

INDUSTRY REPORT

The State of Home Inspection

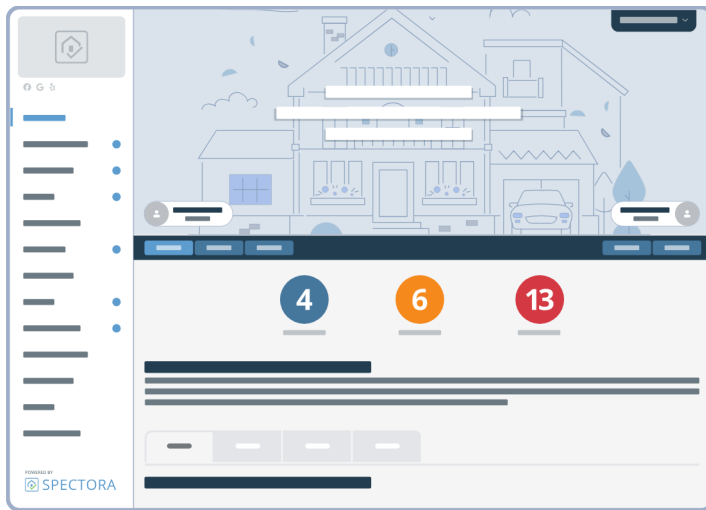


Industry Overview

The home inspection industry saw substantial growth in 2024, with inspection volumes increasing by **19.5% year-over-year**. This surge reflects strong housing market activity and greater consumer demand for inspections.

Home inspection quote trends also saw widespread increases, with the **Midwest experiencing the highest growth (+22.6%)** and the **Northeast following closely (+19.6%)**. **The West (+19.3%)** and **South (+12.3%)** also saw notable gains, highlighting an industry-wide shift toward higher service valuation.

Defect trends show a **decline in high-severity issues**, dropping from 11.6% in 2023 to 9.9% in 2024. **Moderate defects remained steady** at 59.6%, while **low-severity defects increased**, suggesting a shift toward early detection and preventative maintenance.



Spector is the Most Trusted Inspection Software to Complete Inspections Onsite

As a company that facilitates 35% of all home inspections nationwide, we provide unparalleled insights into housing market trends and inspector performance. This report explores how regional trends in quoting, inspection demand, and defect categories are shaping the industry.

To support these findings, we have included visual representations of key data points, including inspection quotes by region, state-level insights, and defect severity distribution.

Foreward



BEN GROMICKO

Chief Operating Officer
InterNACHI

At InterNACHI, we have an audacious goal: to see home inspectors recognized on par with architects and engineers. For over six years, we've worked tirelessly to achieve this vision, starting with attaining national accreditation from the U.S. Department of Education as a home inspector college at InterNACHI.edu. This milestone marked a pivotal step toward our ultimate dream—a future where home and commercial inspectors are degreed professionals, celebrated for their expertise and critical contributions to society. Spector shares this vision by empowering inspectors with cutting-edge tools, education, and support, making it a valued partner in the industry's advancement.

Home inspectors are more than just a step in the real estate transaction. We are trusted consultants and advisors, providing millions of homeowners with the knowledge and confidence they need to make informed decisions. Our work is integral to ensuring that homes and buildings—the places where people spend the majority of their lives—are safe, functional, and healthy. Shelter is a fundamental human right, and the role of home inspectors in upholding this right cannot be overstated.

The impact of our work extends far beyond identifying defects or evaluating systems. We play a vital role in safeguarding public health, protecting investments, and promoting sustainable building practices. By prioritizing education and maintaining rigorous standards, we can continue to elevate our profession and demonstrate our immense value to society.

To achieve this, we must take bold steps forward. A degree program for home and commercial inspectors is not just a lofty ambition—it is a necessity. By advancing our education and fostering a culture of continuous learning, we can solidify our role as indispensable professionals in the built environment. At the same time, we must continue educating homeowners, empowering them with the knowledge to care for their properties and prioritize their well-being. Documents like this industry report are essential to that mission, serving as a tool for reflection, insight, and progress. They align with our commitment to continuous improvement and provide actionable insights to guide the industry forward.

