

What Buyers and Sellers Should Know About **HOME INSPECTIONS**



A REAL ESTATE EBOOK FROM



INTRODUCTION

Let's talk about home inspections.

Whether you're buying or selling a home, an inspection is likely to affect you as you make your way through the process. Inspections can be nerve-wracking, especially if you're a first-time buyer or seller, but we're here to help you approach the inspection stage with confidence.

If your real estate agent sent you this ebook, great news — they will be an invaluable resource throughout the homebuying or selling process. But if you're hoping to get a better understanding of the basics of home inspections, you're in the right place.



What Is a Home Inspection?

First, let's define what a home inspection is.

An inspection is intended to assess the condition of the home and uncover potential damage or safety issues. A qualified home inspector will examine the property top to bottom, from its plumbing and electrical work to its roof and foundation. They might recommend repairs or notify you if something isn't up to current code.

"A home inspection is often necessary in a real estate transaction because it helps the buyer — and lender — ensure they're making a good investment," [a Rocket Homes article says](#). "It also ensures the home is safe to live in. Typically, a contingent offer will require a home inspection to be done before a sale can happen because, if the inspection report shows any major problems, the buyer can back out of the real estate deal."



What Happens If an Inspection Reveals Major Issues?

Getting a bad home inspection report can feel like the worst-case scenario, and it's true that if major issues are discovered, it can force the buyer and seller to renegotiate — or even cause an offer to fall through. But we believe that an inspection is in everyone's best interest because it provides information that can save both the buyer and the seller time and money.

If the home inspector's report identifies major issues, either the buyer can back out, or the buyer and seller can begin negotiating. The buyer might ask the seller to complete repairs or request a closing cost credit — also known as a concession — to pay for repairs. Alternatively, the seller could offer to lower the price of the home and sell it as-is.



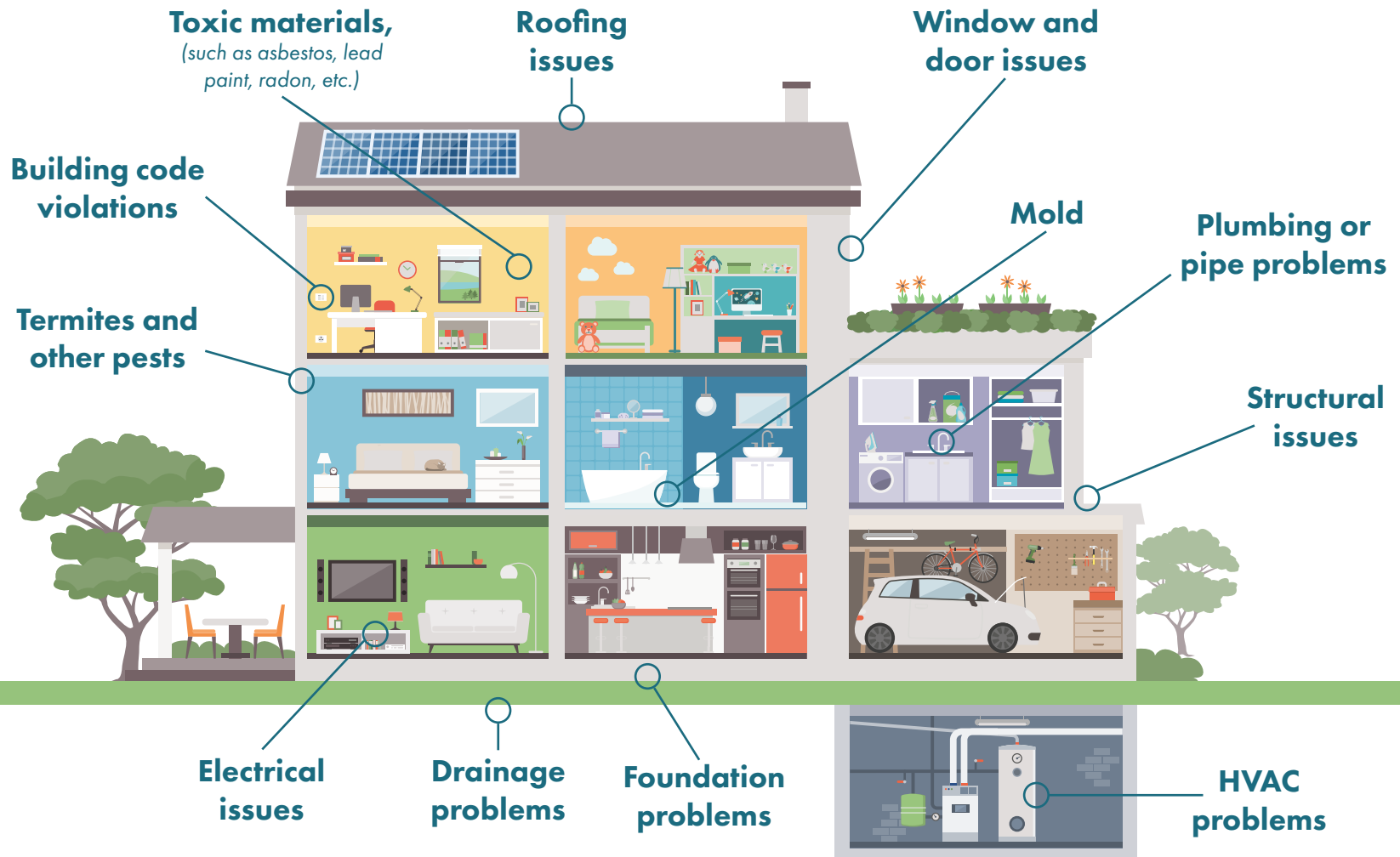
Did You Know?

