



## Home Inspection Services Newsletter

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August, 2009

### Educational: **Should I inspect an “as is” house**

I've heard that as many as 30% of the bank owned properties being sold “as is” are not being inspected. The primary logic is that since the seller says they won't fix anything, why bother inspecting? **“Why shouldn't I save a \$300.00+/- inspection fee on this \$80,000 +/- deal?”** is really what buyers are asking themselves.

Of course, you know my point of view (do I need to state it?); **never, ever, ever, buy a property without a home inspection.**

Buyer or realtor feedback on properties which H&A Services inspected contributes the following observations):

- A bank contributed \$5,000 to replace the roof on an “as is” property in Glendale
- A bank paid for mold remediation on a property in Avondale. As you know, we don't inspect for mold but we noted that there was black “mold like” substance on the walls in the hall way cabinets. Turns out that there was a very slow plumbing leak in the wall that had probably gone on for months (property vacant)
- A buyer cancelled a contract when the non-working HVAC system could not be repaired and replacement was north of \$6,000.
- A bank offered to have a tile roof replaced in Fountain Hills to the tune of \$12,000 when multiple water stains were observed in the home and the roofing contractor recommended replacement.
- A buyer cancelled a contract on an El Mirage home when the “inspection summary” totaled 8 pages. As he said, “I knew it needed work but this is just too much stuff to deal with”. He bought another property (which we inspected) for a similar price without nearly as much work.

Don't get me wrong. We inspect many bank owned properties every week that are generally in good condition. The issue is “how do you know if you don't have a professional inspection?” I think that \$300.00 is a

small price to pay when compared with the cost of the purchase. I would also say that “as is” **is** often “as is” but sometimes **it’s not**. Bear in mind that the bank doesn’t know the condition of a property until someone tells them. At that point, the bank has choices;

- stone wall and hope you take the deal any way
- wait for the next buyer (and hope they don’t inspect)
- fix the problem
- negotiate with you

### Question of the Month: **Why don’t home inspectors test fire sprinklers?**

A few communities in Maricopa county and most new condos have fire sprinkler systems. The major components are: water under pressure, fire sprinklers, and an exterior alarm. The alarm can be tested by opening a valve and lowering the pressure (beyond our scope). Actual testing of the heads is a destructive test (think match). Head failure can occur if a head does not open or if a head opens “for no reason”. Opening for no reason is extremely rare (although we had a client (Leslie) who had one this year). Bottom line is that there is not much we do except look for leaks.

### Maintenance Items for August: **Water Stains**

Things fail including plumbing connections, AC condensate systems, water heaters, and roofs. You really have to look. When you find leaks early, you save a bunch of money. **If there is a stain, there is a reason.** Find the source of the moisture and fix the problem ASAP.

### Safety Tip of the August: **Driving patience**

School is back in session. High school kids (not yours) are driving while phoning, texting, and flirting. You’re the experienced, responsible driver. The only habits that you can affect are your own. Be cautious, it’s more dangerous right now! I drive for a living and see it every day.

**Inspection classes for realtors:** We offer several classes for realtors. Please feel free to call on me to help.

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***Let our experience work for you!***



Daryl Gates



Mark Andrews



Lauren Andrews