The future of our profession is bright, but it requires collective action and an unwavering commitment to growth. Together, let's advance the industry, elevate its reputation, and ensure that home inspectors remain trusted advisors for generations to come.

THE FUTURE OF HOME INSPECTION



PAST

Home inspection as an emerging profession



PRESENT

National accreditation & current education standards



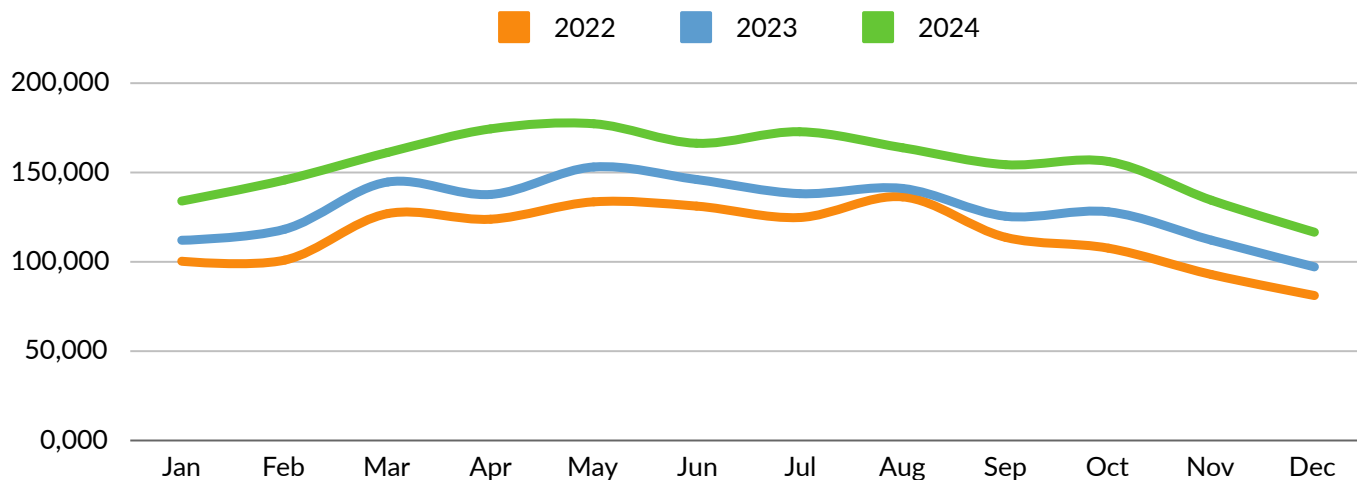
FUTURE

Degree programs & integration with engineering and architecture

Key Findings

Inspection Volume Continues to Climb

Inspection volume increased year-over-year across all months in 2024, with the strongest gains seen in **April (+26.6%)** and **July (+25.1%)** compared to 2023. The increase in inspections suggests continued home-buying activity despite economic uncertainties.



Average Inspection Quote Trends

Inspection quotes have steadily increased over the past three years, **with the average home inspection quote rising from \$449 in 2022 to \$485 in 2024 (+8%)**, reflecting stronger industry demand, inflation adjustments, and the growing value of specialized services.

Higher quotes suggest that homebuyers and real estate professionals are placing greater value on thorough inspections, reinforcing opportunities for inspectors to differentiate through ancillary services and specialization.

