

The image features a close-up photograph of a brick wall. The bricks are reddish-brown with some weathering and discoloration. A solid red horizontal banner is centered across the middle of the image, containing the title text in white. The text is in a bold, sans-serif font and is arranged in two lines.

Agents and Home Inspections: A Recipe for Success







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Course Objectives

- Identify the importance of a home inspection
- Describe the home inspection process
- Define the most common types of inspections
- Describe common issues found in home inspections
- Identify how to choose a home inspector
- Help you serve your clients better

Course Outline

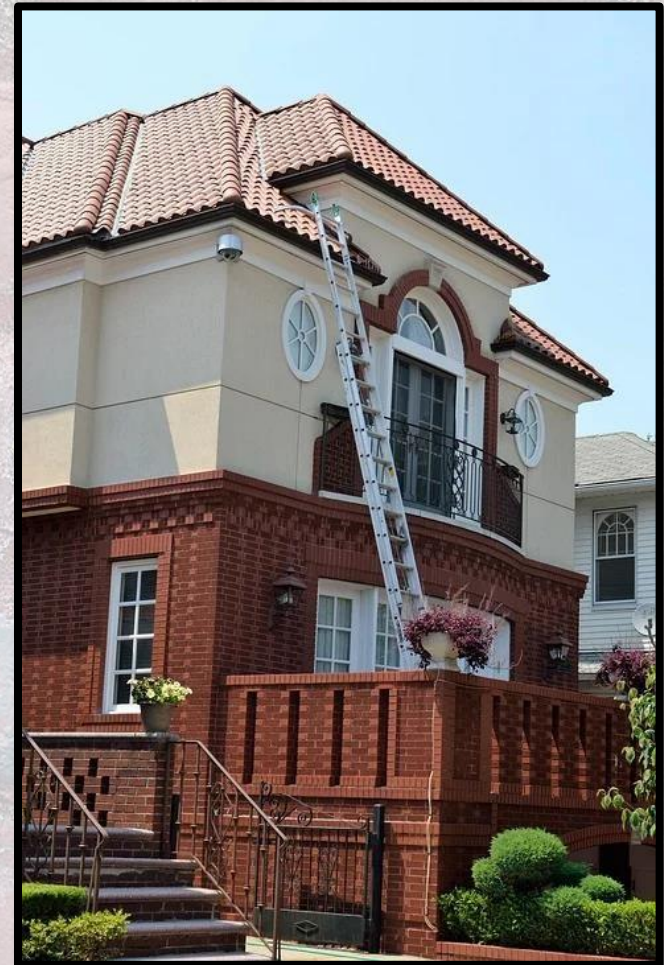
- Why am I really here?
- What is a home inspection?
- 5 critical areas of the home inspection
- What occurs during a home inspection?
- Types of inspections 101 (introduction)
- Types of inspections 201 (deeper discussion)
- Your role in the home inspection process
- Some of the most common problems
- Choosing a professional home inspector

Why am I really here?

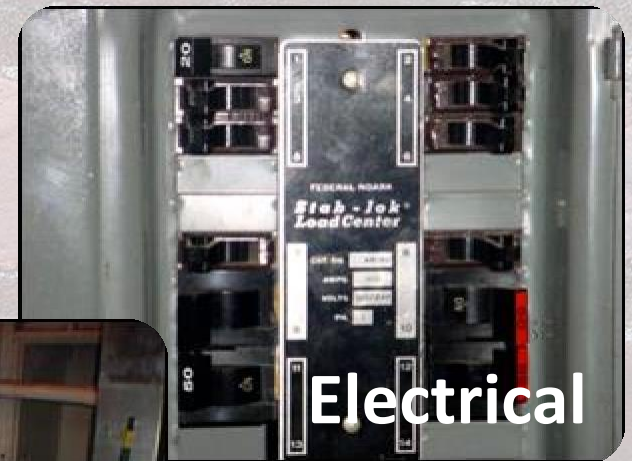
- If you don't know, you're not alone...
- This isn't just about looking at homes anymore.
- The most crucial and misunderstood relationship in residential real estate
- The decision to use a particular home inspector is too important to leave to price or the flip of a coin.
- The decision of whether to get a home inspection should be out of the question!

