



Home Inspection Services Newsletter

August, 2011

Lead Article: **Should you have and “as is” property inspected?**

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?

Of course, you can guess my point of view; **never, ever, ever, buy a property without a home inspection.**

Buyer or realtor feedback on properties which H&A Services inspected provided these experiences:

- 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

Monthly Question: **What is PEX piping?**

Most non-custom built homes utilize PEX tubing for potable water piping. PEX has been used in Europe since the 1970s and its use has become prolific in AZ since the mid 2000s. **PEX is cross-linked high density polyethylene (HDPE)** which is extruded as a flexible tubing and shipped in long lengths (coiled on reels). **PEX runs through the attic (not under the slab)** and drops down in the walls to sinks, toilets, etc. There are multiple methods for making joints but the most common method for residential use is with a brass fitting inside the tubing and a copper crimp on the outside. Standard colors are Opaque (usually the feed line), **blue (cold water)**, and **red (hot water)** but plumbers can utilize whatever color they wish.

Why PEX?

- Cheaper than copper
- Less labor to install than copper
- Virtually eliminates corrosion, chlorine degradation and the development of pinholes

Issues:

- Leaks from fitting problems (A manufacturer, Zurn, has several class action lawsuits filed against it relative to their fittings)
- Piping is in the attic and cold water may be warm in the summer

Maintenance Item for August: **Garbage Disposal**

Garbage disposals have gone to pot! About 40% of the disposals that I inspect leak. To test your disposal, inspect it for rust along the seams. Fill the sink and run the disposer while draining the sink. You'll see the leaks if they exist.

Safety Tip: **Emergency Egress**

All bedrooms must have an exit to the exterior in case of emergency. Egress is provided by a door or an appropriately sized window. Check your bedrooms. I see windows that are painted, screwed, or corroded shut. I also see windows that are blocked by furniture.

Let our experience work for you!



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