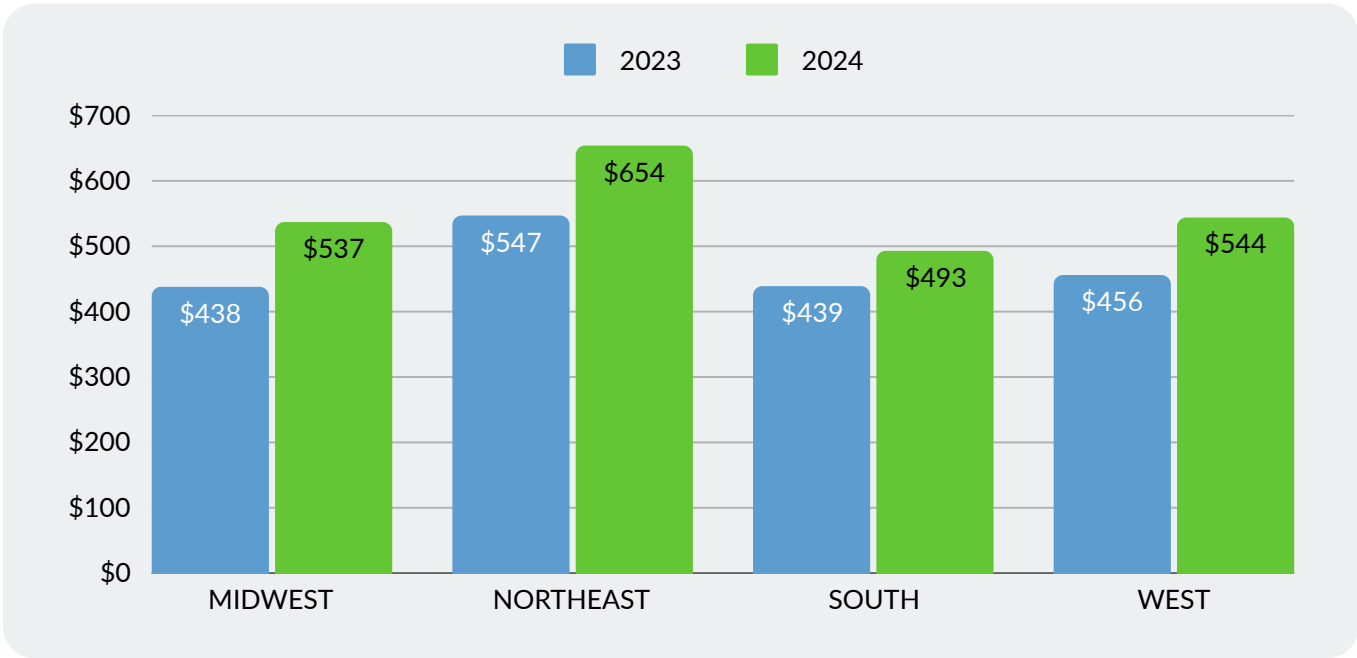


This surge aligns with broader housing market trends, where mortgage rate fluctuations have created waves of increased home purchases. **According to a recent Zillow housing report**, homebuyer activity has remained resilient, fueling demand for home inspections..

Regional Quote Trends

Home inspection quote trends saw a **notable increase across all regions** in 2024, reflecting growing recognition of the value home inspectors bring to the industry.

- **MIDWEST:** Experienced the most significant jump, with a **22.6% increase** (\$438 → \$537), likely reflecting higher demand.
- **NORTHEAST:** Prices **rose 19.6%** (\$547 → \$654), likely indicating an increase in the cost of inspections in one of the nation’s most expensive housing markets.
- **SOUTH:** Despite historically lower pricing, the region saw a **12.3% increase** (\$439 → \$493), suggesting inspectors have adjusted pricing to meet rising demand.
- **WEST:** Home to some of the highest real estate values, the region experienced a **19.3% increase** (\$456 → \$544), reinforcing the trend of rising service fees.