What is a home inspection?

- A home inspection is an objective, visual examination of the physical structure and systems of a house.
- It's like a medical checkup - If a problem is detected, a referral is made to a specialist.



The 5 Critical Areas of a Home

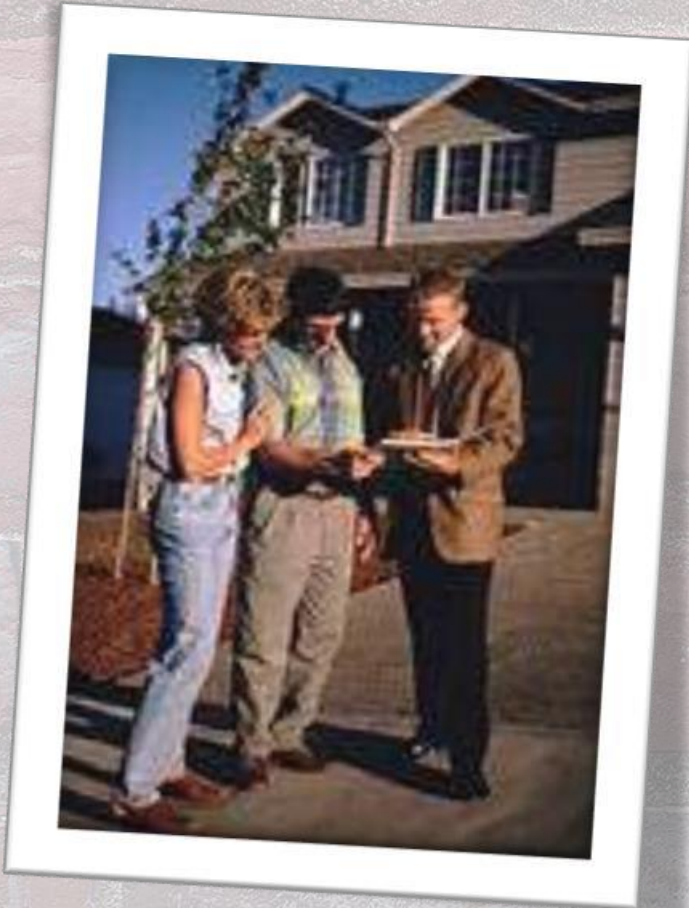


What Occurs During A Home Inspection?

- **Pre-Inspection***
- Property, Site & Exterior
- Roof & Attic
- Structure, Basement & Crawlspace
- Electrical & Plumbing
- Heating & Air Conditioning
- Kitchens & Bathrooms
- Living Areas
- Health, Fire & Safety
- **Post-Inspection***

Pre-Inspection

- Meet the client
- Assess their concerns and desires
- Establish clear expectations
- Explain the home inspection



Property, Site & Exterior

- Foundation Type
- Drainage, Grading and Vegetation
- Exterior Siding
- Decking/Patios and Flat work
- Windows, Doors and Joint Protection



Roof & Attic



- Roof Covering
- Accessories (stacks, chimneys, skylights)
- Gutters and Downspouts
- Attic Structure
- Ventilation/Moisture

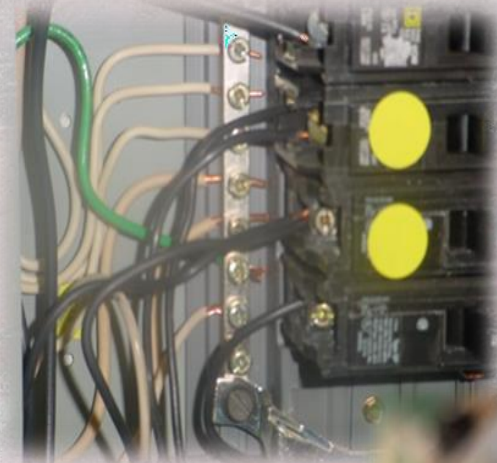
Structures, Basements & Crawlspace

- Type of Structure
- Condition of Structure
- Insulation and Ventilation
- Finished Basements



