



## FACT SHEET AND COMPANY BACKGROUND

“Celebrating Three Decades of Industry Leadership”

### **Corporate Name and Address:**

DBR Franchising, LLC  
426 Vosseller Avenue  
Bound Brook, NJ 08805  
1-800-526-3939  
[www.housemaster.com](http://www.housemaster.com)

### **Nature of Business:**

Franchisor of professional home inspections for buyers and sellers of new and resale homes; site inspection for new construction; commercial property inspections.

### **Franchise Business:**

- HouseMaster Home Inspection Service
- 360 franchises in the U.S. and Canada
- Began franchising in 1979 – celebrating 30<sup>th</sup> anniversary in 2009!
- First home inspection company to franchise
- Almost 2 million inspections performed

### **Key Executives:**

- Kathleen Austin Kuhn – President
- Kenneth T. Austin – Founder
- Richard Restaino – Chief Financial Officer
- Joseph Cummins – Vice President, Technical Services
- Marianne Murphy – Vice President, Franchise Operations
- Chuck Jones – Vice President, Franchise Development

### **Employees:**

Corporate Headquarters: 11  
Franchise Operations: More than 360 in North America

**Sales:**

Privately held, no figures released

**Company History:****2009 Marks HouseMaster's 30<sup>th</sup> Anniversary:**

In 1976, after six years of experience in the home inspection business, Austin formed his own company, AMC Property Evaluations, Inc., when the home inspection industry was in its infancy. Through AMC, Austin developed formalized training procedures for home inspectors, and he standardized, typewritten, clearly categorized inspection reports, pioneering the professional home inspection business. That same year, Austin became a founding member of the American Society of Home Inspectors (ASHI®), the first industry organization to set standards for home inspections.

In 1979, building upon the success and growth of AMC, Austin launched HouseMaster®, becoming the first home inspection franchise operation in the United States. Within the first few years, HouseMaster rapidly expanded to 12 states. By 1993, there were 175 U.S. franchised areas, and the company opened its first international office in Winnipeg, Manitoba Province, Canada.

In 2002, HouseMaster's current President – Kathleen Austin Kuhn, daughter of the founder and a 19-year veteran of the company – became a Charter Member of the American Home Inspection Association (AHIA). AHIA, a non-profit corporation made up of the largest national home inspection companies, is dedicated to shaping the legislative issues facing the home inspection industry and real estate, in general. Kathleen has appeared on TV and on radio speaking on the value of making smart, educated real estate decisions. She has spoken in front of hundreds of real estate groups and consumer seminars.

In 2004, Mike Kuhn authored the Pocket's Idiot Guide to Home Inspections (Alpha Books). Having started with the company in 1987, Mike has personally performed over 5,000 home inspections and has appeared on CNN, Good Day New York, CBC and has been featured as a home inspection expert with major media throughout the US and Canada. Mike has supervised upwards of 50,000 home inspections in the New York and New Jersey market and assists in field and classroom training at the National Institute of Building Inspectors®.

Today, HouseMaster is considered the premier home inspection company with more than 360 franchises throughout the U.S. and Canada. HouseMaster inspectors have performed almost 2 million inspections of residential and commercial properties.

**The HouseMaster Home Inspection:**

The HouseMaster home inspection is geared toward buyers and sellers who seek an independent, third-party, professional evaluation of the condition of the major elements of a home before making the financial commitment to purchase.

Clients are encouraged to join the HouseMaster inspector during the inspection. The inspection will include the evaluation of the visible and accessible elements of the home including:

- Central heating system and its components
- Central cooling system and its components (weather permitting)
- Interior plumbing system and its components
- Interior electrical system and its components
- The roof and its components
- The siding
- The foundation
- The walls, ceilings and floors
- The built-in kitchen appliances

**Fees:**

Though HouseMaster inspection fees vary from office to office, on a national basis they average \$300 to \$500 for the basic two- to three-hour service.

**Optional HouseMaster Inspection Services:**

- Radon screening
- Termite Inspections
- Lead paint screening
- Water Potability tests
- Pool inspections
- Private water and waste system inspections
- Mold Testing
- EIFS inspections (Exterior Insulation Finish Systems)
- New construction inspection
- Commercial Property Inspections
- Preventative Maintenance Inspections

**Post-Inspection Protection:**

HouseMaster franchise offices back their inspections in writing (where permitted) by a complimentary Limited Inspection Guarantee.