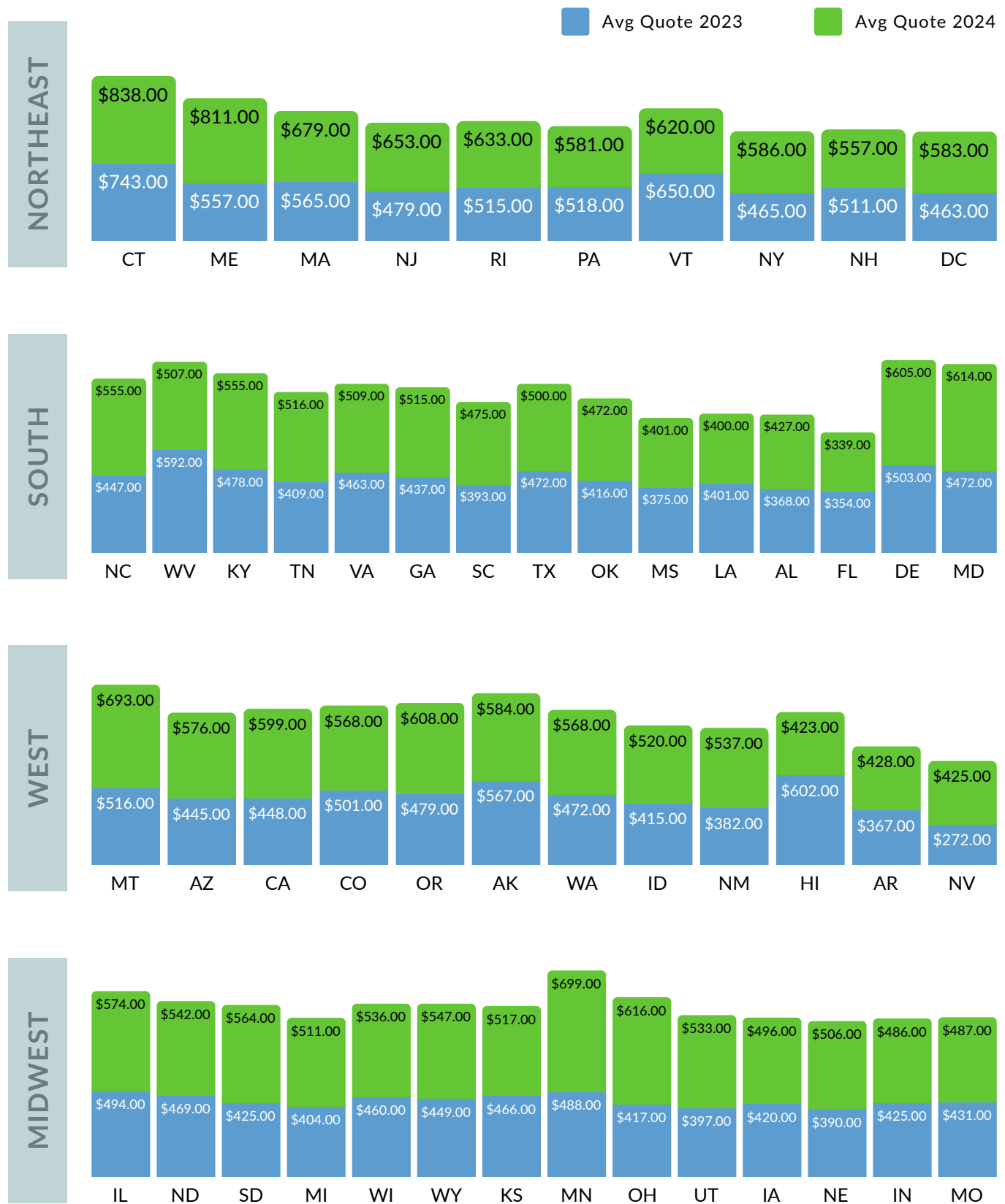


The regional variations in inspection fee increases may be attributed to local market conditions, including housing supply and demand, regional economic health, and varying costs of living. For instance, the Midwest's significant fee increase could be linked to a surge in housing activity in that region, while the South's more modest rise may reflect its traditionally lower cost of living and housing prices. Overall, the **consistent rise in inspection quotes across all regions underscores the essential role of home inspectors in the real estate market** and the increasing value placed on their services by consumers.



Our data follows the [NAR Existing Home Sales Regions](#). This ensures consistency with real estate industry standards when evaluating pricing trends, inspection volumes, and market shifts across different regions.