Electrical & Plumbing

- Size and Condition of Electric Service
- Electrical Panel, Shut-off and Wiring
- Water Main and Shut-off
- Distribution Piping Hot Water Supply
- Plumbing Appliances and Fixtures



Heating & Air Conditioning

- Identify the System
- Condition of the Unit
- Unheated Areas
- Humidifiers/Air Exchangers: ERV & HRVs



Kitchens & Bathrooms

- Functionality of Sinks, Tubs, Showers, Toilets
- GFCI Protection
- Ventilation/Humidity Levels
- Functionality of Major Appliances

Living Areas

- Condition of Walls, Floors, Ceilings
- Receptacles and Lighting
- Doors and Windows
- Fireplace/Wood Stove

Health, Fire & Safety

- Health, Fire, and Safety Hazards
- Ventilation/Combustion Air Supply
- Smoke Detectors/ CO Detectors



Post-Inspection



- Present and Review the Report
- Questions and Answers
- Telephone Consultation (as required)
- Maintenance Tips
- Zoom or Facetime walkthrough

Re-Cap to this point...

- When should you NOT get a home inspection?
- A home inspection is an objective, _____ examination of the physical structure and systems of a house.
- The 5 critical areas of every home are...
- The 2 most important parts of the actual inspection are the...

Types of Inspections 101

Pre-listing inspections...

Give the seller the opportunity to correct defects prior to listing, provide a more accurate disclosure, take nasty surprises out of the equation and speed up the closing.

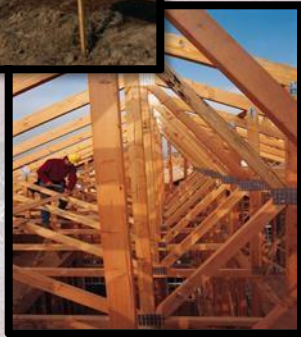
Buyers inspections...

Give yourselves and your buyers the tools needed to make an informed decision about the condition of the home and reduce liabilities for all involved.

Types of Inspections 101

New Construction Inspection:

Even new houses have problems. With the new paradigm of tear-down builders and large developments, inspection of new construction is crucial.



11th Month Warranty Inspections:

Aka Builder's Warranty Inspection. Your clients have bought that new home and the builder's warranty is about to expire. Are they ready? Get a professional inspection to get the most out of it.

Types of Inspections 101

Phased Construction Inspection:

Building your own custom home? Why not have an expert on your side? A home inspector can be your eyes and ears on-site.

Renter's Security Deposit Inspection:

Have a certified home inspector document the condition of a rental property before it gets rented. Avoid the hassle of security deposit disputes with renters.

Types of Inspections 101

Wood Destroying Insect (WDI) Inspection:

Afraid your home may have termites?
Make sure you know whether it does or
does not with a state-certified pest
inspection.

Radon Gas Testing:

What's the leading cause of non-smoking
related lung cancer in the U.S? You guessed
it. Get it tested now or the next buyers might.

Types of Inspections 101

Mold Inspection:

There is mold all around us, but mold in large quantities can be harmful. Don't hesitate calling a mold mitigation specialist.



Sewer Scoping:

Sometimes the things we can't see cause us the biggest headaches. Sewer scoping is a must on older homes.



Types of Inspections 101

Septic Systems:

Rural properties are often not connected to city waste systems. Regulations vary from county to county on septic inspections needed during real estate transactions.



