

N.L. home inspector leaves unhappy customers, as advocates call for industry regulation

Stephen Densmore faces lawsuits and an unpaid judgment but defends his work



[Ariana Kelland](#) · CBC News · Posted: Dec 08, 2022 6:00 AM NT | Last Updated: December 8



Bonnie Paul, 56, says she is left with tens of thousands of dollars in debt due to damage to her home that she says wasn't detected by her home inspector Stephen Densmore in 2020. (Ariana Kelland/CBC)

Bonnie Paul thought she'd found the perfect house. It had an apartment, a reliable tenant and few stairs — which would be helpful for when she retired and grew old there.

Before Paul made an offer on the Mount Pearl property, she got an inspection from someone she believed was a licensed home inspector. The report noted five "critical" items that needed repair — all things that Paul said were inconsequential. More important to her, the report said her roof was good for at least another decade.

The deal closed in September 2020. Today Paul says she's been left financially broken, is saddled with a home she no longer wants, and has won a court judgment that hasn't been paid.

CBC News has learned that Paul isn't the only person who is seeking accountability — and, in some cases, money — from home inspector Stephen Densmore of A Buyer's Choice.

Densmore has an unpaid judgment registered against him and outstanding allegations in small-claims court.

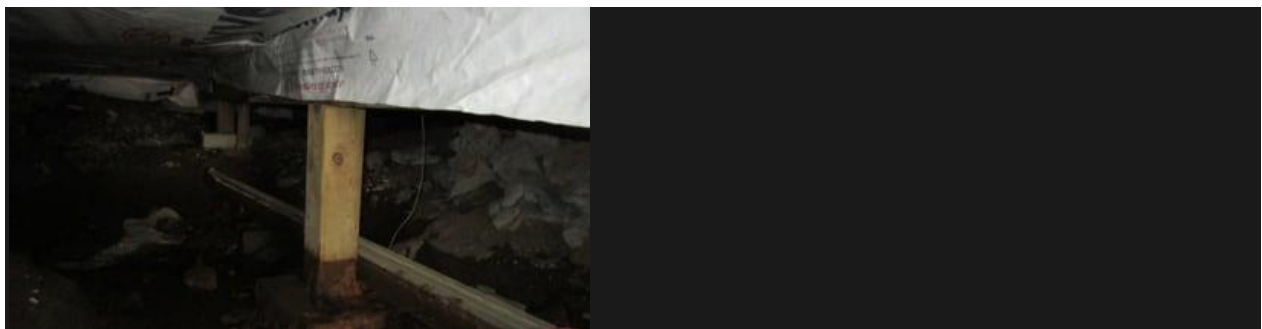
Industry experts say the current unregulated system is not properly protecting homeowners, and they will continue to be at risk until provincial governments step up to license the industry.

For his part, Densmore says he "100 per cent" supports mandatory provincial licensing of the home and property inspection industry.

"I look forward to any opportunities to support such a change in this industry," he wrote in an email to CBC News.

He said he wasn't aware Paul had won a judgment against him, and he defended his work.

"I am still a practising inspector, and I am proud to be a part of an industry that contains many other highly trained, professional inspectors and companies here on the Avalon Peninsula," Densmore wrote.



A second inspection completed three months after Paul bought the home uncovered standing water in the crawl space. (Guardzman Inspections Inc./Submitted by Bonnie Paul)

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Paul says trouble began two months after the deal closed on the Park Avenue property. Her tenant called with bad news — the ceiling over her bathtub had collapsed and water was streaming down.

But the problem went beyond her bathroom.

Paul said three of the roofing companies she contacted for a quote said the shingles on the upper roof of the property were "significantly past their life expectancy" and needed to be replaced.

That was at odds with Densmore's home inspection report, which said the roof was good for another 10 to 15 years.

"I had asked [Densmore], you know, was everything solid? And he was like, yes. He said, 'If I had the money, I'd buy this little place myself,'" Paul said.

After removing drywall in other parts of the home, plastic and insulation spilled out — plastic barriers sagged under the weight of water. (Submitted by Bonnie Paul)
Three months later, she hired Guardsman Inspections owner Mike Guihan, whose report painted a vastly different picture.

Guihan's report said the upper roof was at risk of failure and needed to be immediately replaced, and that all hardware on the windows was severely corroded or missing.

The crawl space was flooded with 30 centimetres of water with an electric baseboard submerged and connected to a power lead, Guihan found. An estimate to repair the crawl space came in at just shy of \$30,000.

Guihan concluded Densmore's inspection and subsequent report did not follow requirements of the National Standard of Canada and the InterNACHI Standards of Practice, which set out a minimum benchmark that home inspectors should meet.

