

Why do I Need a Home Inspection?

The purchase of a home is one of the largest single investments you will make. You should know exactly what to expect in terms of future repairs, improvements and maintenance. A fresh coat of paint could be hiding serious problems. Stains on the ceiling may indicate a chronic roof leakage problem or may simply be the result of a one-time incident. The inspector interprets these and other clues, and then presents a professional opinion as to the condition of the property so you can avoid unpleasant surprises afterward. Of course, an inspection will also point out the positive aspects of the home, as well as the type of maintenance needed to keep it in good shape. After the inspection, you will have a much clearer understanding of the property you are about to purchase, and be able to make your decision confidently. For Sellers, an inspection can increase the marketability of the home by identifying problems that can be repaired before a Buyer is brought to the table.

What exactly does an inspection include?

A complete inspection includes a visual examination of the building from top to bottom with the inspector's observations documented in a written report that describes construction components, materials and functionality. Most inspectors also include digital photographs of defects; especially in hard to reach areas such as the crawl space, roof and attic.

Many States license home inspectors and regulate their standards of practice. Since some States allow deviation or departure from the Standards, you should request a written contract from your inspector prior to awarding the assignment so you can carefully review the scope of work to be performed.

Generally, the standards of practice for home inspectors include:

General Information: Persons present during the inspection, approximate age of the structure, construction type and style, weather and soil conditions at the time of inspection, residence type, number of stories, approximate house orientation (direction the house faces) and a general lot description.

Grounds: Grade relative to drainage, yard drains, walks, driveways, landscaping, patio/slabs, outside lighting, dangerous trees or limbs, fences and gates, outside faucets and retaining walls.

Exterior: Siding, shutters, trim rot, paint and caulking, fascia, soffit, eaves, porch, porch rails, stoop, stoop rails, deck, deck rails, doors, sliding doors, garage, garage door openers and windows.

Roof: Material type, roof style, flashing and roof penetrations, skylights, gutters, downspouts, splash blocks, rafters and other upper framing elements, ceiling joists, roof decking, water penetration, whole house fan, ventilation, insulation and attic access.

Fireplace: General condition, gas logs, damper, chimney condition and flue liner.

Foundation - Basement: Accessible areas, moisture penetration, piers, foundation walls, floor joists, sills, girders, sub floor, slabs, and insulation.

Foundation - Crawlspace: Accessible areas, moisture penetration, sump pump, vapor barrier, piers, foundation walls, floor joists, sills, girders, sub floor, ventilation and insulation.

Foundation – Slab: General condition of viewable components, cracks and signs of settling.

Electrical: Service entrance, service wires (size and types), grounding equipment, main panel, sub panels, over current protection, ground fault protection, 110 volts and 220 volt circuits, receptacles, light fixtures, switches and safety concerns.

Heating: Unit manufacturer, model number, serial number, location, measuring air temperature rise, general condition, heating unit description, energy source, system type, total capacity relative to area served and approximate age.

Cooling: Unit manufacturer, model number, serial number, location, measuring air temperature drop, general condition, cooling unit description, energy source, total capacity relative to area served and approximate age.

Plumbing: Water supply, well pump, water shut offs, water pressure, water pipes, water pipe support, water pipe insulation, water heater, waste water disposal, waste and vent pipes, waste pipe support, plumbing fixtures, laundry connections, dryer exhaust and bath rooms.

Interior: Rooms, floors, walls, smoke alarms, ceilings, stairs and doors.

Appliances (permanently installed): Unit manufacturers, dishwasher, disposal, oven and energy source, range and energy source, refrigerator, trash compactor and microwave.

When do I request an inspection?

For Buyers, the best time to consult the inspector is right after you've made an offer on your new home. Ask your professional real estate agent to include an inspection clause in your contract, which makes your purchase obligation contingent upon the findings of a professional inspection. Specifically, the clause outlines what the options are (for the Buyer and the Seller) in the event that major, costly defects are uncovered during the inspection. Most real estate contracts allow a period of 10-20 working days to have the home inspected.

