



## Home Inspections

January 2002

The following information about Home Inspections may be helpful to your buyers and sellers before they hire a home inspector.

### What is a home inspection?

Whether you're buying or selling a home, the home inspection is probably one of the items at the top of a lengthy "to do" list. But what is involved? How much does it cost? Why is it done in the first place? It's important to understand what a home inspection entails and how it affects the sale of your home or the purchase of a new one. The more you know, the less likely you are to get ripped off or taken by surprise.

First of all, let's clear up a commonly misunderstood point: a home inspection is not the same as an appraisal. An appraisal is an estimate of a property's overall market value. A home inspection is much more detailed and practical. It is also not a code inspection and therefore does not report on building code compliance or give a "passing" or "failing" grade. It is defined as *an objective visual examination of the structure and systems of a home by an impartial, neutral third party not related to the buyer or seller*. A home inspector describes the physical condition of a property and indicates items in need of repair or replacement (which may or may not be serious enough to prevent a sale).

The three main purposes of the inspection are to 1) evaluate the physical condition of the home, including structure, construction, and mechanical systems; 2) identify items that need to be repaired or replaced; and 3) estimate the remaining useful life of the major systems, equipment, structure, and finishes. Bottom line: A home inspection is invaluable for disclosing any readily visible major defects in the mechanical and structural components and in pointing out any significant health or safety issues.

### What's included? What's not?

The purchase of a home is probably the largest single investment you will ever make.

You should learn as much as you can about the condition of the property and the need for any major repairs before you buy, so that you can minimize unpleasant surprises and difficulties afterward.

A home inspection includes a visual examination of the house from top to bottom. The standard home inspector's report will review several hundred items, including the home's interior plumbing and electrical systems; central heating and cooling (weather permitting); foundation; basement or lower level; roof, attic, and visible insulation; interior and exterior; kitchen and kitchen appliances; bathrooms and laundry facilities; common safety devices; ventilation; chimneys; foundation; walls, ceilings, and floors; doors and windows; and visible structure.

The inspection will expose major defects and safety issues—ones that significantly affect the habitability of the home or operation of its major systems, including hazardous conditions that may exist due to the absence or presence of the defect. This might include systems that, while operational, are not operating as they were intended to or at less than optimal performance. Major defects are sometimes described as ones where the repair or replacement of the defect or issue costs more than \$500.

What doesn't a home inspection cover? An inspector cannot report on defects that are not visible, including defects hidden behind finished walls, beneath carpeting, behind storage items and in inaccessible areas, and even those that have been intentionally concealed. Systems that are seasonally inoperable (swamp coolers, air conditioning, furnaces) will not be turned on during the inspection.

Of course, a home inspection also points out the positive aspects of a home, as well as the maintenance that will be necessary to keep it in good shape. After the inspection, you will have a much clearer understanding of the property you are about to purchase.

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## How much does it cost and how long will it take?

Expect your inspection to cost anywhere from \$200 to \$500 depending on the size of the house. Don't let cost be a factor in deciding whether or not to have a home inspection; several hundred dollars is a small price to pay for the knowledge you'll gain about one of the most important investments you'll ever make.

Also, remember that a thorough, accurate home inspection takes time. The last thing you want to do is to try to hurry the inspector along. The inspector's most important priority is accuracy, and the chances of mistakes and missed conditions are much more likely if the inspector is rushed. Expect your home inspection to take anywhere between two and five hours (allowing about one hour for each 1,500 square feet of living space over 3,500 square feet). Of course, older homes will take longer than newer ones.

## Can I do it myself?

Even the most experienced home owner probably lacks the knowledge and expertise of a professional home inspector who has inspected hundreds of homes in his career. An inspector is familiar with the many elements of home construction, their proper installation, and maintenance. He understands how the home's systems and components are intended to function together, as well as how and why they fail.

Additionally, most buyers find it very difficult to remain completely objective and unemotional about the house they really want, and this may affect their judgment. For the most accurate information, it is best to obtain an impartial third-party opinion by an expert in the home inspection field.

You can, however, be present at the inspection. In fact, it's a good idea to be there for a couple of reasons: You can ask the inspector questions during the inspection. The inspector will have the opportunity to point out areas of potential trouble, which will mean more to you if you see it with your own eyes than if you read it in the inspector's report later. And many inspectors will offer maintenance tips as the inspection progresses.

## How do I find a home inspector?

To hire an inspector, get recommendations from friends and family. Your real estate agent is also a great source and may be able to provide you with a list of names to choose from. Home inspectors are also listed in the Yellow Pages under "Home Inspection Services."

When interviewing inspectors, be sure to ask for references and any memberships in professional associations. Find out about the inspector's professional training, length of time in the business, and experience.

## What do the results mean?

No house is perfect. If the inspector identifies problems, it doesn't necessarily mean that you shouldn't buy the house. However, the seller is not required to make any repairs, replacements, or maintenance since this is not a code inspection. Instead, the buyer can use the inspection report as a negotiating tool, or the seller may decide to adjust the purchase price, the contract terms, or credit money to the buyer at closing to pay for any necessary repairs. In some cases, if the problems are more than the buyer wants to take on, the contingency clause in the contract may allow the buyer to pull out of the transaction at this stage.

Even if the report reveals no major problems, the decision to hire an inspector was still worth the investment. Now you can complete your home purchase with a realistic understanding of the condition of the property and all its equipment and systems. Be sure to save your written inspection report for future reference.

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