

Explanation of Property Inspections

Structural Pest Control Inspection

Often referred to as a “Termite Report,” the Structural Pest Control Inspection is conducted by a licensed inspector. In addition to actual termite damage, the pest report will indicate any type of wood-destroying organism that may be present, including fungi (sometimes called “dry rot”), which generally results from excessive moisture.

Section I Conditions

Most pest reports classify conditions as Section I or Section II items. Section I conditions are those which are “active” or currently causing damage to the property. Generally, Section I items need to be corrected before a lender will make a loan on a home.

Section II Conditions

Section II conditions are those that are not currently causing damage, but are likely to if left unattended. A typical Section II item is a plumbing leak where the moisture has not yet caused fungus decay.

Who Pays

The purchase contract will specify who is responsible for the cost of inspection and for making any necessary corrections. This is a negotiable item and should be considered carefully.

Physical Inspection

The physical inspection clause in your purchase contract allows you the right to have a property thoroughly inspected. This is usually done through a general home inspection company. While home inspectors are not currently required to have a license, some are general contractors, or have been at one time. The inspection and the resulting report provide an overall assessment of the present condition of the property.

What is Inspected?

The home inspection covers items such as the exterior, paint, flooring, appliances, water heater, furnace, electrical service, plumbing and other visible features of the property. This is a general inspection, and if conditions warrant, the home inspector may recommend additional inspections by specific trades. Common trade-specific inspections include a roof, pool and furnace inspection or even a Structural Engineer’s report.

Who Pays?

Typically, all inspections are paid for by the buyer, but who pays can be negotiable according to the contract.

Geological Inspection

You may also elect to have a geological inspection to educate yourselves as to the soil conditions at the home. This inspection is performed by a Geotechnical engineer and involves not only physically inspecting the property but also researching past geological activity in the area. The primary purpose of a geological inspection is to determine the stability of the ground under and around the home.

Who Pays?

Typically, the buyer pays, but as with other inspections, this is negotiable according to the contract.

Home Warranty

Home protection Plans are available for purchase by a buyer or seller. Such plans may provide additional protection for certain systems and appliances in the home. All policies vary as to coverage, so read and select your policy carefully.