

INSPECTIONS: Smart Strategies To Make A Home Inspection Work For You



Whether you're buying or selling a home (or both), pay special attention to how a home inspection can serve your interests. A professional home inspection protects both buyers and sellers from legal action sparked by problems found after a home is sold.

Buyers have long been advised to include a home inspection contingency in their purchase offers. The cost--\$300 or so--is well worth the information it buys, protecting the purchaser from costly surprises later on. In fact, many homes harbor problems their owners aren't even aware of until a professional inspector points them out. (That's why some savvy sellers have been getting their homes inspected before putting them on the market.)



Inspection Contingencies

A sales contract may include one of two types of inspection contingencies:

1. A "general contingency" inspection clause stipulates that the contract is contingent on the buyer conducting a "satisfactory" professional home inspection. The contingency specifies a certain number of days for the buyer to conduct the inspection and report back to the seller, and allows the seller time to respond to the inspector's findings. If the buyer dislikes anything in the inspection results and chooses not to go forward with the transaction, the contract is null and void. Obviously, this type of contingency favors the buyer.

2. A "specific contingency" spells out particular criteria that must be met before the buyer can back out, e.g., the owner's failure to fix a problem identified by the inspection. The buyer can't just walk away for any reason. Although not ideal for buyers, this type of contingency offers more protection than no home inspection clause at all.



Checking It Out

The most reputable home inspectors are members of The American Society of Home Inspectors (ASHI) and are bonded, licensed and insured. ASHI Standards of Practice require that an inspection evaluate the following:

Structural Components	Exterior
Roofing	Central Air Conditioning
Heating	Plumbing
Electrical	Insulation and Ventilation
Interiors	

It's equally important to understand what a professional inspector is not supposed to do. An inspector can't tell you everything you want to know about a house. Remember, inspectors are generalists who have a fair amount of information about all home systems but usually are not experts on any of them.

Professional inspectors are not supposed to fix problems they find. How much would you trust someone if you knew they were looking for a repair job while searching for defects in the home? If a major problem is found, ask a reputable contractor how much it would cost to repair or replace it.

Don't expect the inspection report to include the condition of every single nail, electrical wire or piece of plumbing. Inspectors check out the overall systems, not all the joints and nail pops (unless they are visible).

Inspectors can't give you the reason for the defects they find. Their job is to find defects, not to explain them. Don't expect a listing of cosmetic concerns--that's the buyer's job. The inspector has no way of telling how long a system will last and shouldn't volunteer an opinion about it. The inspection is not intended to be a guarantee of future performance.



Seller Benefits

Especially in slow markets, sellers do well to order home inspections (and make needed repairs) before putting their homes on the market. Being able to show that your home has a clean bill of health can encourage purchase offers from skittish buyers and speed your contract settlement.

Even if you're selling in a seller's market, you may want to accept a contract with an inspection contingency or have your home pre-inspected. Letting buyers know about defects you don't intend to correct will help provide protection against legal action later. More and more buyers have been filing after-purchase lawsuits against home sellers for major defects found in homes that were not inspected before settlement. Whether such lawsuits are successful or not, they represent a real hassle for sellers.

Give us a call if you have any questions about ordering professional home inspections. We would be happy to provide you with a list of reputable inspectors in the area.