[A Zillow research report](#) found that among sellers who had experienced an offer falling through, 15% attributed it to the inspection.



Why Home Inspections Fail

These are the biggest reasons that home inspections fail, according to *Rocket Homes*:



Choosing a Home Inspector

If you're a homebuyer, you will be responsible for choosing a home inspector — and paying for the inspection.

Your real estate agent might be able to recommend a home inspector, but you can also do some research on your own.



Did You Know?

Zillow reported that 68% of homebuyers looked to their agent for home inspector recommendations.



What Makes a Good Home Inspector?

Here are a few things to look for in a home inspector, [according to Rocket Mortgage](#):

- They're certified or licensed, depending on your state.
- They're a member of a professional home inspection association, such as the American Society of Home Inspectors or the International Association of Certified Home Inspectors.
- They have access to advanced technology, such as infrared technology; electronic radon monitors; gas leak detection technology; and water pressure gauges, moisture meters, or water test strips. (Although you should be aware that tests outside of the scope of a standard inspection can cost extra.)
- They can give you a detailed quote.
- They have a strong professional network in your area.

You should also read online reviews or ask the inspector for a sample report to get an idea of what kind of information they provide.



Questions Buyers Should Ask Their Home Inspector

When it comes to asking questions, don't be shy!

Whether it's before the inspection is scheduled, during the inspection, or after you've received the inspection report, it's important to ask questions if you don't understand something.

Before the inspection is scheduled, we recommend asking what the inspection covers (and what it doesn't) to make sure you understand exactly what to expect.

Once the inspector completes their report, they likely will have identified a list of potential issues in the home. Some inspectors will flag the issues that require immediate attention, but if it isn't clear, you should ask which issues are cause for concern and which are minor.



What Are Specialty Inspections?

There are areas of a home that a home inspection typically won't cover, such as inside walls, inside pipes or sewer lines, inside chimneys, and behind electrical panels, [*Investopedia* advises](#). A home inspection is a visual inspection, which means the inspector doesn't cut into walls or look into pipes.

A homebuyer might consider ordering additional (or specialty) inspections, such as a sewer scope, a radon test, or a termite inspection. Not sure if you should order these tests? It often depends on the age of the home, your location, and whether there's obvious cause for concern. When in doubt, ask your real estate agent.



Home Inspection FAQ

Still have questions about the inspection process?

Here are the answers to a few common questions.



When Does the Inspection Happen?

A home inspection occurs after a buyer's offer is accepted but before the closing date. An offer is often contingent on the home inspection, which means that if the buyer isn't satisfied with the results of the inspection, they can back out without losing their earnest money.



How Much Does an Inspection Cost?

According to [HomeAdvisor](#), a home inspection costs \$340 on average, with most homebuyers spending between \$280 and \$400. The cost can vary depending on several factors, including the size of the home.



How Long Does an Inspection Take?

It varies, but a typical home inspection takes 2-3 hours.

Home Inspection FAQ Continued



When Will the Buyer Receive the Inspection Report?

The inspector will provide a timeline for sending the report to the buyer, but in most cases, it's complete in a day or two.



I'm a Homebuyer. Should I Attend the Inspection?

The buyer typically has the option to attend the home inspection, and if you're able to, we strongly recommend doing so. You'll be able to ask questions and see the issues that the inspector identifies firsthand.

Wishing You a Smooth Inspection

The inspection process can be complicated, but now that you know what to expect, it will be much less intimidating. When you're armed with knowledge, you can buy or sell a home with confidence.

As you embark on your homebuying or selling journey, we want to emphasize the importance of asking questions. If you don't understand something, tell your real estate agent or your home inspector. Both have likely been through many home inspections in their careers, and it's their job to help you through the process.

Good luck — we hope your home inspection goes smoothly!



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