

Inspection Red Flags

By ANNA CHANG-YEN | Green Shoot Media

Buying a home can be an emotional process. If you've spent months or years searching for "the one," one of the worst things that can happen is getting a less-than-stellar inspection report. It can be hard to know when to absorb the costs of needed work into your budget and when to walk away.

Of course, each situation is different, and only you can decide if an issue turned up during an inspection is worth the cost and the headache, or whether it fits in to your budget. There are some red flags, however, that should cause you to do your homework and careful consideration before making a decision.

FOUNDATION

While it can sound scary, not all foundation cracks are deal breakers. In fact, small cracks can be considered normal settling. The key here is to have an expert's trained eye to root out the cause of the cracks. All foundations settle, but if a tree root or other obstruction is wreaking havoc on the foundation, proceed with extreme caution. According to HomeAdvisor.com, foundation repair could cost up to \$6,000.

HAZARDOUS MATERIALS

Asbestos, radon, lead paint,

mold — homes can be chock full of dangerous materials, especially older homes that have never had major renovations. In some states, the law requires buyers to disclose these conditions, but it's always best to have an inspector check, as well. While dealing with radon can be quick and inexpensive, the other hazards on the list can be budget breakers. If you do decide to make an offer on a house with any of these issues, it is

imperative that you get a detailed quote from a professional remediation contractor. You don't want to assume that some bleach can take care of a mold problem and find out all too late that you're dealing with thousands of dollars worth of damage beneath the surface.

ROOF

A home's roof is one of its most expensive components at up to \$9,000, according to



mites can cause up to \$8,000 worth of damage to a home. Having mouse nests removed can cost several hundred dollars and require the replacement of drywall, as well. Add more for sealing entry points where mice gain access to the home. As you can see, pests can quickly become a menace not just to your home but to your wallet. Contact an exterminator to find out how extensive the damage is and how much the repairs might cost.

PUT IT ON PAPER

It's important to be objective about the feasibility of correcting an issue found by a home inspector. One way to literally see the issue in black and white is to make a spreadsheet showing the cost of the home and adding in any modifications or updates the home will need. The home of your dreams might not seem so dreamy with \$100,000 of expenses piled on top. Pricey repairs can make the difference between being able to comfortably afford the home and struggling to pay the bills. Try to negotiate with the seller to adjust the home of the price to reflect the work needed. If the seller won't budget or won't cover enough of the expenses, you might need to reconsider the purchase.

PESTS

According to Terminix, ter-

HomeAdvisor.com. Consider the roof's age. A roof that's 15-20 years old is probably nearing the end of its lifespan and will likely need to be replaced soon. Roofs often fail catastrophically, so it's better to replace it when it starts showing signs of age than to wait until a major leak occurs. Consider whether your budget can tolerate this expense.



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REAL ESTATE 101



Know Before You List

If you're preparing to list your home for sale, it's important to know about any potential deal-breaking issues with your home. A pre-listing inspection can help your sale move more smoothly and avoid surprises. Once you've gotten a good offer, it would be a shame to see it fall apart due to an inspection issue that could have been taken care of earlier.

HOMESWISE GLOSSARY

Restriction: a limitation on the use of real property. Property restrictions fall into two general classifications — public and private. Zoning ordinances are examples of the former type. Restrictions may be created by private owners, typically by appropriate clauses in deeds, or in agreements, or in general plans of entire subdivisions. Usually they assume the form of a covenant, or promise to do or not to do a certain thing.

SOURCE: California Bureau of Real Estate

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