

Pros & Cons of Pre-Sale Home Inspections

Having a home inspected before it goes on the market can save sellers a lot of money, reduce stress, and make a home more appealing to potential buyers, but there are some drawbacks.

First let's consider some of the circumstances when it may be wise for sellers to have a home inspection performed:

- **New Construction** - Builders who want to convey a greater sense of quality or accountability; especially in areas where building codes aren't enforced
- **Rental Units** - Landlords who haven't occupied a home may not be familiar with the condition of the home
- **Homeowners who haven't actively maintained the home** - Owners may be unaware of potential problems.
- **Homes on the market a long time** - A home inspection can provide objective insights for sellers to consider and provide new selling points for real estate agents to promote.

So, let's look at some of the pros and cons of having a home inspected before the first offer comes in!

Pros

✓ Eliminate Surprises and Reduce Stress

When issues come up in a pre-sale inspection, sellers have far more time to consider their options, make informed decisions, and proactively plan for repairs or price adjustments.

✓ Save Money

If major issues are revealed, sellers have time to get referrals of qualified professionals and solicit multiple bids to do the work. This can result in significant financial savings over accepting the first available contractor when timelines are tight.

Price concessions or allowances to buyers for repairs often exceed actual repair costs. A pre-inspection allows sellers to control costs and preserve the equity they have in their home.

Every month a house remains on the market can cost a seller mortgage interest, taxes, insurance, utilities, maintenance, and other associated costs. If a house sells one month sooner because of a pre-inspection, the savings can easily exceed the home inspection fee.

✓ Avoid Cancelled Contracts

When buyers fully understand the condition of the home, they can be more confident in submitting a contract or choose not to submit one at all. Eliminating time off the market due to a cancelled contract can save the homeowner and Realtor significant time and money.

✓ Make the Home More Appealing

Providing a home inspection report can create a sense of openness and trust. It creates a positive impression that the sellers are proactive and trustworthy. This could put a house above the competition.

Buyers may also see the advantage of not having to schedule or pay for a home inspection. In addition to saving them money, it can also accelerate the closing time.

✓ Increase the Seller's Confidence in the Listing Agent

When a Realtor suggests a pre-inspection, it shows the agent is actively working to sell the home and save the seller time and money. A pre-inspection may also reveal or confirm issues that need to be addressed to help the home sell more quickly.

Cons

✓ Known issues must be disclosed. This may deter some potential buyers. But consider that when any buyer requests a home inspection these issues (and possibly additional issues) may still come to light and become negotiating items or result in a cancelled contract.

✓ Some buyers simply won't trust a seller's home inspection. They may still request a home inspection conducted on their behalf. In this case, the time and cost savings to the buyer will no longer be a selling point.

I hope these considerations are useful as you prepare to sell your home. If you have any questions, please talk to your real estate agent and feel free to contact me.



Property Inspection LLC
www.InViewInspection.com

Justin Wiebers
Owner/Inspector
In View Inspection LLC
785.341.7934
Justin@InViewInspection.com

