

WHAT ARE THEY AND HOW DO THEY WORK?

Home inspectors are governed by a hierarchy of codes and regulations. The most general are state and federal codes, both criminal and civil, which apply to the general population. Next, California Business and Professions Code, Sections 7195 to 7199 define “home inspector” and itemizes their duties. CREIA’s Standards of Practice add another layer, specifying what is included and excluded in an inspection. Most CREIA inspectors incorporate the CREIA Standards of Practice in their contracts. Finally, CREIA members agree to operate in accordance with the [CREIA Code of Ethics](#) .

The Code of Ethics establishes guidelines for our interactions with our clients, sellers, and agents. These guidelines foster a higher level of public trust of our profession and organization as clients and agents learn they can depend on our clear, ethical behavior. We agree to abide by the Code as a condition of CREIA membership. Adherence to the ethical guidelines is critical in promoting our credibility as individuals and as an organization. In addition to directing our own behavior, we agree to report to CREIA substantial violations we observe by other members.

The Code of Ethics specifically prohibits practices that could create conflicts of interest: reports must be unbiased and objective; we must act in good faith toward our clients and other interested parties; we must not harm the public, discredit CREIA, or our profession; advertising must be honest and accurate.

The most common complaints we receive are related to advertising, improper or unauthorized use of the CREIA logo, improper use of the word “certified,” inaccurate listing of credentials, or CREIA offices held. Typically these infractions are inadvertent or relatively minor, and are resolved with a “cease and desist” letter from CREIA, followed by full cooperation of the inspector member. The next most common complaint is from unhappy clients who feel that an inspector did a poor job. These are Standards of Practice issues as opposed to ethics issues, and CREIA simply informs the complainant that this is not an area in which the Ethics Committee has jurisdiction.

All complaints must be in writing, addressed to CREIA’s state office, and must be signed—no anonymous complaints are accepted. Upon receipt by the Executive Director, the complaint is

logged, and forwarded to the Ethics Chair for investigation. The Ethics Chair, or one of the other two Ethics Committee members will investigate the situation. Generally a complaint is investigated by an Ethics Committee member who is in a different chapter from the investigator in question to help maintain objectivity. The investigation process includes reviewing the complaint and any evidence and contacting the inspector to hear his version. The investigator then writes a letter which reiterates the complaint, identifies findings, and any recommended disciplinary action. If a situation is complex, a formal hearing may be held at the next state board meeting. In either case, the findings and disciplinary actions are reviewed and ratified by the Board of Directors. Corrective actions could include censure, suspension, or expulsion from CREIA. The inspector involved can accept the ruling, or appeal it. In case of an appeal, the CREIA chair appoints three members to an appeal board: the past board chairperson, plus two other past board members. The appeals board reviews the evidence, the findings, and the actions and makes a decision which is final. The appeal option is rarely used.

Complaint procedures are designed to be as fair and objective as possible. The goal is to encourage all CREIA inspectors to abide by the Code of Ethics, and to assure the public that certain professional and ethical standards can be expected from CREIA members.

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CREIA CODE OF ETHICS

All Inspector Members (MCI, CCI and Candidates) of the California Real Estate Inspectors Association (CREIA) are committed to providing professional, high quality service to the public. This code will serve as a basis for ethical decision making in the conduct of professional inspection work. It sets forth principles and rules of conduct enforced by CREIA through specific procedures contained in Section B, Judicial Procedures. This Code of Ethics is applicable to all CREIA members as defined in the CREIA bylaws. {*EFFECTIVE January 6, 2006* }

I. Inspectors shall avoid conflicts of interest or activities that compromise, or appear to compromise, professional independence, objectivity, or inspection integrity. In particular, home inspectors shall not:

a. Perform or offer to perform, for an additional fee, any repairs to a structure on which the

inspector, or the inspector's company, has prepared a home inspection report in the past 12 months.

b. Inspect for a fee any property in which the inspector, or the inspector's company, has any financial interest or any interest in the transfer of the property.

c. Offer or deliver any compensation, inducement or reward to the owner of the inspected property, the broker, or agent, for the referral of any business to the inspector or the inspection company, or for inclusion on a list of recommended inspectors, preferred providers, or similar arrangements.

d. Inspect for a fee properties where the employment itself or the fee payable for the inspection is contingent upon the conclusions in the report, pre-established findings, or the close of escrow.

e. Accept compensation, directly or indirectly, for recommending contractors, services, or products to inspection clients.

