

# MEETINGPLACE MORTGAGE

## Home Inspection Guide

A home inspection is one of the most important steps in the home buying process. This guide will help you understand what to expect, what inspectors look for, and how to use the inspection report to negotiate repairs or credits with the seller.

### What Does a Home Inspector Check?

A comprehensive home inspection typically covers:

**Structural Elements:** Foundation, basement, crawl space, walls, ceiling, floors, roof structure

**Exterior:** Siding, trim, doors, windows, grading/drainage, driveways, walkways, decks, porches

**Roofing:** Roof covering, flashing, chimneys, gutters, downspouts

**Plumbing:** Water supply systems, drain/waste/vent systems, water heater, fixtures, sump pumps

**Electrical:** Service panel, wiring, outlets, switches, GFCI/AFCI protection

**HVAC:** Heating system, air conditioning, ductwork, ventilation, chimney/flue

**Interior:** Walls, ceilings, floors, doors, windows, stairs, railings

**Insulation & Ventilation:** Attic insulation, ventilation, vapor barriers

**Built-in Appliances:** Dishwasher, range, microwave, disposal (if included in sale)

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## **Major Red Flags to Watch For**

### ***Foundation Issues***

Large cracks, bowing walls, or significant settling can indicate serious structural problems. Repair costs can range from \$2,000 to \$50,000+. These should be addressed immediately.

### ***Roof Problems***

Missing shingles, sagging, or water damage indicate the roof may need replacement soon. A new roof costs \$8,000-\$25,000. Ask for the roof's age and any maintenance records.

### ***Electrical Hazards***

Outdated wiring (knob-and-tube, aluminum), overloaded circuits, or amateur repairs create fire hazards. Rewiring a house costs \$8,000-\$15,000 and should be done by licensed electricians.

### ***Plumbing Issues***

Polybutylene pipes, lead pipes, or evidence of ongoing leaks are serious concerns. Repiping a home can cost \$4,000-\$15,000. Check water pressure and test all fixtures.

### ***Water Damage/Mold***

Stains, soft spots, musty odors, or visible mold indicate moisture problems. Find and fix the source immediately. Mold remediation can cost \$1,500-\$6,000 depending on extent.

### ***HVAC Failure***

Systems over 15-20 years old may fail soon. Test heat and AC during inspection. New systems cost \$5,000-\$10,000. Ask for maintenance records.

### ***Poor Drainage***

Water pooling near foundation, damaged gutters, or improper grading can lead to basement flooding and foundation damage. Grading/drainage fixes cost \$1,000-\$5,000.

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## Negotiating Repairs After Inspection

After reviewing the inspection report with your agent, you have several options:

- 1. Request Repairs:** Ask the seller to fix specific issues before closing. Get written commitments and receipts. This is best for safety issues like electrical or structural problems.
- 2. Request Credits:** Instead of repairs, ask for a credit at closing to fix things yourself. This gives you control over contractors and quality. Credits are easier for sellers to accept.
- 3. Request Price Reduction:** If major issues exist, renegotiate the purchase price downward. This reduces your loan amount and monthly payment.
- 4. Walk Away:** If issues are too severe or seller won't negotiate, you can typically walk away during the inspection period and get your earnest money back.
- 5. Accept As-Is:** For minor cosmetic issues or if you got a great price, you might accept the property as-is and handle repairs yourself after closing.

## Pro Tips for Negotiations

- Focus on health/safety issues and major systems, not cosmetic items
- Get contractor estimates for repair costs to support your requests
- Be reasonable - sellers expect some issues in older homes
- Prioritize what matters most to you
- Consider the market - in hot markets, sellers have less incentive to negotiate
- Document everything in writing through your agent
- Set deadlines for seller's response and completion of repairs

## Questions About Your Inspection?

Your Meetingplace Mortgage loan officer can help you understand how repair costs might impact your financing and budget. We're here to guide you through this important decision. Call us at 844-224-2275.

### Meetingplace Mortgage

25 Indian Rock Road, Suite 10, Windham, NH 03087

Tel: 844-224-2275 | Email: [info@mplacemortgage.com](mailto:info@mplacemortgage.com)

NMLS #1741849 | [www.mplacemortgage.com](http://www.mplacemortgage.com)