

Inspector:



BUYING AN INVESTOR-OWNED PROPERTY

Buying a home? Chances are you will encounter an investor owned property otherwise known as a “flipped” home. These attractive properties have contemporary renovations with new paint and flooring along with kitchen and bathroom renovation. These all add value in the appraisal. Although popular, caution should be taken into account. Because profits are the goal, functional features such as plumbing, electrical, heating and roofing system repairs can be costly, are but too often ignored. Furthermore, these improvements offer no added value in the appraisal. Flipped homes may have high carrying costs, so renovations are typically rushed. Lowest bid contractors usually get the order. This may lead to unskilled, underpaid, and uninsured workers with little quality control or management.

In addition, there’s usually no disclosure provided since the investor hasn’t lived in the property. No history of damage, repairs, additions, and/or renovations.

Under these circumstances, home inspection becomes a crucial process. As a trusted source, a certified home inspector provides an unbiased, objective evaluation of all the major components of a residential property. This reassures the buyer of a methodical and comprehensive inspection process. A detailed report is provided for further evaluation and review.

Certification provided by the California Real Estate Inspection Association (CREIA) develops and fosters ongoing education. CREIA has developed an accepted standard inspection agreement, “Standard of Practice” and “Code of Ethics,” along with an in-depth policy and procedure manual. These components all add accountability to the inspection process and confidence in the real estate transaction.



CREIA is dedicated to consumer protection and education. To locate a qualified CREIA inspector near you, visit the CREIA Website at www.CREIA.org for CREIA’s online Find an Inspector tool.

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