



Course Sponsor

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This program has been approved by the Director of the Real Estate Commission for three clock hours toward fulfillment of the educational requirements for renewal of a real estate license.

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“The Commission is interested in the quality and delivery of educational programs which are offered to licensees and, therefore, welcomes and encourages comments regarding program subject matter and quality of the delivery of the program.”

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Introduction

Instructor: Darryl E. Chandler

- Darryl is the owner of Focused Property Inspections, Inc. in Gorham, ME.
- Darryl and his team of inspectors provide several thousand inspection services each year.
- Focused Property Inspections is the only inspection company in Maine to offer free educational courses which have been approved by the State, as well as by ASHI and InterNACHI.

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Darryl Chandler has been doing inspections for over two decades, and is among the most respected property inspectors in the State of Maine.

As CEO and Owner of Focused Property Inspections, Inc., Darryl has performed thousands of residential and commercial property inspections throughout Southern Maine.

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Darryl is a fully certified member of the American Society of Home Inspectors (ASHI) and the International Association of Certified Home Inspectors (InterNACHI), two of the nation's most widely respected professional organizations for property inspections.

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Darryl has obtained and maintains the following licenses and certifications:

- State of Maine Radon Air License
- State of Maine Radon Water License
- Certified by the American Society of Home Inspectors
- Certified by the International Association of Certified Home Inspectors
- Certified Master Inspector by the Master Inspector Certification Board

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Neither this outline nor this course is intended to provide legal advice.

Consult your legal counsel or **Designed Broker** for any areas of concern.

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Course Objectives

- Set expectations for the buyer
- Explain common components of an inspection agreement
- Avoid aggravations by preparing the seller
- Avoid aggravations by preparing the buyer

What is a Home Inspection?

- A home inspection is the process by which an inspector visually examines the readily accessible systems and components of a home in accordance with a Standards of Practice, (ASHI).
- **Readily Accessible:**
- Available for visual inspection without requiring moving of personal property, dismantling, destructive measures or any action which will likely involve risk to persons or property.

Avoiding the Aggravations

- Having a home inspection is like giving a home a physical check-up
 - The inspector may recommend repair, replacement or further evaluation by a specialist



Important questions to ask your home inspector

- Professional Training
- Experience
- How many years?
- How many inspections?

Important questions to ask your home inspector

 Is property inspection their only business

 Do they belong to any professional organizations

 Are they required to complete continuing education

What to look for in an inspection company

- The real estate agent should look for the same qualities the Client is looking for:
 - Ease of Scheduling
 - Longevity/Stability
 - Reports that are clear and understandable
 - Professional Demeanor
 - Comprehensive Insurance



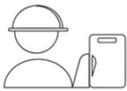
What to look for in an inspection company

Will they roll out the red carpet treatment for your clients ?

Things the Inspector Will Ask For

- Buyer Contact information and property details
- Signed "Inspection Agreement" prior to start of Inspection
- Access to the Property

Inspection Format



The Three D's

- **Detection**/Description of each concern/condition
- **Description**/Explanation of potential ramifications
- **Direction** for resolution

Setting the Expectations for the Buyer

- Inspection Agreement
- Standards of Practice
- Scope of Inspection
- Are outbuildings, pools/spas, termite, ancillary inspections

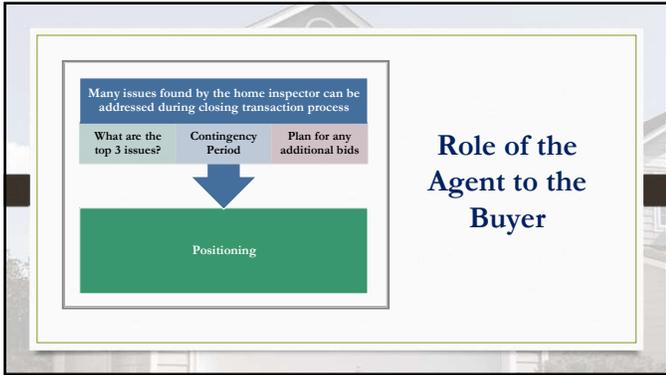
Role of the Agent to the Buyer

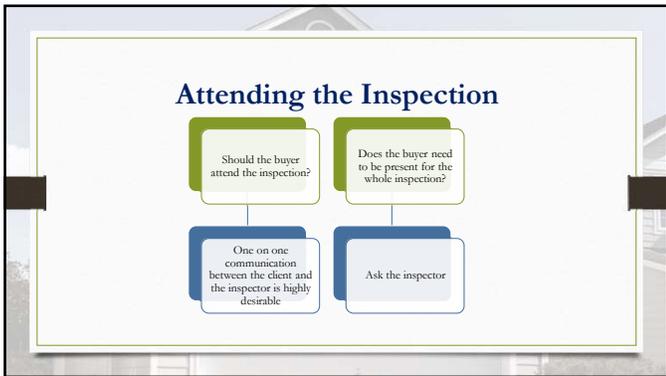
- Agent can help deter 'buyer freak-out syndrome'.
 - No house is perfect
 - What to expect when we're inspecting



