

203 People Surveyed.

1. First Name and last name – Deleted

2. In what area do you practice?

- Nova Scotia - 2%
- New Brunswick - 4%
- Newfoundland - 1%
- Prince Edward Island - 0%
- Quebec - 1%
- Ontario - 60%
- Manitoba - 3%
- Saskatchewan - 1%
- Alberta - 12%
- British Columbia - 15%
- Northern Canada - 0%
- Other - 1%

3. What home inspection association(s) are you a member of?

- CAHPI – Alberta - 13%
- CAHPI – Saskatchewan - 1%
- CAHPI – Manitoba - 4%
- CAHPI – Ontario - 55%
- CAHPI – Quebec - 1%
- CAHPI – Atlantic - 5%
- ASHI - 8%
- BCIPI - 4%
- NACHI - 17%
- OTHER - 6%

4. How long have you been an inspector?

- Less than one year - 10%
- One to two years - 15%
- Two to four years - 19%
- Five to seven years - 18%
- Eight to ten years - 10%
- Eleven to fifteen - 16%
- More than fifteen - 12%

5. What if any Home Inspection designation do you have?

- Registered Home Inspector - 52%
- Associate - 19%
- Candidate - 3%
- Student - 2%
- CHI – BCIPI - 1%
- Certified by some other organization - 8%
- Other - 12%
- Abstain - 3%

6. Do you carry Errors and Omissions Insurance?

- Yes - 62%
- No - 36%
- Abstain - 2%

7. Do you belong to a 'Membership Protection Fund' or self-assurance plan?

- Yes - 11%
- No - 87%
- Abstain - 2%

8. If you answered yes to # 6 or # 7, why do you have it? (choose all options that apply to you)

- To protect my assets - 49%
- To protect my customers - 16%
- To create a competitive advantage - 11%
- I don't have an option (it is a franchise/provincial association condition for doing business) - 27%
- Other - 10%

9. What is the main source of risk you are facing? (choose all that apply)

- I'm new at home inspections and feel inexperienced - 12%
- I'm a high volume inspector - 18%
- My client's expectations are unrealistic - 33%
- I do not think that my contract will protect me in court. - 29%
- Lawyers walk among us. - 51%
- Not applicable - 8%
- Other - 14%

10. Do you wish that E & O was made mandatory for all inspectors?

- Yes - 46%
- No - 52%
- Abstain - 2%

11. Have you ever filed a claim?

- Yes - 25%
- No - 73%
- Abstain - 2%

12. In your opinion, did the insurer and lawyers fight hard enough for you?

- Yes - 26% (% of those who answered yes in the previous question)
- No - 74% (% of those who answered yes in the previous question)

13. If you have E & O, what annual premium do you pay?

- Less than \$ 1,000 - 1%
- \$ 1,000 to \$ 2,000 - 2%
- \$ 2,000 to \$ 3,000 - 2%
- \$ 3,000 to \$ 4,000 - 11%
- \$ 4,000 to \$ 5,000 - 34%
- More than \$ 5,000 - 13%
- More than \$ 10,000 - 3%
- Not applicable - 22%
- Abstain - 12%

14. Are you presently covered by an insurance policy that includes more than one inspector in a company?

- Yes - 14%
- No - 83%
- Abstain - 3%

15. Do you advertise E & O (if you have it)?

- Yes - 8%
- No - 83%
- Abstain - 9%

16. Why? Why not?

Comment Question

17. Do you believe that a home inspection company that carries E & O has a competitive advantage over a company that does not carry it?

- Yes - 49%
- No - 49%
- Abstain - 2%

18. Why? Why not?

Comment Question

19. Do you believe that a home inspection company has the RIGHT to make consumers aware that they carry E & O?

- Yes - 65%
- No - 33%
- Abstain - 2%

20. Why? Why not?

Comment Question

21. Do you believe that a home inspection company has the DUTY to make consumers aware that they carry E & O?

- Yes - 9%
- No - 88%
- Abstain - 3%

22. Why? Why not?

Comment Question

23. Do you agree that having E & O is a sign of an inspector's competence? (Please respond regardless of whether you have E & O)

- Yes - 23%
- No - 75%
- Abstain - 2%

24. Why? Why not?

Comment Question

25. How often do your clients ask about your insurance status?

- Never - 18%
- Seldom - 69%
- Frequently - 11%
- All the time - 1%
- Abstain - 1%

26. Whom do you feel E & O protects? (Check all that apply)

- Inspector - 71%
- Client - 23%
- Realtor - 15%
- Association - 10%
- All - 11%
- None - 15%

27. Do you feel it would be better if E & O became unavailable to inspectors?

- Yes - 27%
- No - 70%
- Abstain - 3%

28. If E & O became unavailable, would you continue in the Home Inspection business?

- Yes - 73%
- No - 24%
- Abstain - 3%

29. Do you feel that your association SHOULD have an official (and enforceable) policy banning advertising E & O?

- Yes - 51%
- No - 46%
- Abstain - 3%

30. Why? Why not?

Comment Question

31. Do you feel that your association COULD have an official (and enforceable) policy banning advertising E & O?

- Yes - 49%
- No - 46%
- Abstain - 5%

32. Do you feel that the introduction of such a policy would need the approval of your association's membership?

- Yes - 84%
- No - 13%
- Abstain - 3%

33. What sanctions/penalties would be appropriate if a member violated an association's E & O advertising policy?

- Premium surcharge - 16%
- Fine - 28%
- Temporary suspension of designation/membership - 41%
- None - 20%
- Other - 19%

34. Do you feel that those who advertise E & O should be paying a 'marketing surcharge' to the insurer for the right to do so?