Can a home "Fail" the inspection?

No. A professional inspection is simply an examination of the current condition of your prospective real estate purchase. It is not an appraisal or a municipal code inspection. An Inspector, therefore, will not pass or fail a building, but will simply describe its condition and indicate which items need repairs or replacements.

What if the report reveals problems?

If the inspector finds problems in a home, it does not necessarily mean you shouldn't buy it. The purpose is to disclose or notify you in advance what repairs you should anticipate. A seller may be willing to make repairs or reduce the cost of the house based on the cost of repairs.

Causes for alarm

Suppose you've just received a report about a house you're interested in. The report probably provides a summary page, pointing out immediate areas of concern, or those likely to be costly to repair or replace. These problems will often be red-flagged in the text of the report. When you read the report, look for alarming words--like "very poor", "significant", "excessive", and "substantial. ("Condition of the chimney will require extensive repair.") For budgeting purposes, ask your inspector about the life expectancies for major mechanical systems. A home warranty service contract can be an excellent investment. You should also contact the appropriate contractors to estimate the cost of repair work prior to closing on your new home.

If the report is favorable, did I really need an inspection?

Definitely! Now you can complete your purchase with peace of mind about the condition of the property, equipment and systems. You will learn a great deal about your property from the inspection report and you will want to keep that information for future reference. Above all, you can rest assured that you are making a well-informed purchase decision and that you will be able to enjoy your new home.

More owners use home inspections at listing as a great marketing tool!

While a professional home inspection is not a new concept, the idea that Sellers can benefit from them is beginning to gain acceptance; especially as the number of homes listed continues to grow, making for a fiercely competitive selling market. A listing inspection will also help the Seller comply with State disclosure laws by demonstrating due diligence. Another Advantage for the Seller is that they are fairly represented in the inspection process which has predominately been one sided in the in favor of the Buyer.

Listing inspection helps set a realistic price

If professional home inspectors work great for Buyers, think of what they can also do for Sellers. Many homeowners cannot be completely objective about their homes. After all, your home is your personal place and there is usually a great deal of emotion tied to it. Hiring qualified real estate professionals, such as a licensed broker or agent, is the first step toward gaining objectivity when selling a home. But getting more involved in the process yourself, learning as much as you can, and providing the extra effort can make the difference in a highly competitive market.

One of the biggest advantages to a Seller of a professional home inspection at listing is that it helps set a realistic selling price. The market analysis prepared by your Realtor can help in determining a fair selling price for your home, but such an analysis usually doesn't reflect the true physical condition of the home and its systems. This is something that only a professional home inspector can do. For example, if a house has been well maintained and upgraded over the years, a higher listing price will be justified by the inspection report, and not just on the word of the owner or Realtor.

On the other hand, if the house has problems, the selling price should reflect those deficiencies. The combination of a professional inspection report and a selling price that reflects deficiencies that are a true representation of the condition of the house could save deals that would have otherwise fallen through. It also virtually eliminates re-negotiations of the sale price based on the Buyer's inspection and generally speeds up the whole closing process.

"Buyer Beware" turns into "Seller Beware"

There is another important rationale for a Seller to have an inspection at the time of listing. In our society, real estate, as with many other practices has become increasingly litigious. It's better to disclose -- at the beginning -- any problems that Buyers will most likely find out on their own, either through a pre-purchase inspection or after moving in. The new rule of law in real estate transactions is becoming "caveat vendor", or "Seller Beware", as more and more court decisions and state legislation call for full disclosure to the Buyer of defects in a house. And Sellers shouldn't wait for or rely on the Buyer's inspection to keep them in the clear legally. Practically speaking, the homeowner has the most intimate knowledge of the home and can be held liable for misrepresenting its condition. Yet in reality, the majority of homeowners know little about the absolute condition of the structural and mechanical systems in their homes.