**Professionalism -- Franchisees:**

HouseMaster franchisees are provided a range of training and support programs so that their employees can meet the organization's highest standards of professionalism and quality service. Each franchise is equipped to offer their customers a professional and thorough inspection by a local home inspection firm with a national reputation.

**Inspector Training and The National Institute of Building Inspectors:**

DBR offers inspector training and certification through the National Institute of Building Inspectors (NIBI®). NIBI was founded by the DBR Technical Staff in 1987, and in 2006 became one of the first home inspector training programs to become a State Board of Education approved vocational school. NIBI training and certification programs are open to all home inspectors. NIBI Certified Inspectors must satisfactorily complete the Institute's training and supervision period, participate in NIBI's continuing education programs and pass the NIBI exam. NIBI offers ongoing education through monthly Bulletins, an Electronic Bulletin Board System, and an extensive online reference library, which provides online support and a vast technical reference library. Members must also adhere to NIBI's code of ethics and standards of conduct. NIBI members uniquely are *required* to maintain professional liability insurance and pass an annual re-certification exam.

NIBI's Training Department is responsible for maintaining rigid standards for the training of inspectors, as well as the development of new technical methods and equipment. An on-site Technical Training Center provides an intensified environment for classroom and hands-on training of inspectors. NIBI also is the first in the inspection training industry to provide a complete Online Learning Program for home inspectors ([www.nibi.com](http://www.nibi.com)). Inspectors can take the various modules for continuing education purposes or, for inspectors who can't attend classroom training; the online learning program is available complete with comprehensive testing in each module.

### **Errors and Omissions Insurance:**

Because of its size, positive past performance record and commitment to inspector training, testing and technical support, all HouseMaster franchisees are required to maintain professional liability insurance coverage, commonly called "E&O." In an age where lawsuits – in virtually all professions, and more recently in the real estate industry – are becoming increasingly common, this insurance coverage is particularly important to all the parties involved in the home buying and selling process.

In short, errors and omissions insurance provides a layer of protection for the home inspector and homebuyer in the event that an inspector misses a visible, structural or other serious, costly problem that – 1) was within the scope of the inspection and, 2) could have been detected during the inspection. If the inspector does not carry this insurance, the homebuyer can be left in the lurch – without any financial recourse.

### **Industry Background:**

The old real estate caveat, "Buyer Beware," referred to the fact that homebuyers had virtually no protection as to the physical condition of the home they purchased. They also had little recourse once they took ownership. But during the last 25 years – as the consumer protection movement gained momentum – the pre-purchase inspection of resale homes has become a fact of life for homebuyers and the real estate industry as a whole. Presently, in most parts of North America, it has gained nearly total acceptance as the best means of protecting the interests of all parties involved in the sale of a residential property. And, with the rising cost of homes, many buyers are using the inspection report to negotiate the cost of repairing any disclosed defects. Many lawyers, mortgage officers, real estate agents and brokers now recommend that it be an integral part of the purchase procedure.

The original home inspection industry was comprised of independent inspectors from a variety of backgrounds who performed inspections as a “side-line” business. Many were general contractors, electricians, roofers and the like. There were few industry standards or professional guidelines, and buyers were hard-pressed to determine whether an inspector's findings were indeed impartial.

As the housing market began to boom in the 1970s, Austin, whose professional career up until that point was in corporate marketing (at Johnson & Johnson and Warner Lambert), saw an opportunity to “professionalize” the home inspection industry. His first step was helping to found the American Society of Home Inspectors, which set up professional standards for home inspections. In 1979, the launching of HouseMaster as a national company with a proven track record has been credited by many in the industry as a turning point in the growth and respectability of the home inspection field.

To date, HouseMaster remains the premier name in home inspections throughout the United States and Canada. As the industry and HouseMaster have grown and evolved over the last 25 years, the company maintains its solid leadership and innovative reputation through its continued focus on delivering the highest quality service to their clients and providing the HouseMaster franchisees with the tools and support necessary to uphold this outstanding reputation with each and every client.