Role of the Agent to the Buyer

- Educate the buyer on the process
- Discuss closing
- Make the State Disclosure Statement available
- Let the inspector answer questions
- RELAX



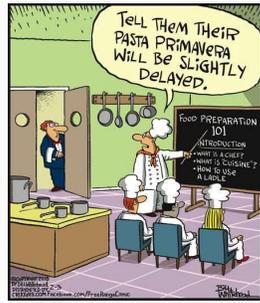


Attending the Inspection

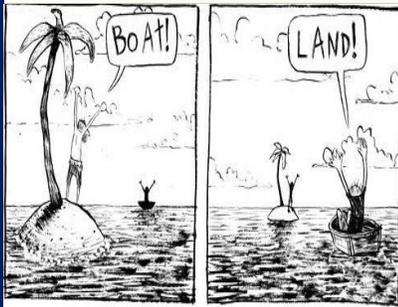
- Who should the buyer bring to the inspection?
 - Buyers may desire other third-party opinions and inspectors will respect that, however, too many guests may distract the inspector and the client

Prepare the Buyer

- Managing Expectations
- Minor vs. Major Concerns
- Bids and Fixing Problems



Its All About Perspective



Answering your Client's Questions

- Even the best inspectors do not know everything
- The inspector should be able to point the client in the right direction to solve any mysteries
- Good inspectors provide solutions or at least a path to the solution

Buyer Advice

- Explain to the buyer that the summarization of the inspection report during the last half-hour of the inspection process is very important and they need to be present if possible
- Let them know they can come early if they want to measure for the couch or simply to spend a little more time in the home



Reviewing The Report

Should buyer's agent be there?

Should the listing agent be there?

Masks and Social Distancing

Should the Seller be Present for the Review?

- From the inspector's perspective, it doesn't really matter
- There may be risks:
 - The seller may be offended by comments made about the home
 - The seller may attempt to downplay observed conditions and increase his potential for a future lawsuit

Inspector's Findings

- What are the potential ramifications of the inspector's findings?
 - Some findings may be negotiated between the buyer and seller
 - Some conditions may be corrected
 - May depend on what the seller and buyer have agreed to in the purchase agreement

Buyer Advice

Where do we go from here?

↓

Explain the options to the buyer.

↓

Additional estimates ?

Buyer Advice

- Should the listing agent have immediate access to the inspection report?
 - The owner of the report has some discretion as to who gets what and when



Getting Bids

- Roofer
- Handyman
- Plumber/Electrician

The Inspection Agreement



Preparing the Seller

Allow Full Access  Their Schedule 



House

Role of the Agent for the Seller

- The Selling Agent may or may not be present during the inspection
 - Depends on the discretion of the seller
 - Get first-hand knowledge of issues

Role of the Agent for the Seller

The Agent can help communicate to the seller how they can best prepare their house

The Agent can help communicate to the seller that no home is perfect

- Expect that the inspector will find some issues with the home

Inspector Responsibility to the Seller

Respect	Respect the property
Do	Do no damage
Leave	Leave the property as they found it
Answer	Answer seller's questions about the inspection process after the report has been issued

Inspector Responsibility to the Seller

- Some courtesies may be offered, depending on the agreement between buyer and inspector
 - Copy of the report to their agent
 - Explanation of findings

Preparing The House

- Utilities On
- Pilots lit
- Have all components active
 - They cannot be completely inspected, which will be noted in the report and may cause inconvenience for all parties and may require another inspection and fee

Property Access

- The seller should advise the inspector, buyer and agent of any items or areas that should not be disturbed or entered
- The seller and buyer should agree before the inspection on how to handle these matters
- Security Systems

Prepare the Property

- Provide clear and unrestricted access to:
 - Attics
 - Electrical Panels
 - Exterior Closets
 - Garage
 - Gates/Yard
 - Furnaces
 - Water Heaters



Prepare the Property

- Fix easy stuff (light bulbs, loose doors)
- Do cars need to be removed in the garage?
- Any circuit breakers off?
- Remote controls for pool, fireplaces, ceiling fans

Other Things the Seller can do to Make the Inspection go Smoothly

- Ask the homeowner to have cover plates put on junction boxes and outlets. This is very inexpensive to do.



