on the certificate of insurance. Failure to timely submit the required certificate
16 of insurance shall constitute grounds for disciplinary action.

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18 *History Note: Authority G.S. 143-151.49(a)(13); 143-151.51; 143-151.56(a)(8); 143-151.58(b);*
19 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
20 *1996;*
21 *Temporary Adoption Eff. October 24, 1996;*
22 *Eff. July 1, 1998;*
23 *Amended Eff. October 1, 2011;*
24 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 9,*
25 *~~2018.~~ 2018;*
26 *Amended Eff. June 1, 2026.*
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1 11 NCAC 08 .1101 is amended as published in 40:16 NCR 1318 as follows:
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3 **SECTION .1100 - N.C. HOME INSPECTOR STANDARDS OF PRACTICE AND CODE OF ETHICS**
4

5 **11 NCAC 08 .1101 DEFINITIONS**

6 The following definitions apply to this Section:

- 7 (1) "Abnormal" means nontypical or unusual conditions that could cause damage to systems and
8 components of the home.
- 9 (2) "Arc-fault circuit interrupter" means a device intended to provide protection from the effects of arc
10 faults by recognizing characteristics unique to arcing and de-energizing the circuit when an arc fault
11 is detected.
- 12 (3) "Automatic safety controls" means devices designed and installed to protect systems and
13 components from excessively high or low pressures and temperatures, excessive electrical current,
14 loss of water, loss of ignition, fuel leaks, fire, freezing, or other unsafe conditions as stated in
15 manufacturer's instructions.
- 16 (4) "Central air conditioning" means a system that uses ducts to distribute cooled or dehumidified air to
17 more than one room or uses pipes to distribute chilled water to heat exchangers in more than one
18 room, and that is not plugged into an electrical convenience outlet.
- 19 (5) "Component" means a readily accessible and visible aspect of a system, such as a floor or wall, but
20 not individual pieces such as boards or nails where many similar pieces make up the component.
- 21 (6) "Cosmetic damage" means blemishes or defects that do not interfere with the functionality of the
22 component or system.
- 23 (7) "Cross connection" means any physical connection or contact between potable water and any source
24 of contamination.
- 25 (8) "Dangerous or adverse situations" means situations that pose a threat of injury to the inspector, or
26 those situations that require the use of special protective clothing or safety equipment.
- 27 (9) "Describe" means report in writing a system or component by its type, or other inspected
28 characteristics, to distinguish it from other systems or components used for the same purpose.
- 29 (10) "Dismantle" means to take apart or remove any component, device, or piece of equipment that is
30 bolted, screwed, or fastened by other means and that would not be disassembled by a homeowner
31 in the course of routine household maintenance.
- 32 (11) "Enter" means to go into an area to inspect all visible components.
- 33 (12) "Finishes" means ceilings and wall coverings such as drywall, paneling, or drop ceiling panels.
- 34 ~~(12)~~(13) "Functional drainage" means a drain that empties at a rate equal to or greater than the supply water
35 flow to the fixture.
- 36 ~~(13)~~(14) "Functional flow" means a usable flow at the highest fixture in a dwelling when another fixture is
37 operated simultaneously.

- 1 ~~(14)~~(15) "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)~~(16) "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 nonpotable purposes such as toilet flushing and irrigation.
- 7 ~~(16)~~(17) "Ground-fault circuit interrupter" means devices intended for the protection of people that de-
8 energizes a circuit or portion thereof within an established period of time when currents are out of
9 balance.
- 10 ~~(17)~~(18) "Habitable space" means a space in a building for living, sleeping, eating, or cooking. "Habitable
11 space" does not mean a bathroom, toilet room, closet, or any space used or designed for storage.
- 12 ~~(18)~~(19) "Harmful" means conditions that cause damage to systems and components of the home.
- 13 ~~(19)~~(20) "Inspect" means to make a visual examination.
- 14 ~~(20)~~(21) "Installed" means attached or connected such that an item requires tools for removal.
- 15 ~~(21)~~(22) "Normal operating controls" means homeowner operated devices such as a thermostat, wall switch,
16 or safety switch.
- 17 ~~(22)~~(23) "On-site water supply quality" means water quality based on the bacterial, chemical, mineral, and
18 solids content of the on-site well water.
- 19 ~~(23)~~(24) "On-site water supply quantity" means the rate of flow of on-site well water.
- 20 ~~(24)~~(25) "Operate" means to cause systems or equipment to function as intended.
- 21 ~~(26)~~ "Pre-drywall inspection" means a limited home inspection primarily performed prior to
22 concealment by insulation and finishes (open cavity) on homes under construction involving two or
23 more systems, pursuant to G.S. 143-151.45.
- 24 (25) "Readily accessible" means within reach, without the use of a ladder, not blocked by appliances,
25 and approachable or enterable for visual inspection without the risk of damage to any property or
26 alteration of the accessible space, equipment, or opening.
- 27 (26) "Readily openable access panel" means a panel provided for homeowner inspection and
28 maintenance that has removable or operable fasteners or latch devices in order to be lifted off, swung
29 open, or otherwise removed by one person; and its edges and fasteners are not painted in place. This
30 definition is limited to those panels within reach standing on the floor or from a four-foot stepladder,
31 and that are not blocked by stored items, furniture, or building components.
- 32 (27) "Readily visible" means seen by using natural or artificial light without the use of equipment or tools
33 other than a flashlight.
- 34 (28) "Representative number" means, for multiple identical components such as windows and electrical
35 outlets, one such component per room; and, for multiple identical exterior components, one such
36 component on each side of the building.