II. Inspectors shall act in good faith toward each client.

a. Inspectors shall perform services and express opinions based on honest conviction and only within their areas of education, training, or experience.

b. Inspectors shall be objective in reporting and not knowingly understate or overstate the significance of reported conditions.

c. Inspectors shall not disclose personal information about the client, seller, tenant, or others involved in the inspection without the approval of the individual(s) affected.

d. Inspectors shall not disclose inspection results to anyone other than the client or the client's agent without the approval of the client.

III. Inspectors shall avoid activities that harm the public, discredit themselves, or reduce public confidence in the profession.

a. Inspectors will maintain professional relationships with clients, colleagues and others associated with the inspection without regard to race, color, national origin, gender, religion, age, sexual orientation, or disability.

b. Inspector's advertising, marketing, and promotion of services or qualifications shall not be fraudulent, false, deceptive, or misleading.

c. Inspectors shall abide by CREIA bylaws and guidelines in the use of the CREIA logo and other CREIA materials.

d. Inspectors will respond professionally to client or CREIA concerns and complaints about an inspection.

e. Inspectors shall report substantial and willful violations of this Code to CREIA.

IV. Consequences for breach of this Code.

a. Inappropriate language or behavior towards CREIA office staff:

- First offense: Written reprimand placed in candidate's or member's file.
- Second offense: One (1) month "*member not in good standing*" status and loss of all privileges. Written reprimand placed in candidate's/member's file.

b. Candidate member using CCI, MCI or CNCS logo:

- First offense: Written reprimand placed in candidate's file.
- Second offense: Six (6) month "*member not in good standing*" status and loss of all privileges. Written reprimand placed in candidate's file.

c. CCI member using MCI or CNCS logo:

- First offense: Three (3) month "*member not in good standing*" status and loss of all privileges. Written reprimand placed in member's file.
- Second Offense: Six (6) month "*member not in good standing*" status and loss of all privileges. Written reprimand placed in member's file.

d. Candidate or member falsely claiming Chapter or CREIA State Leadership:

- First offense: Three (3) month "*member not in good standing*" status and loss of all privileges. Written reprimand placed in candidate's/member's file.
- Second Offense: Six (6) month "*member not in good standing*" status and loss of all privileges. Written reprimand placed in candidate's/member's file.

e. Candidate or member's company or a company controlled/owned by same individual(s) performing repairs of properties for an additional fee within one year of inspection date by same or related company:

- First offense: Six (6) month “*member not in good standing*” status and loss of all privileges. Written reprimand placed in candidate’s/member’s file.

- Second offense: Membership revoked, expulsion.

f. Candidate or member guilty of false or misleading advertising:

- First offense: Written reprimand placed in candidate’s/member’s file.
- Second Offense: Six (6) month “*member not in good standing*” status and loss of all privileges. Written reprimand placed in candidate’s/member’s file.

g. Candidate or member offering or soliciting incentives to the seller or agents involved in a real estate transaction:

- First offense: Written reprimand placed in candidate’s/member’s file.
- Second offense: Six (6) month “*member not in good standing*” status and loss of all privileges. Written reprimand placed in candidate’s/member’s file.

h. Breaches of this Code that are not specifically covered by this Section IV shall be subject to consequences as determined by the CREIA Board. Such consequences shall be reasonable in light of and in comparison to those expressly stated herein.

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How To Handle A Dispute With Your Inspector

There may come a rare, but unfortunate time, when you are unhappy with the performance of the professional real estate inspector whom you have hired to report on the conditions of a home. As the non-profit industry and consumer-oriented organization that represents the real estate inspection industry in California, we are concerned for your issues. The following has been prepared to help you move forward to an easy and efficient resolution of your dispute issues.

- [ETHICS COMPLAINT](#)
- [PERFORMANCE COMPLAINT](#)
- [CONSUMER WATCHGROUPS](#)
- [LEGAL ACTION](#)
- [ALTERNATIVE DISPUTE RESOLUTION](#)
- [ARBITRATION](#)
- [MEDIATION](#)
- [LAWSUIT](#)