Other Things the Seller can do to Make the Inspection go Smoothly

- Remove personal items from important components
- Make the areas accessible



Other Things the Seller can do to Make the Inspection go Smoothly

- Ask the sellers to not mop the floors prior to the inspection. Sure the house will look clean, but if not yet completely dry, then it may show up on the moisture meter.



Prepare the Property

- Remove animals from the premises:
 - Inspectors can't assume they are friendly
 - Doors and windows are opened AND animals may escape



Dealing with Pets

- If there are pets in the home, ask the sellers to put pets into cages, tie them outside away from the home, or take them out on the town. Tying the angry dog near the attic entrance does not help much.

Should the Seller be Present for Inspection?

- The seller can slow the inspection by tagging along or making repairs during the inspection
- The seller can make it difficult for the inspector to speak with the buyer confidentially, thus slowing the inspection



Should the Seller be Present?

- The inspector may have questions for the seller
 - Dwelling history
 - Repairs
 - Renovations
 - Unusual findings

Will a Home Inspector Recommend Whether or Not to Purchase the Property?

- No. Individual tastes, values and abilities will vary
- What may be an easy fix for one person may be impossible for another

Tough Questions?

- How much to fix everything?
- How much to replace the a/c unit?
- Does the house meet code?

What about Repairs?

- Most inspectors do not prescribe "how" something should be repaired, but rather what the end result should be
- Repairs vary widely in quality and price and often times, one bears no relation to the other
- There may be several different acceptable repair methods that may vary widely in cost
- Home inspectors cannot do repairs

Home Warranties?

- Can help lessen liability of property condition
- Make sure buyer understand what's 'not' covered
- Some cover a/c R-22 issues and some don't
- Great thing to write into contract

Pre-Listing Inspection

- Allow seller time to shop for reasonable costs of repair
- Allow seller to replace broken items with less expensive components
- Can shorten time needed between contract acceptance and closing

Pre-Listing Inspection



INCREASE CHANCES OF BEING
ABLE TO SELL "AS IS"



INCREASE PROSPECTIVE
BUYER CONFIDENCE AND
SHORTEN TIME ON THE
MARKET

How Does a Home Inspection Benefit the Seller?

- May eliminate surprises later
- May prevent seller from downplaying significant conditions
- Good risk management

Avoiding the Aggravations of Common Defects

Here are examples of the top ten most common defects found during home inspections. While common, most of these defects can be easily, and inexpensively, fixed.

If left unattended to, these conditions can only get worse and lead to much more expensive repairs, and in some cases, structural failure or fire.

Top 10 Home Defects 1. Foundation

- The grading should have a minimal slope away from the foundation at all areas
- Most homes drain rear yard to front so an allowance needed at the sides of the home
- Gutter downspouts should lead away from the foundation at least 6 feet, 10 feet is better.
- High grading against a wood-framed wall can promote moisture to wall areas and interior

Foundation: Drainage

- Water should not pool against the structure



Foundation: Drainage

- Potential for moisture intrusion to interior
- Worse if irrigated



Foundation - Supports

“What’s holding this up?”



Foundation

- Big winds can do considerable damage



The Deck of Death

- Don't Go There



Termites With A Flair!



2. Electrical Defects

 A house's electrical system can cause the most dangerous problems if it is not properly and professionally installed and maintained.

 Always have any electrical work done by a licensed and insured electrical contractor.

Electrical Panels – Owner Repair



Electrical Panels – Double Tapping

- Breaker was not meant to accept two wires





Electrical Panels –
Double Tapping Main

- Triple Tapping!!!



Electrical Panels –
Burnt Wires

- I'm Melting

Non-professional/Homeowner Wiring



Electrical – Animal Problems



A Must-Have
Tool for
Every
Electrician



‘Whatever
You Do
Don’t...’



3. Roof Defects



Roofing problems are common, and the most easily dealt with.



Contractor workmanship is often an issue

Roof Defects

- **Buckling**



OK, There's The Leak



**“The Seller Reports
the Skylight was
Repaired”**

- **It hasn't
leaked since**



**Roof Deck
Cracks**

- **Cracks at flat
roof material**



Foam Roofs

- **Blisters and
delamination**



Roof Flashings

- Who needs flashings



4. Air Conditioning/Heating

- Air conditioning and Heating systems are most commonly plagued by the lack of the proper amount of maintenance and repairs
- The Inspector tests basic performance of the unit(s) and a visual review but does not assess adequacy and compatibility of units

Units In Attics



The Disclosure Statement says 'conditioned garage'



Damage



Furnace Vents



5. Improper Maintenance and Repair

-  Always have all house repair done by professional, licensed and insured contractors.
-  Make sure that you are fully informed when you make any do-it-yourself repairs.
-  Most times, money you think that you are saving, up front, is eaten up later.

