



Consider the Benefits of a Listing Inspection

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I'm sure most Realtors will attest to the value of professional home inspections. I'd be willing to bet that you can recall at least one case where a home inspection turned-up an important maintenance or safety issue which, if not for the home inspection, would have resulted in significant costs to your home buyer client, or worse yet, potential serious injury.

One way to further enhance the value of the Professional Home Inspector to the Real Estate Community is to use them for a listing inspection performed for the seller prior to listing the home. Now, I can hear you thinking, "what benefits are there to obtaining a listing inspection when we know there's a good chance that the buyer will have an inspection performed anyway?". Well, please read on, as the purpose of this article is to share with you some of the benefits of this type of inspection.

Let's look at what happens if the listing inspection uncovers an issue that will require repair by a licensed contractor. With the benefit of a listing inspection the seller might choose two probable courses of action: 1) don't perform the repair but disclose the issue in the *Transfer Disclosure Statement*, or, 2) perform the repair prior to listing the property.

If the seller chooses not to perform the repair, but to disclose it, they remove this item from subsequent buyer negotiations and avoid the delays that may be encountered if they waited for the buyer's inspection to find the issue. If, on the other hand, the seller chooses to repair the item up front they have the benefit of time on their side. Often more reasonable repair costs can be obtained when the seller has the opportunity to solicit competitive bids from several contractors, has time to evaluate and discuss the bids with the contractors, and has more time to schedule the work with the selected contractor. Imagine if the seller had waited for this issue to be discovered by the buyer's inspection and the buyer insists on it being repaired - now the seller will almost certainly pay top dollar for the work to be performed on rush basis, along with potential delays to closing escrow.

While the listing inspection cannot be used as a substitute for the *Transfer Disclosure Statement*, it does allow the seller to provide prospective buyers with additional information based on an unbiased, third party, professional inspection. The fact that the seller made the extra effort to obtain a listing inspection shows good faith to the buyer. The buyer will rightly have more confidence that issues are being disclosed and not covered up.

As a Realtor, a listing inspection is one way to give your sellers an edge in the market by removing the potential for surprises and delays during the escrow period and helping to put potential buyers at ease. As the real estate market transitions from purely a seller's market to a more normal market (or even a buyer's market in the future!) this may translate to a real marketing advantage.

In summary, consider including a listing inspection as part of the routine home selling process. It just makes good business sense and can facilitate a smoother transaction process by putting potential buyers at ease, reducing negotiating points, and bypassing annoying delays. All in all a win-win-win situation for the seller, the buyer, and the Realtor.

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