State-Level Quote Trends by Region

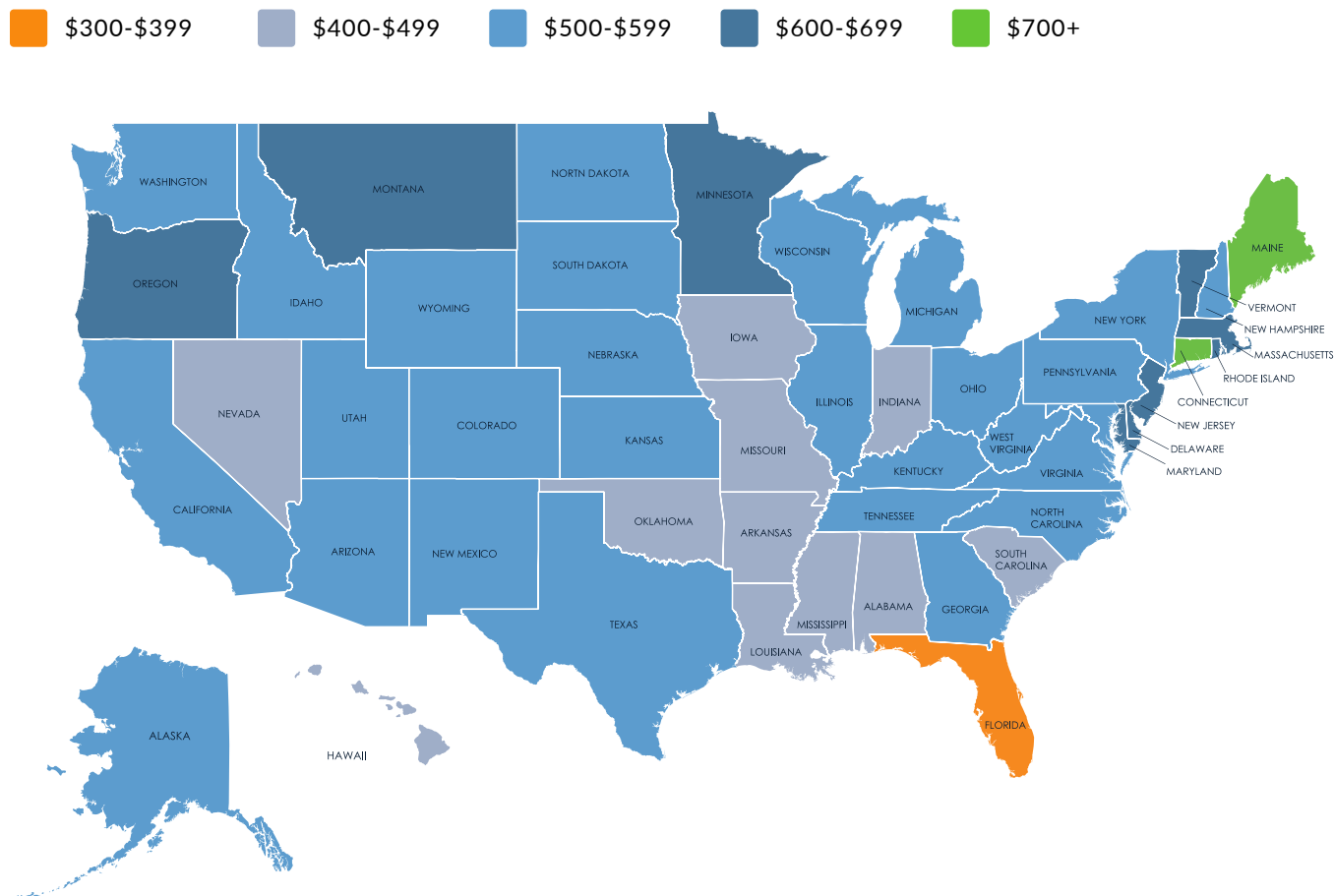


State-Level Quote Insights

State-by-state variations in quotes highlight **unique regional market conditions**:

- **Northeast:** Maine (+45.6%) and New Jersey (+36.3%) saw the largest average price increases, likely driven by high property values, an influx of buyers, and aging housing stock.
- **South:** Tennessee (+26.2%) rose while West Virginia (-14.4%) declined, likely highlighting rapid home appreciation in metro areas and increased competition in West Virginia.
- **West:** Montana (+34.3%) and California (+33.7%) saw major price jumps, likely reflecting increasing home values, regulatory requirements, and demand from out-of-state buyers.
- **Midwest:** South Dakota (+32.7%) experienced a significant rise likely due to higher living costs and increased demand for high-end property inspections.

