



Home Inspections

challenge



All About Home Inspections and Insurance

What is a home inspection?

The inspection will uncover any issues in the home that would have otherwise been unknown. You will receive a written report of the inspection. I recommend that you are present for the inspection, so that you may ask the inspector any questions.

What does "inspection period" mean?

During the inspection period, the buyer has the right to hire a professional to inspect the condition of the home. If the results on the inspection report comes back with any issues that need to be addressed, the buyer may ask the seller to cover the costs of these repairs, reduce the sales price, or fix the repairs before closing. If an agreement can not be made, the buyer has the right to back out of the contract and get the escrow deposit back with no consequences.

TIP: SCHEDULE ALL INSPECTIONS IMMEDIATELY, SO IF WE NEED TO NEGOTIATE ANY REPAIRS WE CAN BEFORE THE INSPECTION PERIOD ENDS.

The home seems fine, do I really need a home inspection?

You may think the home is in perfect shape, but some of the costliest problems are difficult to spot: leaks, termite damage, foundation issues, poor ventilation, faulty wiring, and drippy appliances. A home inspection gives you the chance (before you sign on the dotted line) to have a professional inspector see if there are any problems that need to be addressed, replaced, or fixed.

If you are getting a loan, the lender will require you to obtain home insurance. The home insurance company will typically require that you have certain inspections done. In order to obtain insurance, the inspection reports will need to fit the criteria of the insurance company. This is another reason that you may need to have an inspection done.



Inspection Cheat Sheet

Type of Inspection	Description	Average Cost
Standard	The standard home inspector's report will cover the condition of the home's heating system; central air conditioning system; interior plumbing and electrical systems; the roof, attic and visible insulations; walls, ceilings, floors, windows and doors; the foundation, basement and structural components.	\$400-\$550
Sewer Scope	This is a video scope from the home main sewer cleanout to the main city connection. This is a must do in all homes, even new construction! Repairs can be very costly	\$150
Radon	This is a 2 day in home test, measuring an odorless gas that can contain carcinogens. Your Inspector will alert you if your reading is over a concerning 4 units/measure. This is recommended in all homes, especially those with daylight basements, and those in historically high radon areas.	\$200
WDO	The WDO Inspection is the Wood-Destroying Organism Inspection. Ask your lender if your loan requires any certain inspections such as a WDO inspection.	Varies

My Trusted Inspection Companies

LANTERN HOME INSPECTIONS

CRYSTAL LEWIS | 503.908.1933
crystal@lanterninspections.com
www.lanterninspections.com

PERFECTION INSPECTION

MARCUS GAYLOR | 541.670.4968
marcus.gaylor@yahoo.com
<https://www.mgcertifiedhomeinspectionsllc.com/>



Home Insurance Cheat Sheet

Type of Insurance	Description	Average Cost
Homeowners	The standard homeowners insurance covers financial protection against loss due to disasters, theft and accidents	\$75-\$150
Hazard	Hazard insurance protects against damage caused by fires, severe storms, hail/sleet, or other natural events	VARIES
Flood	Protects against damage caused by a flood	VARIES
Windstorm	Protects against damage caused by events such as tornadoes, hurricanes, or gales.	VARIES



My Trusted Insurance Companies

COUNTRY FINANCIAL

LAURA ZUNIGA | 503.970.4310
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CASCADE SUMMIT INSURANCE

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Pre-Closing

We are so close to the closing table! Here's what's going to happen leading up to you receiving the keys:

- ✓ **Under Contract**
- ✓ **Inspections**
- ✓ **Obtain Insurance**

■ **Appraisal**

An appraisal is an estimate of the value of the property by a licensed professional appraiser. Once any problems during the inspection are solved, the appraisal will be ordered by the lender and paid for by you. The goal of the appraisal is to verify the value of the property for the lender and to protect you from overpaying. The contract is contingent upon whether the appraisal comes in at or above the purchase price. If the appraisal comes back short, we will be back to the negotiating table.

■ **Obtain Mortgage**

You have 5 days from the date of contract execution to begin the mortgage loan application. During the 30-45 days before closing, the lender will be finalizing your mortgage.

TIP: IT IS VERY IMPORTANT NOT TO MAKE ANY MAJOR JOB CHANGES, MAJOR PURCHASES, OR OPEN NEW CREDIT CARDS OR LINES OF CREDIT, AS ANY OF THESE ACTIVITIES COULD ALTER YOUR QUALIFICATIONS FOR A LOAN.

■ **Survey**

Unless the seller already has a recent & acceptable survey of the property, the buyer is required to pay for the survey (this will be in your closing costs). The title company or I will order this for you. The survey is a sketch showing a map of the property lines/boundaries among other things. The survey will show if there are any encroachments on the property.

■ **Title**

The title company will conduct a title search to ensure the property is legitimate and find if there are any outstanding mortgage liens, judgments, restrictions, easements, leases, unpaid taxes, or any other restrictions that would impact your ownership associated with the property. Once the title is found to be valid, the title company will issue a title insurance policy which protects lenders or owners against claims or legal fees that may arise over ownership of the property. This will also be a part of your closing costs.

■ **Clear-to-Close!**

The magic words! It means the mortgage underwriter has officially approved all documentation required to fund the loan. All that remains is the actual closing process.



Closing Time!

You've gotten the "clear-to-close" and we've scheduled our closing date and time - let's answer some questions you may have about closing day:

Q: When do we do the final walk-through?

A: The final walk-through is exactly what it sounds like - it allows the buyers to do one last walk through before closing to confirm that the seller made the repairs that were agreed upon and to make sure no issues have come up while under contract. We will typically schedule to do this right before closing.

Q: Who will be at closing?

A: Situations vary, but you can expect some combination of these folks: Buyer (that's you!), seller, real estate agents, closing agent/attorney, mortgage lender, and title company representative.

Q: What will I do?

A: Stretch those fingers and get ready to sign, sign, sign. At closing, the seller will sign ownership of the property over to you, and you'll sign to receive possession.

Q: What should I bring?

A: Bring a photo ID and a cashier's check to pay any closing costs. Your agent will tell you any other documents specific to your situation. The closing process is relatively simple but be prepared for A LOT of paperwork. (And always, always, always ask if you have a question along the way.) The good news is once you've signed the last page, it's time to get a hold of those keys and celebrate!





Your 2022 Checklist for Buying a Home

■ Work towards paying down existing debt

■ Hold off on large purchases made on credit (cars, boats, appliances)

■ Save as much as you can for a down payment

■ Stay put in your current job

■ Get pre-approved for a mortgage

■ Create a Needs vs. Wants list to share with your agent

■ Chat with me!

congratulations!

Congratulations, we are officially DONE with the Homeowner Challenge!

Thank you so much for allowing me to walk you through the home buying process. I hope this challenge has inspired you to take the first steps towards homeownership, and answered any questions you may have had about purchasing a home.

Please remember, I am always here to help! My job is to make sure first time home buyers feel informed and comfortable every step of the process. Never hesitate to reach out with questions!



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