Types of Inspections 201

The 6 most popular inspections

- Buyer's
- Pre-listing
- Sewer Scope
- Wood Destroying Insect
- Radon
- Mold

Buyer's Inspection

- Concisely conveys the property condition to the client
- Transfers responsibility to the inspector. Limits the exposure and liability of yourself and your office:
 - Allows you to concentrate on taking care of the client
 - Professional, fresh, & objective
- Can give you a serious edge in negotiating

Pre-Listing Inspection

- A home seller's ultimate gesture of honesty
- Helps with full-disclosure and may eliminate future legal claims
- Provides a professional, third-party, unbiased, non-alarmist opinion to potential buyers
- May help with:
 - pricing the home realistically (maybe higher!)
 - reducing potential for deal falling through at last minute
 - reducing last-minute negotiations and over-inflated buyers' costs

Pre-Listing Inspection

- Cannot be used to waive the buyer's inspection contingency but allows you to anticipate what will be identified
- Permits a clean home inspection report to be used as a marketing tool
- Permits you to attach repair estimates or paid invoices to the inspection report
- Gives sellers time to make repairs and shop for competitive bids
- Identifies:
 - issues of immediate concern such as safety hazards, termite infestations, and radon gas
 - repairs that if made will make your listings show better

Pre-Listing Inspection

Lastly...

Sell your listings up to 50% faster, which means you get paid sooner and your client is happier!



Sewer Scope

Sewer scoping has become a very popular inspection service in the last few years

- Not typically included in a standard home inspection
- A camera is sent down the sewer line all the way from the house to the sewer main
- A written report and in some cases, a video is provided
- Detect hidden problems in an area that cannot be seen but is used everyday

The WDI (termite) Inspection

It's not a matter of if you get termites, it's a matter of when.

- Home inspections and termite inspections go together like peanut butter & jelly.
 - Termite inspections are required for FHA loans
- Nationwide, termites cause more than \$2.5b worth of structural damage that is not covered by homeowners insurance.
- Termite presence does not have to kill the deal, and can be dealt with quickly and relatively inexpensively.
- The whole house should be treated, not just the area(s) where the termites were discovered.



