

WHO ORDERS THE HOME INSPECTION?

The Buyers, that's who! You have heard this before. I have written this before, but judging by recently filed suits that I have been asked to defend, the message bears repeating.

It is shocking how many buyers claim not having reviewed their home inspection reports before settlement. It is unthinkable that the buyers would condition their purchase obligation on the outcome of a home inspection, yet not ask to see it. It happens, and when it does, and when a problem is discovered post-settlement, the buyer agent is dead in the gun sights.

A fail-safe way to assure that this never happens is to make certain that the home inspector delivers the original report directly to the buyer and not to the agent. Every home inspector uses an enrollment, engagement, proposal or some other contract that is to be signed by the buyer before or at the home inspection. What happens when the buyer is not able to be present when the inspection is conducted? It is likely that the inspector will require the agent to sign if the agent is present. It may be that the inspector will fax to the agent a form that needs to be signed before the inspection can be conducted. No matter what, on any home inspector contract, whatever it may be called, make sure that the customer that is identified is the buyer. If you absolutely have to sign for the inspection, sign the buyer's name and indicate that it was signed by you, agent for buyer. Make sure that the inspection report is delivered directly by the inspector to the buyer. If you have to add a written instruction on the contract or engagement form, do so. Invariably. Always. It is easy to pen something to the effect that "Buyer is the customer who has engaged the home inspector and is responsible solely for payment of the inspector's fees. The original inspection report is to be delivered to the buyer at [address/email address]." If you ask for a copy, then make sure that you have it in timely fashion and then you must make sure that the buyer has also received and reviewed the report.

Buyers need to understand the date by which a corrective proposal or written termination of the agreement must be submitted to the seller. If you feel the need, provide that advice in writing or make your buyer initial the appropriate provision in the agreement of sale, even where no initial line is provided!

As obvious as it should be to a buyer, the receipt of a home inspection report is essential to the home-buying process. If you have the inspector issue its report to you or if you, as agent, are indentified as the customer, you are far more likely to be involved in a slip-up that ends in litigation.

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