



ARTICLE SERIES
no. 11-5

PRE-PURCHASE HOUSE INSPECTIONS: ARE YOU READY TO COMMIT?



Your offer has finally been accepted and the excitement is building - you can almost smell the packing tape! Just a few more hurdles and you can book that removal van.

But having seen the property only two - three - maybe four times, it's a little daunting. You're about to make a decision that has serious consequences. Are you really ready to commit?

Buying a house is a BIG step. It's probably the largest financial investment you will make, so while it's exciting, you want to be sure that the house measures up to careful scrutiny. You need to take hold of those doorkeys with confidence, knowing you haven't bought yourself a lemon that could cost you for years to come.

Arranging a pre-purchase house inspection early in the process is wise and could be the best insurance you have. An inspection report is a small price to pay when compared to the value of the house - and it could ultimately save you thousands!

By having an independent inspector check the overall structure, you will be better informed about what you're buying, and you'll know there are no hidden surprises around the corner. You'll also be in a better position to negotiate the final price with the vendor.

So What Does A Pre-Purchase Inspection Involve?

A comprehensive inspection will cover about 250 items of a house - a top-to-toe assessment of the structural elements both inside and out as well as the general condition of the property.

The house inspector will alert you to any areas that need immediate attention and can offer advice or recommendations as to how to tackle the problems. They can also suggest simple things you can do yourself, to keep on top of maintenance.

Make sure the property inspector you choose is a qualified builder with on-the-job experience in the industry. You will need someone who can identify those faults or potential problems that, if overlooked by an untrained eye, could result in costly damage in the months ahead.

A builder has the know-how and the experience to assess a situation and determine whether it is serious or not. They can look beyond the cosmetic and inspect the structural and maintenance aspects of the building. And most importantly, they will take the emotion out of the equation!

A good building inspector won't tell you *not* to buy. Their role is to advise you on the situation as they find it. It's a factual assessment only. Every house has individual issues and every buyer's situation

is different. What might be a challenge to one person is a dream house to another.

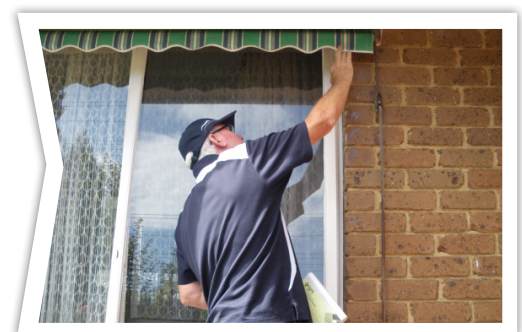
Remember that everything can be fixed at a price - so it depends entirely on the purchaser as to their level of commitment, or even their sense of adventure! It's important too that you put things into perspective - spending \$1,000 to address an issue now is negligible when you weigh it against the value the property will accrue over the next 7-10 years. Issues don't have to be deal breakers.

What Does The Inspection Cover?

Some of the essential items covered by a pre-purchase house inspection include:

- **Site Elements**

These are the elements in the immediate vicinity of the house, e.g. fences, surface drainage, retaining walls, driveways, garage, carport, shed, surrounding trees.





- **House Exterior Elements**

The inspector will pay particular attention here to any signs of movement and cracking on the house exterior. Elements would include roof, gutters, flashings, valleys, eaves, downpipes, brickwork, weatherboards, paintwork, weepholes and vents, sills, balcony/verandah.

- **Underfloor Space**

Often there is restricted access to the underfloor space, due to height limitations and services such as ducted heating. The inspector is looking particularly at the condition of the sub-floor structure, footings, stumps, piers, ant caps, the level of ventilation, any obvious dampness, and rubbish that might be inviting termites.

- **Internal Structural Elements**

The interior inspection is extensive and covers ceilings, doors, walls, windows, skirting boards, architraves, fireplace, staircases, and tiling in each of the rooms.

- **Wet Areas**

Water leaks can cause all manner of problems so careful scrutiny of seals and fittings is essential. Specific focus is given to elements in the kitchen, bathrooms, toilets and laundry.

- **Services**

The inspector will review the electrical aspects - such as circuit breakers and safety switches, smoke detectors, hot water service and water pressure. No plugs or cables are removed from appliances, computers or AV equipment during the inspection process.

- **Roof Space**

The roof space can reveal if there are any structural or framing issues, missing or broken roof tiles, and the general condition of the insulation and exhaust flues.

If you feel out of your depth after reading this list, then you definitely need the help of professionals.

How Does The Inspection Process Work?

Organising an inspection is an easy process. Firstly, you contact us at SPI Property Inspections to seek a quote and book the job. We will take the lead from there, liaising directly with your real estate agent on your behalf. Once a time has been settled for both our inspector and the agent, the inspector will contact you to advise when the inspection will take place.

You can meet the inspector on site after the inspection and go through the report with him, or alternatively, if you are not able to attend, the inspector will phone you later to go through his findings. You should expect to receive an email version of the report within 24 hours.

Once you have had the verbal report from our inspector, you will be in a position to make your final decision on the house. If you still have doubts or need further clarification, the inspector will be available to answer your questions and explain things in more detail. Remember that our inspector is working for you and can help you through the process.

Auctions - Where Do You Stand?

An auction contract is unconditional so there is no opportunity for a building inspection once the hammer goes down. You need to get a report *before* the auction. That makes it hard when you don't know how the auction is going to turn out. Do you spend the money on an inspection report when you have no guarantee that you will win at auction?

It all comes down to risk. How much do you want that house? And how much are you willing to pay for peace of mind? Winning a house at auction is exhilarating - but winning a lemon is not. It is better to feel relieved at the end of the day, than to sit with nagging doubts and uncertainty.

So Are You Ready To Commit?

Perhaps you've been looking for months and you just want to do the deal. You've been to your last Open Home! Maybe this is your very first house and you crave that satisfying feeling of ownership. Then again, you could have been through all this before and you know the ropes - you've got renovations or property investment in mind. Whatever your situation, buying a house needs a careful approach. Take your time. A building inspection is a simple and essential step that you shouldn't overlook. You want to be ready when you sign that contract!

