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Pre-inspected listings pave the way for home sellers

The granite kitchen counter has some troubling scuffs. The garage suffers from peeling paint. And those light switches? Something about them just doesn't feel right.

Over the course of thousands of property inspections, Scott Haiduck may not have heard it all, but he's close.

More than ever in this jittery market, says Haiduck, it is essential that home sellers strongly consider conducting a pre-listing inspection. By taking this voluntary, proactive step, sellers shine a light on their homes' flaws before prospective buyers have a chance to do so.

The result: a smoother, less stressful transaction process, said Haiduck, who operates an AmeriSpec Home Inspection Service in the Chicago area.

Pre-inspected listings have been in growing demand as an overwhelmingly "buyer's market" teems with people on the prowl for any possible blemish that will help them gain negotiation leverage or justify last-minute cold feet.

From 2003 through 2006, Haiduck averaged 12 pre-listing inspections annually. In 2007, that figure nearly tripled, to 34, including 15 in near west suburban Oak Park and River Forest and another 11 in Chicago.

Through the first two months of 2008, he had done seven—surpassing the demand over the same period a year ago.

"Some people don't like to do pre-listing inspections because they hate to disclose problems, which is silly," said Haiduck. "You're much better off addressing it early, instead of when you're at the crucial point of about to sell and the prospective buyer has their inspector come through."

Using a laptop with software that covers hundreds of items, Haiduck takes two to four hours to scrutinize a home for trouble spots. The service fee is

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usually between \$325 and \$425. He recommends that homeowners do it about two months before listing their properties, to allow enough time to make the necessary repairs.

“It really just helps solidify the sale,” Haiduck said. “You don’t want to have problems with the buyer trying to knock you down on price.”

Over a year ago, Don Colclough and Lisa Polito arranged for a pre-listing inspection of their bungalow in the northeast part of Oak Park. Haiduck found some minor issues, such as a few light switches that needed to be grounded.

Though Colclough and Polito later took the home off the market, they plan to list it again this spring—with those issues resolved, thanks to Haiduck’s inspection.

“When we go to sell the house this time, we’re confident there’s nothing wrong with it. We are feeling at ease putting it on the market,” said Colclough. “The money (for the pre-listing inspection) was really incidental, because it eliminated any surprises in the future.”

Haiduck said he is seeing more high-priced properties invest in pre-sale inspections.

The owner of a large River Forest home recently spent \$3,000 for tuckpointing and other work to solidify the foundation of the house. The work came after Haiduck found water in the basement, and realized it was the “beginning of a problem” that is now nipped in the bud.

“Everybody thinks their house is perfect,” said Bob Swindal, a Realtor with Re-Max in the Village in Oak Park. “Well, no house is perfect. I stress to my clients, ‘You’re better off to invest this money now.’ I have my clients hire Scott to come in and see what needs to be addressed.”

Haiduck is one of more than 350 individuals who independently own and operate AmeriSpec Home Inspection Service franchises in the United States and Canada. He can be reached at 708-743-3573, or shaiduck@amerispec.net. He is online at <http://www.amerispec.net/haiduck>.

The Selling-Friendly Six: A Variety of Advantages With Pre-Inspected Listings

According to AmeriSpec Home Inspection Service, home inspections have traditionally been for the benefit of the purchaser. Pre-inspected listings benefit all parties - purchasers, vendors and Realtors. Here are six key benefits:

Deals Won't Fall Through

Home inspections, performed as a condition of the offer, can kill deals. Sometimes this is because the purchaser gets cold feet; sometimes there's a big problem no one knew about. Sometimes it is because the house has been misrepresented; sometimes it is because the home inspector scared the purchasers by not explaining that minor and typical problems are just that - minor and typical.

If the home inspection is performed prior to the house being listed, all parties will be aware of the physical condition of the house before an offer is drawn. There will be no surprises after the fact. Deals will not fall through.

Pre-inspected Listings Avoid Renegotiation

In a buyers' market, most houses have to be sold twice. It takes a lot of work to get a signed Agreement of Purchase and Sale. Then the home inspection is done and the purchaser wants to renegotiate.

If all parties know the condition of the house prior to the offer, there is no need for renegotiation. As most real estate agents know, renegotiation is very difficult. Vendors have already mentally sold the house; purchasers are suffering buyers' remorse. Egos, pride and frustration can muddy the already emotional waters.

A vendor who pays for a home inspection will be further ahead than one who has to renegotiate. He or she may even sell the house faster.

Unrealistic Vendors

An inspection at the time of listing can also help a Realtor deal with a vendor who has unrealistic expectations. The inspection report is good

ammunition for explaining why you can't ask top bucks for a house which is not in top condition.

Repairs Prior To Sale

Sometimes, the home inspection will reveal items that should be repaired immediately. A pre-inspected listing allows the vendor to repair the problem prior to putting the house on the market.

If the inspection occurs after the Agreement of Purchase and Sale, the purchaser could walk, renegotiate or, depending on the inspection clause, the vendor may have the option to repair. A repair done by an unmotivated vendor may not be the best repair and may not meet the purchasers' expectations. This has caused more than one deal not to close.

Peace Of Mind For The Purchaser

There is no doubt that part of the value of a home inspection is a guided tour of the house for the prospective purchaser. The inspection company can return to do a walk-through with the purchaser, if requested.

Reputable Inspection Companies

Pre-inspected listings will only have value if the home inspection company is perceived to be reputable, qualified and properly insured. Prospective purchasers will have little or no faith in a report done by someone they perceive to be in the vendor's or Realtor's pocket.