

The legal side of home inspection reports.

With today's technology, most home inspection reports are high quality computer generated documents filled with color photographs and impressive detail. However, beyond that are some important legal considerations:

The first relates to ownership of the report: Technically, the inspector has rights to the report much like a copyright and the buyer paying for the inspection owns the report. It's similar to buying a novel from the bookstore where you own the book, but the author owns the copyright and the legal rights that go along with it. With that in mind, inspection contracts generally have language which states who the report is intended for and who may receive copies. Typically these parties include the buyer and their agent, with the caveat that only those portions of the inspection report essential to the negotiation may be shared with the seller via their agent. The usual language of inspection contracts also states that the report cannot be sold, transferred or relied upon by others unless both the buyer and inspector agree so. So in practice, without buyer's consent, the inspector may not share the report with the seller, their agent, the lender, appraiser, insurance company, or any other parties.

The second issue relates to the Washington Administrative Code governing pest inspections: By law, a (WDO, Wood Destroying Organism) inspection report must accompany every home inspection. Within the language of the WAC it is clearly stated that the inspection report is unique to the transaction involving the subject property and the proposed buyer of the property. Therefore, if the transaction fails and a different buyer comes forward, the old report can no longer be considered a legal document for the new transaction.

The opportunity to buy an old inspection report at a reduced fee may seem a bargain, but remember that the report isn't legal, the home inspector who did the report doesn't know you or have a contract with you, and in all likelihood, they won't even answer your questions on the phone.

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