

# Lee County Affordable Housing Program:

## Best Practices Recommendation – For Your Protection Get a Home Inspection (from the U.S. Department of Housing and Urban Development)

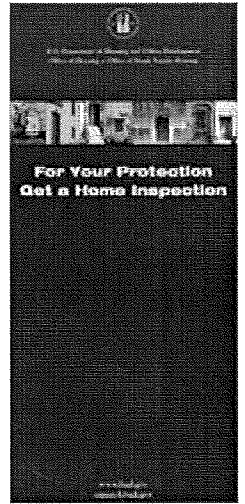


THIS MATERIAL IS FOR GENERAL INFORMATIONAL PURPOSES ONLY

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# For Your Protection Get a Home Inspection

U.S. Department of Housing and Urban Development  
Office of Housing  
Office of Single Family Housing



## Why You Need a Home Inspection

Buying a home is one of the most important purchases you will make in your lifetime, so you should be sure that the home you want to buy is in good condition. A home inspection is an evaluation of a home's condition by a trained expert. During a home inspection, a qualified inspector takes an in-depth and impartial look at the property you plan to buy. The inspector will:

- Evaluate the physical condition: the structure, construction and mechanical systems.
- Identify items that should be repaired or replaced.
- Estimate the remaining useful life of the major systems (such as electrical, plumbing, heating, air conditioning), equipment, structure and finishes.

The home inspector does not estimate the value of the house.

After the inspection is complete, you will receive a written report of the findings from the home inspector, usually within five to seven days.

This brochure is primarily for homebuyers that buy their homes with the help of the **Federal Housing Administration (FHA)** mortgage insurance programs. All homebuyers can benefit from the information in this brochure to understand the difference between home inspections and appraisals, the benefits of home inspections, how to find a qualified inspector, and the importance of radon testing.

## Home Inspections Are Not Appraisals

A property appraisal is a document that provides an estimate of a property's market value. Lenders require appraisals on properties prior to loan approval to ensure that the mortgage loan amount is not more than the value of the property. Appraisals are for lenders; home inspections are for buyers.



FHA, which is part of the **U.S. Department of Housing and Urban Development (HUD)**, requires lenders to obtain appraisals of properties securing FHA-insured loans. FHA requires appraisals for three reasons:

- To estimate the market value of the property.
- To make sure that the property meets FHA minimum property requirements/standards (health and safety).
- To make sure that the property is marketable.

The FHA appraisal process will note property deficiencies that are readily observable and found not in compliance with HUD's minimum property requirements/standards (Handbook 4905.1 REV-1 and Handbook 4910.1). These deficiencies may not be the same as those items noted in a home inspection report.

## About FHA Home Inspections

FHA helps individuals and families become homeowners by providing lenders with mortgage insurance for certain loans.

FHA does not guarantee the value or condition of your future home, and FHA does not perform home inspections. If you find problems with your new home after closing, FHA cannot give or lend you money for repairs, nor can it buy the home back from

you.

That's why it is so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to thoroughly examine the physical condition of your future home and give you the information you need to make a wise decision.

## The Bottom Line: Spending Hundreds May Save Thousands

When you make a written offer on a home, you should insist that the contract state that the offer is contingent on a home inspection conducted by a qualified inspector. You will have to pay for the inspection yourself, but it could keep you from buying a house that will cost you far more in repairs down the road. If you are satisfied with the results of the inspection, then your offer can proceed.

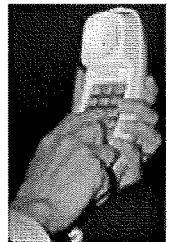
FHA does not guarantee the value or condition of your potential new home, and FHA does not perform home inspections.

## Finding a Qualified Home Inspector

As the homebuyer, it is your responsibility to carefully select a qualified inspector and pay for the inspection.

The following sources may help you find a qualified home inspector:

- **State regulatory authorities.** Some states require licensing of home inspectors.
- **Professional organizations.** Professional organizations may require home inspectors to pass tests and meet minimum qualifications before becoming a member.
- **Phone book yellow pages.** Look under "Building Inspection Service" or "Home Inspection Service."
- **The Internet.** Search for "Building Inspection Service" or "Home Inspection Service."
- **Your real estate agent.** Most real estate professionals have a list of home inspectors they recommend.



