



From The Home Inspector

Red Flags in a Home: What Should a REALTOR® Know?

The market is slow and every issue that may surface as the result of a home inspection can make or break the deal at a particularly vulnerable time. The more REALTORS® know about what they see when viewing a home, the more they may potentially be able to avoid those seemingly “little things” that can have major implications to keeping the transaction moving forward. In an effort to help them increase their understanding of possible trouble areas in a home, I have often communicated with REALTORS® and affiliated professionals utilizing a publication called Understanding Home Inspections...Red Flags. Though used for a couple of years, this brochure has been out of print and outdated for awhile due to the ever-changing “Offer to Purchase and Contract” which was cited in it.

In an effort to keep good and helpful information flowing between real estate professionals and home inspectors, several REALTORS® on the WSRAR Realtor/Home Inspector Committee have asked me to revise the Understanding Home Inspections...Red Flags brochure. I have also been asked to make this publication generic regarding the “Offer to Purchase and Contract”, so that it will have a longer service life. To that end, I have completed the necessary revisions and will be making the publication available as a PDF document to any that wish to use it.

While AmeriSpec® Home Inspection Service is the copyright author of this brochure, there have been many contributors who should be recognized. The original foundations of this publication came from the efforts of the High Point Regional Association of Realtors (HPRAR) Realtor/Home Inspector Committee in 2001-2002. Under the leadership of Charles Willett, Karen Dietz and Janet Paris-Gray (now all former Presidents of HPRAR), the seed-bed ideas of this publication were developed. Due to legal concerns by HPRAR about publishing such a document, it was never completed and distributed.

As one who highly values the continued understanding and cooperative efforts/education between Realtors and home inspectors, I saw the value in this brochure. I asked the main contributing authors for permission to publish some of the content of the original draft. All agreed that it was better to publish the material to help resolve issues in the home inspection process than to let all the work go with no benefit. The brochure was first published in 2003 and then revised in 2005.

With this history as a backdrop, you may be asking, “Just what are those Red Flags that an experienced REALTOR® may

benefit from noticing?” Water Penetration, Electrical, HVAC, Plumbing, Doors/Windows, Cracks, Lot Drainage, Abandoned Underground Storage Tanks, Structural/Room Additions and Appliances are some of the major items which can have visible evidence, or “Red Flags” of concern. The brochure gives further detail on each of these areas of potential problems.

Several other more exceptional issues that the experienced REALTOR® will come to recognize are:

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| 1. Polybutylene Pipe | 5. EIFS – Synthetic Stucco |
| 2. Fungal Growth | 6. Pulse Furnace - Lennox |
| 3. Underground Storage Tanks | 7. Abandoned Water Well |
| 4. Aluminum Wiring | |

These items can result in significant complications in a real estate transaction when they come to be known after the home inspection is completed. Starting a discussion about these types of items before the inspection will help to minimize their impact on the sale.

Understanding what a home inspection is, and is not, will benefit most home buyers and sellers. The brochure will shed some light on this in order to help the REALTOR® walk the client through an appropriate level of understanding, which will help to set proper expectations. In addition, the brochure addresses “seven steps to keep a home inspection from blowing your deal” in an effort to make sure you, the REALTOR® are in control -- not the condition of the property. Those seven steps are:

1. Teach your clients what a home inspection is and is not.
2. Tell your clients from the beginning and throughout the search: There is no such thing as a “**Perfect Home**”!
3. Discuss obvious “red flags” you observe before the inspection.
4. Explain the information the inspection report will contain: Defects, Maintenance & Informational items.
5. Before the inspection takes place, discuss with your client the strategy for actions to take place after the inspection.
6. Encourage buyers’ attendance at the inspection along with yours.
7. Choose a reputable home inspection company who will provide a thorough and unbiased written report and will stand behind their work.

There are many issues and topics which may be considered “Red Flags” other than the ones addressed here and in the brochure; however, understanding and applying this information will help you to move from frustration to control in the transaction.

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