Average Inspection Quote by State



These shifts may be influenced by cost-of-living adjustments and the introduction of **ancillary inspection services like radon and sewer scope testing**, which inspectors in higher-priced states have increasingly bundled into their offerings. Note that “inspection quote” does *not* include additional services added on after the quoted inspection.

Shifts in Defect Severity



Severe defects declined from 11.6% to 9.9%, signaling better property conditions or increased focus on early maintenance.



Moderate defects remained steady at 59.6%, continuing to be the most common issue in home inspections.

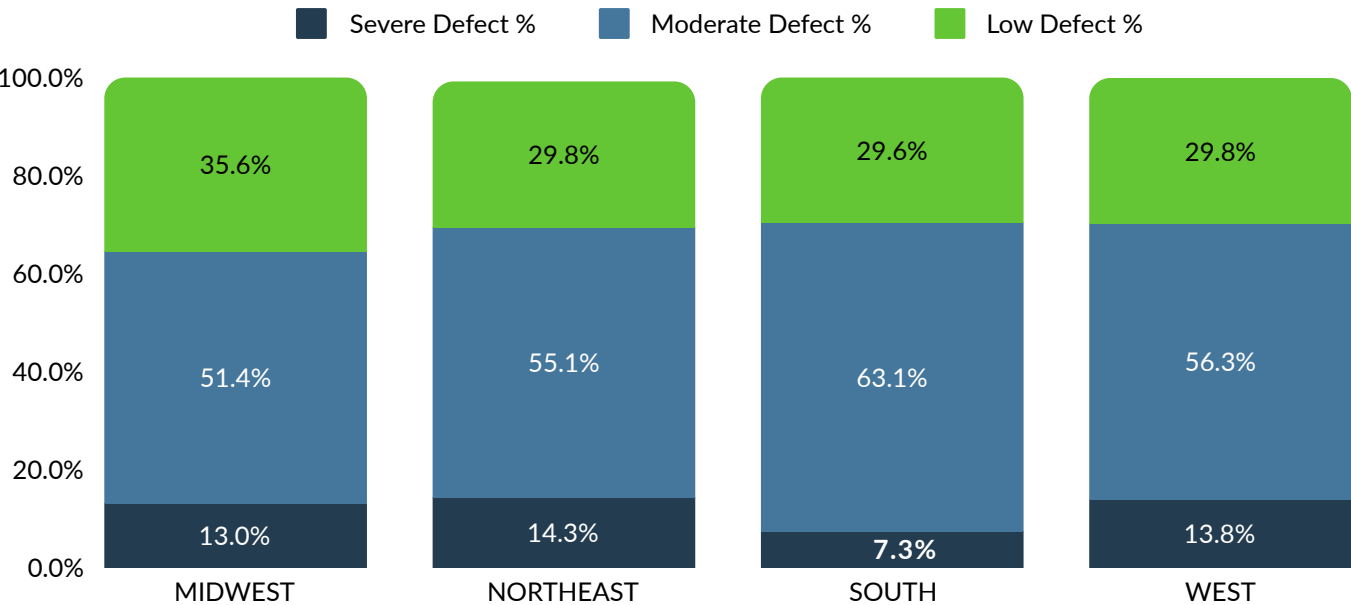


Low-severity defects increased from 28.7% to 30.3%, highlighting a shift toward catching minor issues earlier.

Regionally, severe defect rates varied:

Inspection quote trends **varied significantly by region:**

- Northeast (14.3%) and West (13.8%) had the highest share of serious defects.
- The South had the lowest rate of severe defects (7.3%), but the highest moderate defect percentage (63.1%).