"The entire inspection report appears, in the opinion of the undersigned, to be intended to obfuscate the actual condition of the subject house rather than to inform the client of the condition of the property," Guihan wrote.

"The Buyer's Choice report contains excessive amounts of unnecessary and irrelevant information that appears to be used solely to take up space and to create the false impression that the report is inclusive and thorough."

Densmore declined to comment on Paul's allegations, citing court proceedings, and said he could not speak to Guihan's findings because he had not seen the report.

But in general terms Densmore said there are "different approaches by different professionals."

In an email, Densmore said he uses an "innovative, more modern approach, which provides a client with not only identified deficiencies/safety concerns at the time of inspection, but also provides the client more detail on the property."

"These reports are more comprehensive in nature because the report becomes the property's operations manual."

Customer thought he was a licensed home inspector

Paul said she was comfortable with Densmore because she thought he was licensed. She said there was a licence number on his business card.

However, there is no regulatory licensing for home inspections in Newfoundland and Labrador.

The cover page of Paul's home inspection has a licence number listed under Densmore's name.

Densmore told CBC News the licence number referred to his membership identification for the International Association of Certified Home Inspectors, an organization with members across Canada and the U.S. Its website says it "provides its members with accredited training and education, free benefits, expert advice and peer support."

An InterNACHI spokesperson said Densmore is currently a member of the association but was not a member when he inspected Paul's home.

Nick Gromicko said the association has not received any complaints about Densmore but the group has a buy-back program for dissatisfied customers — within 90 days of closing.

Unpaid debts

Paul filed a statement of claim against Densmore at Supreme Court in St. John's in March 2021. But Densmore never responded to the claim.

In October 2021, she won a default judgment. Densmore owes Paul over \$51,000, but so far, Paul said, she has not been paid.

Densmore told CBC News he was unaware of the default judgment and is "now looking into the matter."

Paul said the sheriff's office was unable to locate Densmore and could not find any bank accounts or assets in his name.

A process server signed an affidavit in July 2021 stating that he made unsuccessful attempts at serving Densmore with Paul's lawsuit. At one point, he said, he went to a relative's home to serve the documents but had them thrown back at him.



Stephen Densmore, 40, of A Buyer's Choice, a franchise with businesses across Canada and U.S., provided Bonnie Paul with a home inspection report on Sept. 1, 2020. (Left: Submitted by Cara Stevenson. Right: Stephen Densmore/LinkedIn)

"I have lived at five different addresses in the years since my separation from my former spouse, yet I have always been easily and readily available and accessible via publicly listed forms of communication," Densmore said in an email.

Densmore says he is still a practising home inspector but is taking sporadic time away for medical reasons.

There are multiple recent reviews for his services on Google Reviews, where he has a 4.9-star rating out of five.

CBC News attempted to contact A Buyer's Choice and its parent company GFO Brands by email and phone but was not successful. According to a neighbouring business, the address associated with the company's head office appears to be a mailbox in a strip mall in Pompano Beach, Fla.

The company's website says it has dozens of home inspectors across North America.

Other allegations outstanding

There are two small-claims actions pending against Densmore.

In October 2021, a former customer filed a statement of claim in provincial court requesting the maximum allowable amount of \$25,000, for failing to properly inspect his property.

The allegations have not been proven in court. The matter is expected to go to trial in the new year.

In April 2021, Jodi Rossiter and her partner, Daniel Smith, also filed a statement of claim against Densmore.

They're asking for \$16,280 to cover the cost of repairs they've made since taking ownership of their home in downtown St. John's.

The couple say they were hesitant to purchase the downtown St. John's house as it was part of an estate sale with very little background information on the property.

"[Densmore] reassured me. He's like 'I'm extremely thorough.... You have nothing to worry about,'" Rossiter said in a recent interview.

"[He said] 'This home is excellent. You've got it for a steal.'"

Soon after moving in, Rossiter and Smith said, they were plagued with problem after problem — there was mould that needed remediation, two-prong sockets instead of three-prong on the second floor, and plumbing issues.

According to Rossiter, the most costly error was the electrical system. Densmore's home inspection said the home had 200-amp meter service outside, but it did not.

In a text message, Densmore told her that an electrician friend had reviewed the entire system and said it needed \$3,000 in upgrades, which the couple were willing to pay.

However, Rossiter said Densmore's electrician did not respond to her. She followed up with two other electricians who said the work was much more extensive. It cost over \$8,000 to fix.

"I would have just chalked it up to a corrupt industry," said Daniel Smith.