Courtesy of:
Fidelity Exterminating
Aberdeen, Maryland





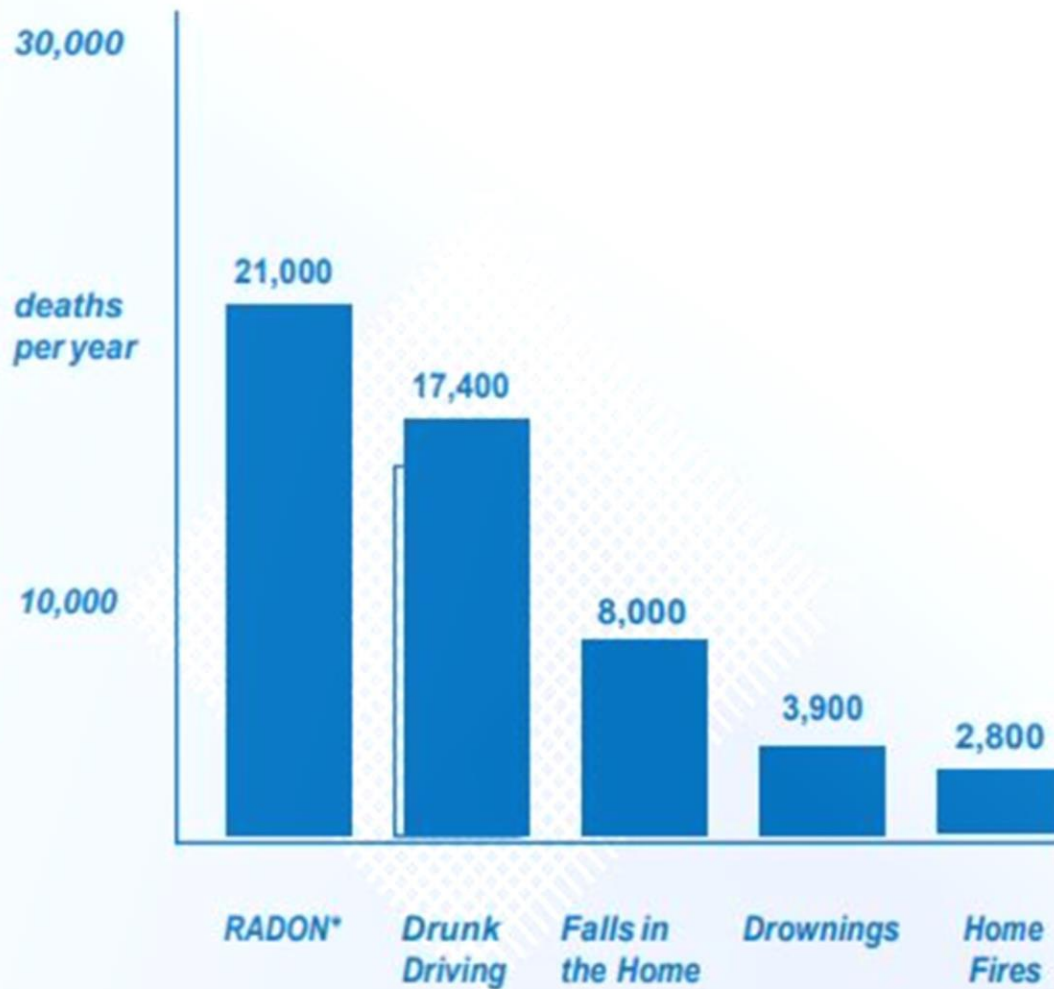




Radon Testing

The leading cause of non-smoking related lung cancer in the U.S.

- Naturally-occurring radioactive gas that comes from the ground.
- Age of home doesn't matter.
- Approx. 1/3 of homes in the Kansas City metro have higher than recommended levels.
- Homes above 3.9 pCi/l should be fixed.



**Radon is estimated to cause about 21,000 lung cancer deaths per year, according to EPA's 2003 Assessment of Risks from Radon in Homes (EPA 402-R-03-003). The numbers of deaths from other causes are taken from the Centers for Disease Control and Prevention's 1999-2001 National Center for Injury Prevention and Control Report and 2002 National Safety Council Reports.*

CANCER MORTALITY - 2012

Published Online: 27 May 2012
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CANCER TYPE	ESTIMATED U.S. DEATHS/YR
1. Lung and Bronchus	160,340
2. Colon and Rectum	51,690
3. Breast Cancer	39,920
4. Pancreas	37,390
5. Prostate	28,170
6. Leukemia	23,540
>>> Radon Induced Lung Cancer	21,000
7. Liver and Bile Duct	20,550
8. Non-Hodgkin Lymphoma	18,940
9. Ovary	15,500
10. Esophagus	15,070
11. Urinary Bladder	14,880
12. Kidney and Renal Pelvis	13,570
13. Myeloma	10,710
14. Stomach	10,540

CA: A Cancer Journal for Clinicians Volume 62, Issue 1, pages 10-29, 4 JAN 2012 DOI: 10.3322/caac.20138
<http://onlinelibrary.wiley.com/doi/10.3322/caac.20138/full#fig4>

The Mold Inspection

- Everyone has a different sensitivity to each kind of mold; What is unhealthy for me may not bother you.
- Large quantities of mold aren't good for anyone.
- Mold can be an indication of moisture issues in a home.
- It can't always be seen (if it's inside a wall).
- Regulations require professional clean-up for large areas of mold.
- Mold testing can identify type and quantity present.



MOLD

Alternaria – Allergenic

Aspergillus – Allergenic

Cladosporium – Allergenic

Penicillin - Allergenic

▣ **Stachybotrys – Toxigenic**

▣ **Acremonium – Toxigenic**

▣ **Chaetomium - Toxigenic**

Your Role In The Inspection Process

Before...

During...

After...

Your Role In The Inspection Process

Before the Inspection

- Contract, with the home inspection contingency, is accepted by the seller.
- Supply referrals for at least three home inspectors.
- Client selects an inspector and sets a time.
- Arrange schedule so you can be at the inspection.
- Arrange for utilities to be turned on.
- Inform client of any defects already noted or disclosed and encourage them to be present during the inspection.
- Make sure that the owners are NOT at the inspection.

Your Role In The Inspection Process

During the Inspection

- Encourage client to stay involved to ensure inspector communicates with them in the way you expect.
- Client should ask questions about anything that is not clearly explained.
- Be available for your client or the inspector to answer questions about the contract and disclosures.