## Radon Gas Testing

The **U.S. Environmental Protection Agency** and the **Surgeon General of the United States** have recommended that all houses should be tested for radon. For more information on radon testing, call the **National Radon Information Line** at 1-800-SOS-Radon or 1-800-767-7236. As with a home inspection, if you decide to test for radon, you may do so before signing your contract, or you may do so after signing the contract as long as your contract states the sale of the home depends on your satisfaction with the results of the radon test.

## Information Resources

HUD has resources available for information about homebuying and homeownership. You may find the following services helpful.

### Internet

[www.hud.gov](http://www.hud.gov) or [espanol.hud.gov](http://espanol.hud.gov)

HUD's website contains comprehensive information about home inspections, homebuying, homeownership, selling a home, making home improvements, and other housing-related topics— in English and Spanish.

### National Lead Information Clearinghouse

Many homes built before 1978 have lead paint, and some of these have lead hazards. To protect your family, it is recommended that you get a lead-based inspection and/or risk assessment. For more information, contact the **National Lead Information Clearinghouse** at 1-800-424-LEAD.

### HUD-Approved Housing Counseling

HUD supports a network of approved housing counseling agencies that provide counseling services across the nation. For a

complete list of HUD-approved agencies in your area, call the toll-free HUD housing counseling referral line 1-800-569-4287 or visit the HUD website at [www.hud.gov](http://www.hud.gov).

## HUD-Approved Lenders

A searchable database of HUD-approved lenders, including banks, mortgage companies, and credit unions, is available on the HUD website at [www.hud.gov](http://www.hud.gov).



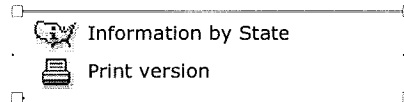
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# Ten Important Questions to Ask Your Home Inspector

## 1. What does your inspection cover?

The inspector should ensure that their inspection and inspection report will meet all applicable requirements in your state if applicable and will comply with a well-recognized standard of practice and code of ethics. You should be able to request and see a copy of these items ahead of time and ask any questions you may have. If there are any areas you want to make sure are inspected, be sure to identify them upfront.



## 2. How long have you been practicing in the home inspection profession and how many inspections have you completed?

The inspector should be able to provide his or her history in the profession and perhaps even a few names as referrals. Newer inspectors can be very qualified, and many work with a partner or have access to more experienced inspectors to assist them in the inspection.

## 3. Are you specifically experienced in residential inspection?

Related experience in construction or engineering is helpful, but is no substitute for training and experience in the unique discipline of home inspection. If the inspection is for a commercial property, then this should be asked about as well.

## 4. Do you offer to do repairs or improvements based on the inspection?

Some inspector associations and state regulations allow the inspector to perform repair work on problems uncovered in the inspection. Other associations and regulations strictly forbid this as a conflict of interest.

## 5. How long will the inspection take?

The average on-site inspection time for a single inspector is two to three hours for a typical single-family house; anything significantly less may not be enough time to perform a thorough inspection. Additional inspectors may be brought in for very large properties and buildings.

## 6. How much will it cost?

Costs vary dramatically, depending on the region, size and age of the house, scope of services and other factors. A typical range might be \$300-\$500, but consider the value of the home inspection in terms of the investment being made. Cost does not necessarily reflect quality. HUD Does not regulate home inspection fees.

## 7. What type of inspection report do you provide and how long will it take to receive the report?

Ask to see samples and determine whether or not you can understand the inspector's reporting style and if the time parameters fulfill your needs. Most inspectors provide their full report within 24 hours of the inspection.

### **8. Will I be able to attend the inspection?**

This is a valuable educational opportunity, and an inspector's refusal to allow this should raise a red flag. Never pass up this opportunity to see your prospective home through the eyes of an expert.

### **9. Do you maintain membership in a professional home inspector association?**

There are many state and national associations for home inspectors. Request to see their membership ID, and perform whatever due diligence you deem appropriate.

### **10. Do you participate in continuing education programs to keep your expertise up to date?**

One can never know it all, and the inspector's commitment to continuing education is a good measure of his or her professionalism and service to the consumer. This is especially important in cases where the home is much older or includes unique elements requiring additional or updated training.

Return to inspectors home

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**U.S. Department of Housing and Urban Development**

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Telephone: (202) 708-1112 [Find the address of a HUD office near you](#)