- 1 (29) "Roof drainage systems" means gutters, downspouts, leaders, splash blocks, and similar components
2 used to carry water off a roof and away from a building.
- 3 (30) "Sewage pump" means a device used at elevations where mechanical assistance is needed to move
4 effluent to a sewage system.
- 5 (31) "Shut down" means a piece of equipment or a system that cannot be operated by the device or control
6 provided for homeowner operation. If its safety switch or circuit breaker is in the "off" position, or
7 its fuse is missing or blown, the inspector is not required to reestablish the circuit for the purpose of
8 operating the equipment or system.
- 9 (32) "Solid fuel heating device" means any wood, coal, fossil, or other similar organic fuel burning
10 device, including fireplaces whether masonry or factory built, fireplace inserts and stoves, wood
11 stoves (room heaters), central furnaces, and combinations of these devices.
- 12 (33) "Structural component" means a component that supports non-variable forces or weights (dead
13 loads) and variable forces or weights (live loads).
- 14 (34) "Sump pump" means a device used to remove non-effluent drainage.
- 15 (35) "System" means a combination of interacting or interdependent components, assembled to carry out
16 one or more functions.
- 17 (36) "Technically exhaustive" means an inspection involving the use of measurements, instruments,
18 testing, calculations, and other means to develop scientific or engineering findings, conclusions, and
19 recommendations.
- 20 (37) "Under floor crawl space" means the area within the confines of the foundation and between the
21 ground and the underside of the lowest floor structural component.

22
23 *History Note: Authority G.S. 143-151.49;*
24 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
25 *1996;*
26 *Temporary Adoption Eff. October 24, 1996;*
27 *Eff. July 1, 1998;*
28 *Amended Eff. February 1, 2007; April 1, 2005; May 1, 2003;*
29 *Readopted Eff. October 1, 2018;*
30 *Amended Eff. October 1, ~~2024~~, 2024; June 1, 2026.*

1 11 NCAC 08 .1106 is amended as published in 40:16 NCR 1318 as follows:

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3 **11 NCAC 08 .1106 STRUCTURAL COMPONENTS**

4 (a) The home inspector shall inspect structural components including:

5 (1) Foundation;

6 (2) Floors;

7 (3) Walls;

8 (4) Columns or piers;

9 (5) Ceilings; and

10 (6) Roofs.

11 (b) The home inspector shall describe the type of:

12 (1) Foundation;

13 (2) Floor structure;

14 (3) Wall structure;

15 (4) Columns or piers;

16 (5) Ceiling structure; and

17 (6) Roof structure.

18 (c) The home inspector shall:

19 (1) Probe structural components where deterioration is suspected;

20 (2) Enter under floor crawl spaces, basements, and attic spaces except when access is obstructed, when
21 entry could damage the property, or when dangerous or adverse situations are suspected;

22 (3) Report access locations to underfloor crawl spaces and attics, whether underfloor crawl spaces and
23 attics are fully accessible or if specific areas are not accessible, and the methods used to inspect
24 underfloor crawl spaces and attics; and

25 (4) Report signs of abnormal or harmful water penetration into the building or signs of abnormal or
26 harmful condensation on building components.

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

29 *Codifier determined that agency findings did not meet criteria for temporary rule Eff. October 15,*
30 *1996;*

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

32 *Eff. July 1, 1998;*

33 *Amended Eff. April 1, 2005; July 1, 2000;*

34 *Readopted Eff. October 1, ~~2018~~ 2018;*

35 *Amended Eff. June 1, 2026.*

1 11 NCAC 08 .1117 is amended as published in 40:16 NCR 1318 as follows:

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3 **11 NCAC 08 .1117 PRE-DRYWALL INSPECTION**

4 (a) Pre-drywall inspections shall be performed in accordance with this Rule and 11 NCAC 08 .1116. Pre-drywall
5 inspections shall provide the client with an understanding of the property conditions, as inspected at the time of the
6 pre-drywall inspection.