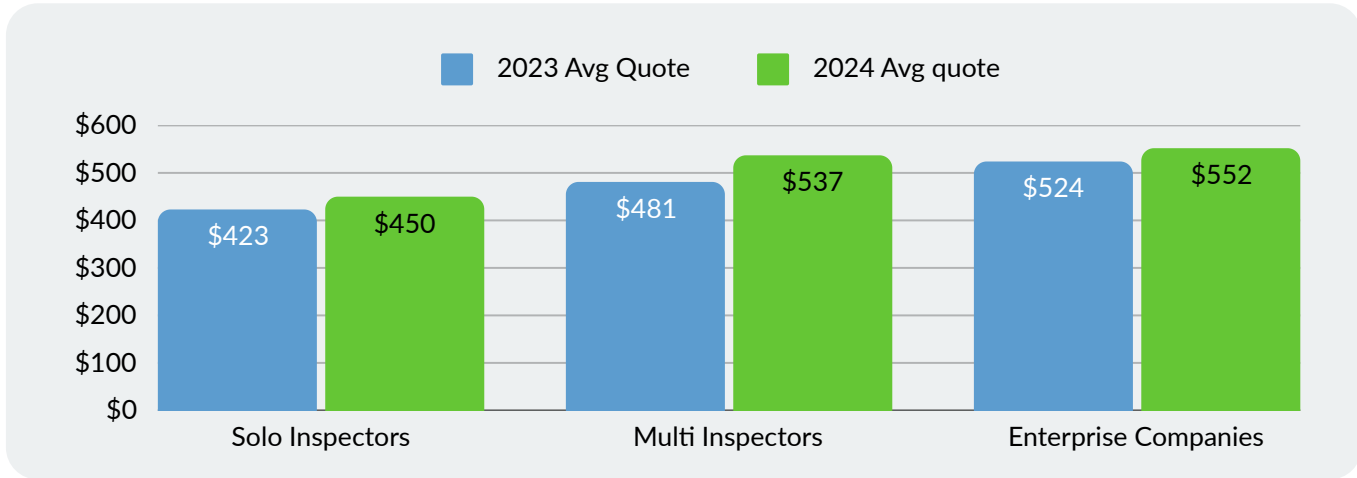


These findings align with [National Association of Home Builders data](#), which suggests that aging homes in the Northeast and Midwest are leading to increased major repairs, while newer housing stock in the South results in fewer critical issues

Inspector Segmentation & Performance Trends

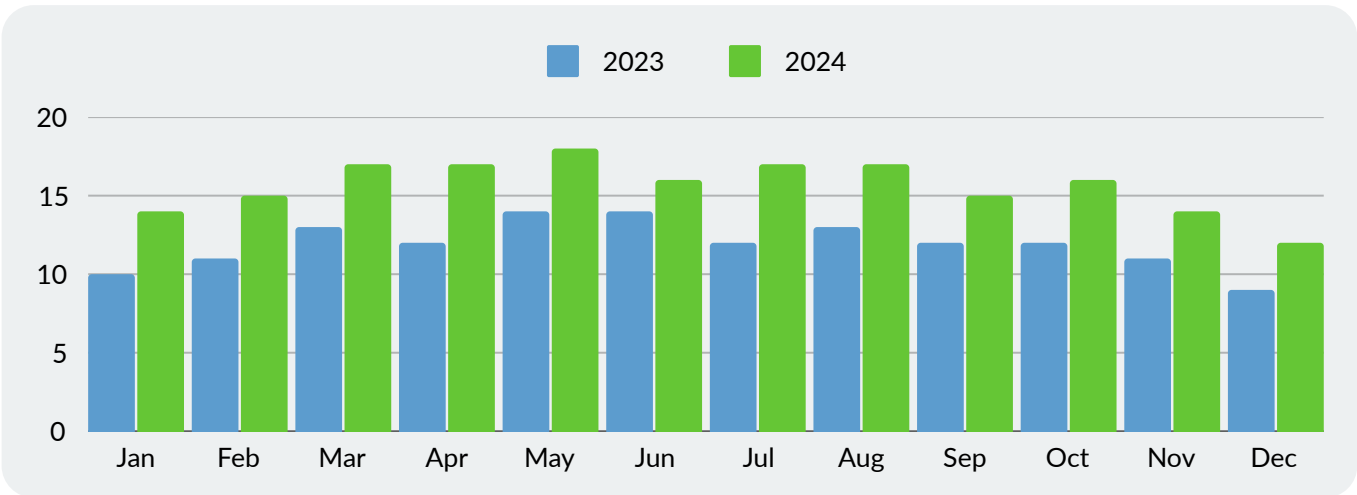
Quote Trends by Inspector Segment:

The home inspection industry is not only shaped by regional factors but also by the type and scale of inspection businesses. The data highlights key differences in pricing and workload across different company segments, showing how experience, company size, and business structure influence profitability and efficiency.



