

# Mortgage Times

## Home Inspections Avert Future Headaches

Get a top-to-bottom examination of your new home before closing

By Warren Lutz

Suppose you bought a house and later discovered, to your dismay, that the stucco exterior concealed a nasty case of dry rot. Or suppose that winter when you fired up the furnace, you discovered a cracked heat exchanger leaking gas into your home.

The best way to avoid unpleasant surprises like these is to arrange for a home inspection before you buy. A good home inspection is an objective, top-to-bottom examination of the home and everything that comes with it. The standard inspection report includes a review of the home's heating and air-conditioning systems, its plumbing and wiring, the roof, attic, walls, ceilings, floors, windows and doors, the foundation and the basement.

Getting a professional inspection is crucial for older homes because age often takes its toll on the roof and other hard-to-reach areas. Problems can also be the result of neglect or hazardous repair work, such as a past owner's failed attempt to install lights and an outlet in a linen closet.

But a home inspection is also a wise investment when buying a new home. In fact, new homes frequently have defects, whether caused by an oversight during construction or simply human error.

**Reasonable Fixes:** Home inspections cost about \$400-\$500, depending on the size of the house and where in the country the home is located. Inspection fees tend to be higher in urban areas and cities than in rural areas. Real estate agents can usually recommend an experienced home inspector. You can find one through a friend or the Yellow Pages under "Building Inspection" or "Home Inspection." The American Society of Home Inspectors, a professional trade group, also has a database of qualified inspectors on its Web site.

Some builders may try to dissuade you from getting a home inspection on a home they've built. They may not necessarily be trying to hide anything because most builders guarantee their work and will fix any problems in your new home before you move in. Some builders, in fact, will offer to do their own inspections. But if you'd prefer a more objective appraisal, insist on an outside inspection.

**Self-Education:** Education is another good reason for getting an inspection. Most buyers want to learn as much as they can about their purchase so they can protect their investment. An examination by an impartial home inspector helps this learning process.

Ask if you can follow the home inspector on his or her rounds. Most inspectors are glad to share their knowledge, and you'll be able to ask plenty of questions.

Homebuyers usually arrange for an inspection after signing a contract or purchase agreement with the seller. The results may be available immediately or within a few days. The home inspector will review his or her findings with you and alert you to any costly or potentially hazardous conditions. In some cases, you may be advised not to purchase the home unless these problems are remedied.

You could elect to include a clause that makes your obligation contingent upon the results of the inspection. If major problems are found, you can back out of the deal. If costly repairs are warranted, the seller may be willing to adjust the home's price or the contract's terms. But when only minor repairs are needed, the buyer and seller can usually work out an agreement that won't affect the sale price.