7 (b) Home inspectors shall:

8 (1) provide a written contract, signed by the client, before the pre-drywall inspection is performed that
9 shall:

10 (A) state that the pre-drywall inspection is performed in accordance with the Standards of
11 Practice of the North Carolina Home Inspector Licensure Board as set forth in this
12 Section;

13 (B) state what services shall be provided and the cost; and

14 (C) when a pre-drywall inspection is for only one or a limited number of systems or
15 components, state that the inspection is limited to only those systems or components;

16 (2) inspect readily visible and readily accessible installed systems and components described in this
17 Rule;

18 (3) submit a written report, pursuant to G.S. 143-151.58(a), to the client that shall:

19 (A) describe those systems and components required to be described in this Rule;

20 (B) state which systems and components present at the home and designated for pre-drywall
21 inspection in this Rule were not inspected, and the reason for not inspecting;

22 (C) state any systems or components inspected that do not function as intended, appear not to
23 be installed as intended, or need further evaluation, based upon documented tangible
24 evidence;

25 (D) describe each system or component, pursuant to Part (b)(3)(C) of this Rule; state how the
26 condition is defective; explain the implications of defective conditions reported; and
27 direct the client to a course of action for repair, monitoring, or further investigation by a
28 specialist or the contractor;

29 (E) state the name, license number, and signature of the person conducting the pre-drywall
30 inspection on the cover page or second page of the report; and

31 (F) state the address of the home inspected and the date of the inspection on the cover page
32 or second page of the report.

33 (c) Home inspectors may:

34 (1) report observations and conditions, including safety or habitability concerns, or render opinions of
35 items in addition to those required in Paragraph (b) of this Rule;

36 (2) exclude systems and components from the inspection if requested by the client, and so stated in
37 the written contract;

1 (3) cite defects as violation of the North Carolina State Residential Building Code provided that the
2 home inspector conforms to the requirements of G.S. 143-151.58(a2); and

3 (4) cite variations from or inconsistencies with manufacturer's installation instructions. If citing
4 manufacturer's instructions, home inspectors must provide copies of the instructions or links to
5 those instructions with the report and refer the system or component for verification and repair by
6 a specialist or the contractor.

7 (d) The home inspector shall inspect installed components and systems including:

8 (1) Structural foundation and framing:

9 (A) foundation;

10 (B) floors;

11 (C) walls;

12 (D) columns or posts;

13 (E) ceilings;

14 (F) roof; and

15 (G) presence or absence of fireblocking and draftstopping.

16 (2) Exterior:

17 (A) wall cladding and flashing;

18 (B) fenestrations including doors, windows, skylights; and

19 (C) decks, balconies, stoops, steps, areaways, porches, and appurtenant railings.

20 (3) Roofing:

21 (A) roof coverings;

22 (B) flashing;

23 (C) skylights, chimneys, and roof penetrations; and

24 (D) signs of leaks or abnormal condensation on building components.

25 (4) Plumbing:

26 (A) interior water supply and distribution system, including: piping materials, supports, and
27 insulation;

28 (B) interior drain, waste, and vent system, including: traps; drain, waste, and vent piping;
29 piping supports and pipe insulation;

30 (C) hot water systems including: water heating equipment, normal operating controls,
31 automatic safety controls, and chimneys, flues, and vents; and

32 (D) fuel gas piping including supports, bonding, and material.

33 (5) Electrical:

34 (A) electrical conductors, distribution boxes, and panel boxes; and

35 (B) compatibility of branch circuit conductors' ampacities for their apparent use.

36 (6) HVAC:

37 (A) heating, air conditioning, appliances, and ventilation equipment; and

1 (B) ductwork.

2 (e) The home inspector shall describe systems and components listed in Paragraph (d) at the time of the pre-drywall
3 inspection. The home inspector shall identify any system or component that is not completely installed at the time of
4 the pre-drywall inspection and describe the system or component in sufficient detail to explain the extent of
5 installation remaining to be completed.

6 (f) Pre-drywall exclusions.