Average Inspections Per Inspector:

- Inspection volume grew across all months in 2024, with inspectors performing 17-30% more inspections per month compared to 2023.
- Seasonality may not have impacted home inspectors as much in the past year, with winter months seeing a 20.9% increase in inspections, suggesting inspectors are filling gaps through off-season marketing or ancillary service offerings.

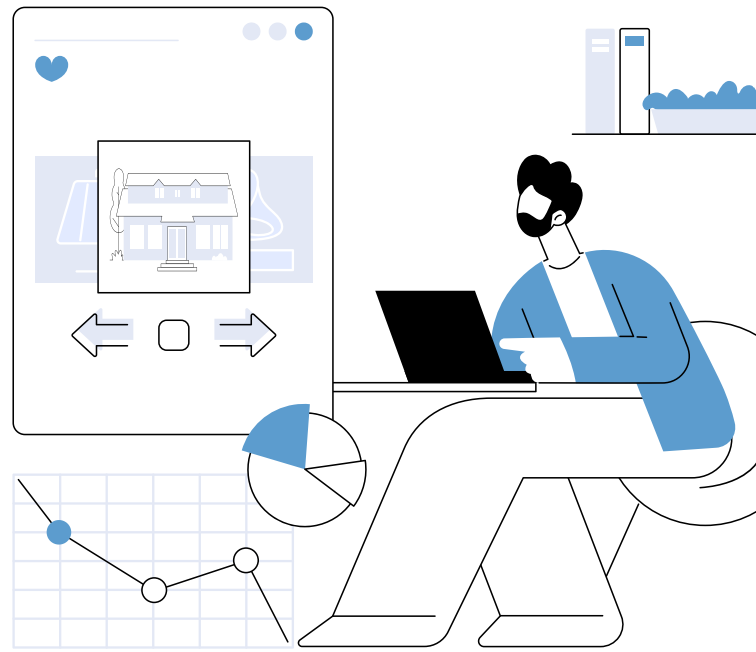


Looking Ahead

Future Industry Trends

Based on survey data from 600+ home inspectors

- **Ancillary Service Expansion:** Home inspectors surveyed are increasingly offering radon, mold, and sewer scope inspections as upsells.
- **Technology Adoption:** Home inspectors surveyed are looking towards AI-driven reporting and defect analysis tools to help increase efficiency and scale their businesses.
- **Regional Pricing & Service Expansion Matter:** Adapting pricing to local markets and offering ancillary services like radon testing, mold testing, and sewer scopes can maximize revenue.
- **Inspectors Look to Become Trusted Advisors:** Beyond the inspection, inspectors surveyed believe education and long-term home consulting will create lasting client relationships and new revenue streams including home owner services like homeowners insurance and home security offerings.



By adapting to these trends and leveraging data-driven insights, inspectors can ensure their businesses remains competitive and positioned for long-term success. This report highlights the importance of tracking regional pricing trends, evolving defect categories, ancillary service opportunities, and offering homeowner services to stay ahead in 2025.

Thank You!

Thank you for taking the time to read “The State of Home Inspection” 2025 report. If you have any questions, would like to discuss our findings further or try a free demo, please don’t hesitate to contact us.

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Data Methodology

Spectora's Industry Snapshot leverages data from thousands of home inspectors and millions of home inspections, making it the largest database in the home inspection software sector. While representing a substantial industry cross-section, it does not claim to encompass the entire sector. The dataset, sourced solely from Spectora, ensures privacy by excluding any and all personally identifying information. All figures are rounded to the nearest whole number or dollar amount for precision. Florida data may be skewed due to the inclusion of 4-point inspections. Geographical divisions and regions align with NAR standards. National inspection volumes are based on published reports. The dataset comprises US-based inspectors, including DC and excluding Puerto Rico, and omits data from inspectors outside the United States. Some answers are compiled from survey data from over 600 home inspectors. Read Spectora's complete privacy policy at <https://www.spectora.com/privacy/>.