"But Jodi was adamant that she was not going to let this guy victimize her through this process and she wanted to find some sort of justice and to hold him accountable."

Rossiter and Smith also said they have run into repeated problems trying to serve Densmore with court documents, even enlisting the help of a private investigator and process server.

Densmore told CBC News he recently became aware of a court filing by Rossiter and has invited her to serve him with the statement of claim.

"In any profession, not all clients are always happy," Densmore said. "My contact information has always been public due to my profession."

'I wasn't expecting anything major'

Cara Stevenson said she doesn't have the money to pursue legal action.

She hired Densmore to inspect her home in downtown St. John's in the summer of 2021.

"I do expect some small things to go wrong the first year," Stevenson said.

"That's the way things work, of course, but I wasn't expecting anything major."

In April, Stevenson said a contractor discovered a poorly covered crack in the foundation toward the back of the home, which had not been mentioned in the report.

The biggest shock came, she said, when the contractor inspected the right side of the house and discovered that 20 per cent of the home had permanent wood foundation, not stone as had been noted in the inspection. Water was leaking into her home from the foundation.

She wrote Densmore an email telling him she never would have bought the home had she known.

"Unfortunately there is nothing we can offer here as the inspector is not liable for areas not visible or accessible," Densmore wrote, in a message she shared with CBC News. He did refund Stevenson the cost of the inspection.

Stevenson said she has paid several thousand dollars on repairs to date, but cannot pay the tens of thousands needed to fully correct the foundation.

Densmore declined requests for comment on Stevenson's home inspection. "Such a matter should be determined before an impartial trier of fact on a consideration of all the evidence," he wrote.



Cara Stevenson bought a home on Brazil Street in downtown St. John's after getting a positive home inspection from Stephen Densmore of A Buyer's Choice. (Paul Pickett/CBC)

Stevenson said her experience speaks to a larger issue: the need for oversight of the home inspection industry.

Only two provinces in the country require inspectors to be licensed: Alberta and British Columbia. Quebec is working on introducing mandatory inspections and licensing requirements.

In 2017, the Ontario government passed the Home Inspectors Act to regulate the industry and establish qualifications for inspectors, but it was never implemented.

"[It's] crazy to me that I'm spending my life savings.... All of us are spending so much money on these homes, and there's an industry that's not regulated," Stevenson said.

"If you're a hairdresser, you're putting chemicals on somebody's head. That's regulated, OK, and these guys aren't regulated by the government and they're checking a \$400,000 home [that's your] investment, your life savings."

Not cheap, not easy

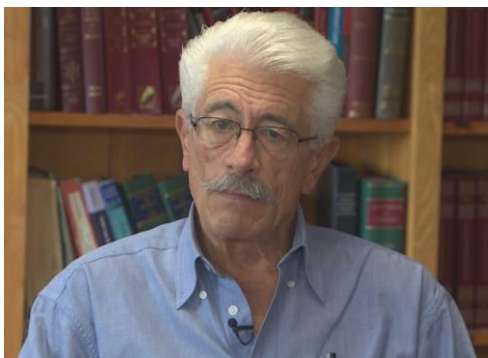
Mike Guihan wrote a report used by a plaintiff in one of the lawsuits filed against Densmore.

He would not speak specifically about it but agreed to discuss his work inspecting buildings and homes in general.

Guihan said he has advocated unsuccessfully for decades for provinces to regulate the industry.

"The only way to ensure that the home inspector has proper qualifications is to have some sort of a regulatory regime that is rigorous," Guihan said in a recent interview.

"It's not going to be easy. It's not going to be cheap."



Mike Guihan, owner of Guardsman Inspections, says he has been working in home and building inspections for nearly 50 years. (Paul Pickett/CBC)

Guihan said he has seen inspectors in Atlantic Canada advertise themselves as having various professional designations, which he says adds a layer of legitimacy for customers.

"Professional property inspector, certified home and property inspector, these things ... they're all fictitious because they don't mean anything because there is no licensing," he said.

Peter Weeks, president of the Canadian Association of Home and Property Inspectors, agrees.

"It's the political will, and there is no political will," said Weeks.

Weeks and Guihan suggest homeowners ask potential inspectors if they're familiar with the national standards of practice or if they have worked with mentors.

But without licensing, they say, there is no way to know for certain someone's qualifications.

'Taken my happiness'

Bonnie Paul has learned a lot about the home inspection industry, but it's all cold comfort now.

Due to the condition of the house and the debt she's found herself in, Paul now lives there herself, with a cloud of worry over her and freezing cold floors below her.

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"He's taken my happiness," she said. "He's put me financially in the hole [that] I can't get out of."