- Yes - 31%
- No - 64%
- Abstain - 5%

35. Do you feel that those who are advertising E & O are increasing the risk/premiums of all the group members by inviting unnecessary risk?

- Yes - 79%
- No - 21%

36. Would you advertise your E & O (assuming you have it) in the future if your association encouraged it?

- Yes - 21%
- No - 76%
- Abstain - 3%

37. Would you stop advertising your E & O (assuming you have it) in the future if your association discouraged/banned it?

- Yes - 70%
- No - 15%
- Abstain - 15%

38. Would you discontinue your association membership in the future if your association banned you from advertising your E & O?

- Yes - 7%
- No - 87%
- Abstain - 6%

39. Do you believe advertising E & O is a sound business practice?

- Yes - 15%
- No - 82%
- Abstain - 3%

40. Do you consider it okay to advertise E & O if you limit the mention of insurance to a secondary line in a web site or brochure rather than directly featuring it as a benefit to clients?

- Yes - 24%
- No - 70%
- Abstain - 6%

41. What would you consider to be an acceptable annual cost for E & O?

- Less than \$ 1,000 - 15%
- \$ 1,000 to \$ 2,000 - 39%
- \$ 2,000 to \$ 3,000 - 31%
- \$ 3,000 to \$ 4,000 - 7%
- \$ 4,000 to \$ 5,000 - 3%
- More than \$ 5,000 - 2.5%
- Abstain - 2.5%

42. How much should the minimum coverage be?

- \$ 100,000 - 8%
- \$ 250,000 - 15%
- \$ 500,000 - 27%
- \$ 1,000,000 - 43%
- Other - 3%
- Abstain - 4%

43. How much should the deductible be?

- \$ 1,000 - 28%
- \$ 2,500 - 34%
- \$ 5,000 - 21%
- \$ 10,000 - 9%
- \$ 15,000 - 1%
- Other - 3%
- Abstain - 4%

44. Have you had your rates increased or coverage reduced/suspended due to claims?

- Yes - 9%
- No - 80%
- Abstain - 11%

45. What are acceptable exclusions ? Choose all that apply?

- Mould - 49%
- UFFI - 45%
- PDI's (New unoccupied homes) - 14%
- Partial Inspections - 32%
- Teaching - 31%
- Energy Audits - 40%
- Multiple unit buildings - 11%
- Commercial buildings - 18%
- Other - 12%

46. Would you buy E & O insurance next year if premiums cost you:

- \$ 5 per inspection - 34%
- \$ 10 per inspection - 45%
- \$ 20 per inspection - 22%
- \$ 30 per inspection - 4%
- \$ 40 per inspection - 0%
- \$ 50 per inspection - 2%

47. If you do not carry E & O, would you be more willing to do so if it was based on a per inspection ratio, or more reasonably priced?

- Yes - 42%
- No - 6%
- Not Applicable - 47%
- Abstain - 5%

48. Have you considered other ways to protect yourself from litigation?

- Yes - 81%
- No - 17%
- Abstain - 2%

49. What level of security do you feel your E & O gives you?

- A lot - 14%
- Some - 46%
- Little to none - 17%
- Less than none (it makes you a target) - 18%
- Abstain - 5%

50. Do you think that there should be any specific insurance policy sponsored or endorsed by either provincial Associations or CAHPI National?

- Yes - 65%
- No - 32%
- Abstain - 3%

51. Are you interested in a proposal to the Membership about self-insurance?

- Yes - 76%
- No - 21%
- Abstain - 3%

52. Do you think there should be a CAHPI Ombudsman to help with potential claims before they are reported to the insurer?

- Yes - 84%
- No - 14%
- Abstain - 2%

53. Do you think that E & O Insurance committees and chairs should be elected, or appointed?

- Elected - 39%
- Appointed - 12%
- Combination - 45%
- Abstain - 4%

54. Do you think our associations should accumulate our own statistics about claims against us?

- Yes - 90%
- No - 7%
- Abstain - 3%

55. Would you be willing to share information about current or past claims with a committee of your peers?

- Yes - 89%
- No - 8%
- Abstain - 3%

56. Do you feel that we should make known what claims have been processed, won, and lost?

- Yes - 81%
- No - 17%
- Abstain - 2%

57. Would you attend a Risk Management seminar about claims, their causes, and possible methods of avoiding or mitigating them?

- Yes - 95%
- No - 3%
- Abstain - 2%

58. Should such a seminar be made mandatory?

- Yes - 74%
- No - 24%
- Abstain - 2%

59. Do you believe Canadian Home Inspectors should feel comfortable purchasing E & O from a US based company?

- Yes - 48%
- No - 48%
- Abstain - 4%

60. Do you have a problem purchasing E & O from an exclusionary Canadian company?

- Yes - 31%
- No - 60%
- Abstain - 9%

61. Please feel free to add any comments or concerns that you feel we should address and haven't with this questionnaire. Thank you.

Comment Question

Note: 'Comment Question' means that the respondents have commented further and the comments are in an attached document.

This is an unofficial survey conducted privately by Bill Mullen, Sarnia, Ontario. It was not requested or sanctioned by any organization or association. The information is not intended to be definitive since the number of respondents is not high enough to be representative. It is for interest only.

Anyone is free to view or use the information as they see fit, provided they do not rely on the survey results.

Thanks to all who responded and to those who helped distribute it. Please send questions or comments to Bill Mullen at bmullen@ebtech.net.