Your Role In The Inspection Process

After the Inspection

- Review the reports with your client.
- Discuss with your client what action they want to be taken.
- Develop and submit a list of unacceptable conditions with the notice to the sellers.
- Follow up to make sure negotiated issues are resolved.

Re-Cap to this point...

- The 6 most common types of inspections are...
- A home inspection places responsibility of the inspected systems on the _____ shoulders and limits your Liability.
- It's possible to sell a home _____ % faster with a pre-listing inspection.
- Radon is measured in _____.

What Do We Often Find ?

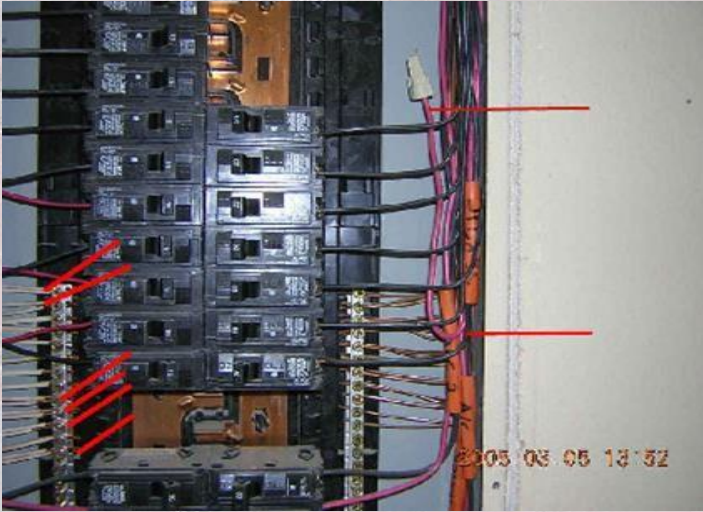


Plumbing issues that can be safety hazards or expensive fixes too.



Roofing problems such as hail damage, incorrectly installed roofs, damaged or missing shingles, composition over wood shingles, or limited ventilation just to name a few.

What Do We Often Find ?



Electrical issues such as ungrounded outlets, missing GFCI's, wiring incorrectly installed or overloaded panels. On occasion mice have been known to make their way into a panel and cause havoc too!



Safety issues such as, incorrectly installed or maintained decks, lack of smoke detectors, improper venting, etc.

What Do We Often Find ?



Chimney problems are not always easy to spot or diagnose the cause of. The home inspector is trained to find these deficiencies.



Incorrectly installed, damaged or defective siding. Inspectors will often see materials that have been known to present problems and should be able to identify them.

What Do We Often Find ?



Asbestos. Presents a health concern only in a friable (crumbly or able to be airborne) state. A lab test is the only way to confirm if the material contains asbestos.



Lead-based paint. A health concern when absorbed into the body. High levels in many homes pre-1978. Can be sealed or removed professionally.

What Do We Often Find ?



Moisture damage often accompanied by mold or other issues. Caused by leaks, flooding or poor ventilation.



Termites can be found everywhere in Kansas City. Indications of termite infestation are mud tubes running up vertical surfaces or a “shredded” look to wood.

What Do We Often Find ?



Wood Rot. Common in windows, soffits, eaves, and on siding.



Structural issues other than the foundation such as improper support, or damaged support.

Foundation issues. Common due to our expansive clay soils.

What Do We Often Find ?



HVAC systems that are poorly maintained or dirty.



Purposefully hidden problems. Excessive storage, clutter or finished basements can hide issues the home owner would prefer go unnoticed.

How Do I Choose A Professional Home Inspector?

- Inspector should be a full-time professional and member of a professional property inspection organization.
- Home inspectors are not required to be licensed in Kansas or Missouri, but professional certifications can help you identify those with a base knowledge level.
- Inspector should carry Errors and Omissions or Commercial General Liability Insurance.
- Inspector should present information in an objective and professional manner.
- Ask other agents for references or interview the inspector.

