

Home Inspections: Getting to Know You

By Richard Stanley

I'm working with a buyer client now who just spent a couple thousand dollars for inspections on a house she will never own. Sounds like a lot of money down the drain, yes? No--not if the knowledge gained keeps her from buying a house she'll later regret owning. The purpose of inspections is to inform a buyer, not to confirm a sale.

When I started in real estate more than 20 years ago, there were no disclosures and few people did more than measure rooms during an inspection. *Caveat emptor*--buyer beware--was the rule. All that changed and evolved because of litigation and ever more sophisticated technology. Today, the average buyer spends \$1,000 or more to find out whether the condition of a property is what he or she expects. Except in unusual circumstances, every purchase agreement should have an inspection contingency period that begins upon acceptance of the offer by buyer and seller. (An exception might be a probate sale, which is an "as is" sale--in which case, the buyer should perform any inspections before the court confirmation.)

Here are some common inspections to consider once the deal is signed on the dotted line:

General Inspection: EVERY buyer should engage a qualified inspector to conduct this kind of inspection. Many inspectors belong to professional organizations such as the California Real Estate Inspection Association (CREIA), but this credential is not required to perform a thorough and accurate home inspection.

This kind of inspection is a visual inspection only, and is limited to the basic systems of the house, including, roof; foundation; electrical; plumbing; structural; built-in appliances; heating and air conditioning; interior and exterior; sub areas; attics and safety. The general inspector may recommend additional, special inspections by others--but not for the above items. The general inspection does not include inspections of garden sprinklers, security systems and pool systems. An inspector should have a contractor's license and be insured adequately. The inspection should take two to three hours for the average house. At the end of the inspection, you should receive a verbal summary of the findings. Ask questions at this time! All inspections should include a detailed written report, preferably with photo illustrations. If asked, a general inspector may offer verbal estimates of the costs of repairs, but should not solicit business from the buyer.

To do so would be a conflict of interest. I always ask the inspector what was the worst condition found. The answer offers a relative context for the rest of the findings. Costs of this kind of inspection range from \$400 to \$750.

Geologic Inspection: If you're buying in the hills, if the house shows signs of settling, if particularly recommended by the general inspector--or for your own peace of mind, it's worth investing in a geologic inspection. The geologist will check for aberrant conditions of the house and the underlying land. A discussion of earthquake hazards and how the house has performed in the past is included. Ask the geologist if he or she would live in the house--especially if the geologist (or any inspector) sounds too general or all-inclusive or vague or sounds self-protective. Geologic inspections can cost up to \$1200 for a written report (best). Verbal reports cost less.

Sewer Line and Chimney Inspection: These inspections are now commonplace, thanks to the ubiquity of video cameras. Both types of inspections run cameras through spaces too small to inspect any other way. Both reports include DVDs of the camera's views. Most chimney and sewer line inspectors never see a chimney or sewer line they like. Be prepared for some unwanted discovery, i.e., unexpected expense. These reports cost from \$250 to \$500 each.

Termite Inspection: Unless a house is 100% concrete, it's likely to have termites some times in its life. The so-called "termite inspection" also covers "dry rot", or fungus damage and other insect damage from carpenter bees, powder post beetles and the like. Costs for inspections run from free to about \$100

Mold Inspection: This sort of inspection is the frontier of inspections. There are no standards for mold inspections. All sorts of molds are found in any household environment. What may endanger the health of one person may leave another unaffected. Some kinds of molds are known to be particularly troublesome, however. Most mold problems can be remediated with the control of moisture and disinfection. An inspector will gather samples by a variety of methods. The samples must be analyzed in a lab. No "on the spot"

observations can be conclusive. Radon and asbestos inspections are similar, too, in that samples must be taken to a lab. Costs are about \$250 and up.

There are many other inspections that can be used to investigate special matters involving boundaries; septic tanks; wells; pools; tree problems and the like. The goal in all instances is to find the truth. How buyers and sellers negotiate the costs involved with correcting unpleasant truths is another matter. Here is where your realtor's advice, skills and experience are invaluable. Remember, no house is perfect--especially in California, which one of my past clients called, "the act-of-God theme park"!

Richard Stanley is a veteran local realtor who may be reached at rstanley@coldwellbanker.com

##