7 (1) Home inspectors are not required to report on:

8 (A) the life expectancy of any component or system;

9 (B) the causes of the need for a repair;

10 (C) the methods, materials, and costs of corrections;

11 (D) the suitability of the property for any specialized use;

12 (E) compliance or non-compliance with codes, ordinances, statutes, regulatory requirements,
13 or restrictions, including fire and life safety requirements;

14 (F) the market value of the property or its marketability;

15 (G) the advisability or inadvisability of purchasing the property;

16 (H) any component that was not inspected;

17 (I) the presence or absence of pests such as wood damaging organisms, rodents, or insects;

18 (J) cosmetic damage, underground items, or items not installed;

19 (K) the presence or absence of systems installed to control or remove suspected hazardous
20 substances, pests, or insects;

21 (L) compliance or non-compliance with contract specifications, construction plans, drawings,
22 and specifications; and

23 (M) preparation for future installations, such as electric vehicle charging stations or low
24 voltage wiring.

25 (2) Home inspectors are not required to:

26 (A) offer warranties or guarantees of any kind;

27 (B) calculate the strength, adequacy, or efficiency of any system or component;

28 (C) review plans for compliance with codes or determine the adequacy of the design,
29 strength, or efficiency of any system or component;

30 (D) determine the adequacy, proper installation, and hourly rating of any fire rated assembly
31 or system.

32 (E) enter any area or perform any procedure that may damage the property or its components
33 or be dangerous to or adversely affect the health or safety of the home inspector or other
34 persons;

35 (F) operate any system or component that is shut down or otherwise inoperable;

36 (G) move personal items, tools, building materials, panels, equipment, plant life, soil, snow,
37 ice, or debris that obstructs access or visibility;

- 1 (H) determine the presence or absence of any suspected adverse environmental condition or
2 hazardous substance, including mold, toxins, carcinogens, noise, and contaminants in the
3 building or in soil, water, and air;
4 (I) determine the effectiveness of any system installed to control or remove suspected
5 hazardous substances;
6 (J) determine House Energy Ratings (HER), insulation R values, and system or component
7 efficiencies;
8 (K) inspect heat recovery and similar whole house ventilation systems;
9 (L) predict future condition, including failure of components;
10 (M) project operating costs of components;
11 (N) evaluate acoustical characteristics of any system or component;
12 (O) inspect equipment or accessories that are not listed as components to be inspected in this
13 Rule;
14 (P) disturb insulation, except where readily visible evidence indicates a problem;
15 (Q) inspect elevators or related equipment meant to transport occupants or materials between
16 elevations;
17 (R) inspect low voltage systems; and
18 (S) evaluate installation of components with respect to manufacturer's instructions or
19 specifications.

20 (3) Home inspectors shall not:

- 21 (A) offer or perform any act or service contrary to law; or
22 (B) offer or perform engineering, architectural, plumbing, electrical, or any other job function
23 requiring an occupational license in the jurisdiction where the inspection is taking place,
24 unless the home inspector holds a valid occupational license. In that case the home
25 inspector shall inform the client that the home inspector is so licensed, and therefore
26 qualified to go beyond this Rule and perform additional inspections beyond those within
27 the scope of the Standards of Practice.

28
29 History Note: Authority G.S. 143-151.49;

30 Adopted Eff. June 1, 2025.

31

1 11 NCAC 08 .1204 is amended as published in 40:16 NCR 1318 as follows:

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3 **11 NCAC 08 .1204 INVESTIGATION**

4 (a) On receipt of a complaint conforming to this Section, the Engineering and Codes Division shall conduct an
5 investigation.

6 (b) A copy of the complaint and supporting information as set forth in Rule .1202(d) and (f) of this Section shall be
7 ~~mailed~~ transmitted to the home inspector. The home inspector shall submit a written response to the Engineering and
8 Codes Division within two weeks after receipt of the copy of the complaint.

9 (c) Upon completion of the investigation, the Board's Investigation Review Committee ("Committee") shall make a
10 determination of whether there is sufficient evidence to support a violation of G.S. 143-151.56(a). Based on its
11 determination, the Committee may:

- 12 (1) recommend to the Board that the complaint be dismissed;
- 13 (2) recommend to the Board to dismiss the complaint and a letter of caution be issued to the home
14 inspector;
- 15 (3) recommend to the Board that the complaint be resolved by consent agreement if the home inspector
16 agrees to the terms of the consent agreement; or
- 17 (4) recommend to the Board to establish a time and place for a disciplinary hearing and give notice to
18 the home inspector and complainant. Prior to the matters being heard and determined by the Board,
19 it may be resolved by consent agreement with the approval of the Board.

20 (d) The Committee shall notify the complainant and the home inspector of its determination.

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22 *History Note: Authority G.S. 143-151.49; 143-151.56; 150B-38(h);*
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;*
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27 *Amended Eff. February 1, 2014;*
28 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 9,*
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