Improper Maintenance – Owner Repair

- Never a good sign



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OK, A Little More Duct Tape

That should do it!





Improper Maintenance

- Unprofessional Repairs

“How Do I Vent The Dryer?”

- Let’s screw up two appliances at the same time



6. Structural Damage

- Structural damage is probably the most expensive type of damage to repair. If not done properly, your house can collapse.
- Structural problems, though rare, are usually very expensive to repair.

Structural Damage

- Beware of A/C guys with a power tool



Structural Damage

- Beware of sellers with Cutting torches



Structural Defects

- Not a great support



**“Rodent Control Measures Were Observed
In The Crawlspace”**



**Structural
Concerns**

- Assessing Cracks



7. Plumbing Problems

- Plumbing problems are most caused by inadequate maintenance or owner repairs.



High Water Pressure

- Most inspectors look for 45-85 psi.
- High water pressure is common



Game of Thrones

- Fit for a king



Master Tub

- Spout in Ceiling



Tight Fit

- “We can make this door work”



Plumbing Problems – Water Heater

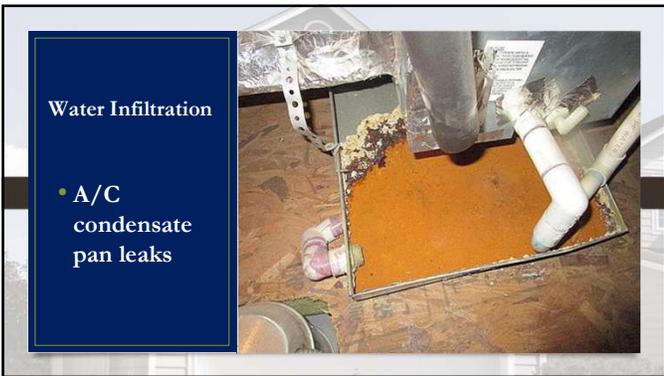
- Often issues with water heaters
- Venting
- Temp. Press. Release (TPR)

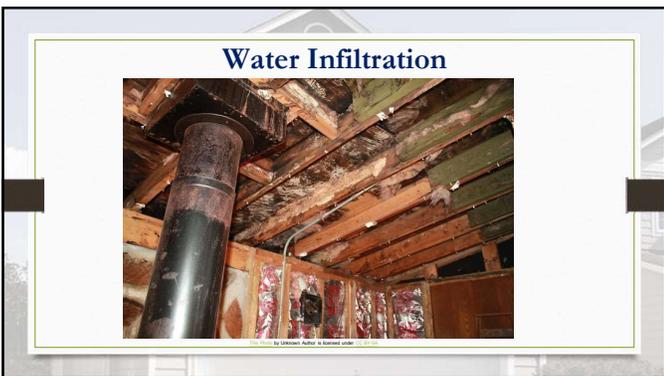


8. Water Infiltration

- Water infiltration is, often, the most easily avoided house problem. Remember, to a house, water is the enemy.
- Water in wood = ROT, regardless of the age of the wood. A brand new 2 x 4 can completely rot in 4 months if its moisture content is greater than 38%. Kiln dried wood has a moisture content < 4%.







9. Attics

- There is a ton of components to review:
 - Trusses/Framing
 - Ducting
 - HVAC Eq.
 - Electrical
 - Plumbing
 - Insulation
 - Pests

Attics



Attics

- Inspection Limitations





Locations of Attic Access Vary

- A good inspector will assess all options for access

Attic Access





Attics

- Moisture Intrusion

Damaged Trusses

- Heat and stress can cause failure



Damaged Trusses



Attics

- Exhaust fan vents into attic





10. Construction Defects

Just because your house passed a governmental code inspection, that is no guarantee that it is free of defects. Code inspectors are overworked and building codes are merely minimal requirements.

Even brand new houses can have substantial and expensive defects and safety hazards!

Construction Defects

- **Common Finding**
 - Walls not aligned
 - Floor not level
 - Outlet boxes crooked/loose
 - Pipe stubs loose in wall
 - Ducting issues

Construction Defects

- Electrical damage



Construction Defects



Construction Defects

Knock it down and start over



Cool Dog

- Is this considered living space?



Birds Eye View

- Missing Stucco



Typical Pool Piping

- And doing it all with 2 pumps



Time To Carpool

- “The engine won’t start, it’s flooded”



Avoiding Common Aggravations

1. Make sure your buyers and sellers know what to expect
2. Make sure everything is accessible for the inspector
3. Manage who is present and when

The Home Inspection Report

Home Inspection Reports vs. Disclosure Documents

