

Speed Sales: Prelisting Home Inspections Do the Trick

Not so long ago, home sellers were being bombarded with multiple offers. They didn't have to worry much about the condition of a home in order to ensure a smooth and quick sales transaction. In today's market, realtors are creating new strategies and are working even more closely with home sellers to sell homes quickly for top dollar. The biggest development in this area is realtors advising sellers to schedule a home inspection prior to putting their homes on the market.

A prelisting home inspection—one that is paid for by the seller—plays a large part in a buyer's decision to buy. It signals openness about the shape of the house and omits the possibility of unpleasant surprises that could potentially slow the sales transactions and bring the price down. In addition, realtors who require or recommend prelisting home inspections give their client's homes a marketing edge.

These inspections also give the discriminating buyer upfront information on the condition of the home, and in some cases, a preemptive seller's inspection means that repairs, such as a dripping faucet or roof leaks, will likely be fixed. The report also signifies to buyers that the sellers made all efforts to sell the house and cared about selling to somebody who was going to be satisfied with the condition of the home and the repairs made to it. With their own report, sellers can choose, for example, to spend a few hundred dollars fixing a faulty electrical problem that might otherwise result in a claim for thousands off the home price.

Some of the multiple benefits of recommending that a seller conduct a prelisting home inspection include the financial advantage for home sellers to make important repairs. Should a buyer request a specific repair as part of the sale agreement, the seller could easily be placed in the position of having that repair done at the last minute at a higher cost. Alternatively, if that buyer opted to negotiate the price downward due to a repair left undone, they may face typical decreases such as for every \$1 of identified repairs, buyers ask at least double or triple that in a price reduction.

Savvy home sellers who, for example, learn through home inspection that portions of the roof need repair may opt to repair that section immediately. Paying \$5,000 for the repair is far more enticing than reducing the asking price by \$10,000 or more. Buyers typically expect a \$2 to \$3 price discount for every \$1 worth of defects turned up by their inspector.