

# Both sides of the inspection

By Steve Blank



Wouldn't it be a nice real estate love story if Mr. & Mrs. Desirous Buyer found their dream home, owned by Mr. & Mrs. Approachable Seller, whereby they shook hands and made a date for a closing?

Sales still take place that fall under the heading of a "Pleasant Experience," however they require the expertise, focused management and appropriate style by the professionals involved in the transaction.

Many elements are embodied in the state approved contracts to buy and sell real estate. "The Big Three" contract contingencies concentrate on financing, the appraisal and the inspection of the property.

I always explain to my client, buyer or seller, that inspections are conducted to uncover elements of the property pertaining to safety and functionality. A good home inspector should detect potentially unsafe or ill functioning items with electrical, plumbing, heating, roof, foundation/drainage issues, energy considerations, appliances, etc. Verify that the inspector is

a member of either the American Society of Home Inspectors (ASHI) or the National Association of Home Inspectors (NAHI). A good inspector is worth every dollar however, some of them cast a cloud over everything, just to cover their posterior.

Cosmetic items such as carpet, paint, light fixtures, landscaping, or anything related to colors or finishes, are not typically related to function or safety. Inspections are one of those things that both buyers and sellers cross their fingers, close their eyes, and pray for a healthy home.

Inspection issues can usually be associated with a dollar amount, based on a qualified bid. Inspectors are paid to discover malfunction, safety issues, and may provide an overview of deferred maintenance items (and conversely, offer maintenance tips). And when possible, will give insight into the age of things like appliances, furnaces, hot water heaters, etc.

Buyers should review the inspection to help understand and determine:

- What may be broken (needing repair or replacement).
- Safety concerns...electrical, smoke detectors, environmental situations, etc?
- How should an existing roof be viewed?

E.G., can it provide an economic life of 3-5 years?

- What are acceptable industry standards?
- What money should be attributed towards improving future energy components and other maintenance considerations?
- In general, inspectors can help provide time and expense expectations for household maintenance items.

The inspection may reveal items that require attention (no home is absolutely perfect). If the seller is amenable to the requests, should the seller complete such work prior to closing or give that amount as credit to the buyer at closing? Sellers usually like the latter idea, but the buyer's lender may consider this a kickback and disallow that possibility.

I suggest buyers attend their inspection! You will learn a great deal and gain a good perspective on the issues raised by the inspector.

In a buyer's market, the buyer views nothing as non-negotiable. Recently, I saw a fairly clean inspection report (radon mitigation and a small electrical update) turn ugly because the buyer felt the

hardwood floors in the entry weren't shiny and smooth enough. The sellers didn't agree and the buyer adamantly negotiated for a \$5,000 Persian rug in the entry. The question seems to be: what is the seller's responsibility on an existing home? Today, most sellers are making a better effort to price the home realistically. And then they receive an offer and probably negotiate again. And then they get to negotiate again once the inspection is complete...it's hard for sellers to feel like a consumer in this market. It's a little like getting pulled over doing 56 MPH in a 55 MPH zone. Buyers have developed a sense of entitlement and smart sellers enable this characteristic, especially if it allows them to become a buyer. Nit-picking diminishes as the market improves...let's see: low prices, ridiculous low interest rates, tax credits and enabling sellers. I guess we can figure out how to deal with inspections.

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## Innovative Real Estate announces its newest Certified Negotiation Experts

Real estate brokerage firm's ongoing professional training courses is providing customers with among the most knowledgeable brokers in the industry



Top: Johnston and Frascosa, Below: Weaver and Frascosa,



Innovative Real Estate, a local real estate brokerage firm that continues to grow in spite of the current real estate downturn, is pleased to announce its most recent Certified Negotiation Experts (CNE). The new certifications have been presented to Kathi Weaver and Tracy Johnson, and raises the firm's total of CNE's to 17.

The CNE designation qualifies our brokers as professionals who understand the nuances of negotiating the best possible outcomes for our customers,

a skill that is critical in today's marketplace," said Scott Nordby, who founded IRE with his wife Lara, both of whom received certification. "As a firm, we pride ourselves on fielding among the most knowledgeable and skilled brokers in the industry, and this certification is another important aspect of what our brokers are able to provide."

The CNE is a professional course taught by local real estate attorney Oliver Frascosa. The course includes topics such as types of negotiations, real estate application of negotiation principles, types of negotiators and also provides case studies, role plays and a planning guide.

More information regarding Innovative Real Estate is available at IREgroup.com.

**Kissinger earns Accredited Buyer's Representative designation**

Amy Kissinger, a leading broker associate with Coldwell Banker Residential Brokerage in the company's Southeast Metro office in Greenwood Village, has earned the Accredited Buyer's Representative (ABR) designation from the Real Estate Buyer's Agent Council (REBAC) of the National Association of Realtors



(NAR). The ABR designation is designed for real estate buyer agents who focus on working directly with buyer-clients.

Those who earn the ABR designation automatically become a member of REBAC for one year and can access many of the council's member benefits. The valuable real estate education elevates an agent's skills and knowledge in the eyes of homebuyers. Ongoing specialized information, programs and updates help the agent stay abreast of the issues and trends in successfully representing homebuyers.

Kissinger is a member of the Denver Board of Realtors and serves the diverse real estate needs of clients throughout the metropolitan Denver area. She is active with the Junior League of Denver and earned her bachelor's degree in marketing from Louisiana State University. Kissinger values reputation

over revenue and joined Coldwell Banker Residential Brokerage due to the company's stellar worldwide reputation, outstanding marketing program and high caliber professionals. In 2008, she was accepted into the Denver Metro Chamber of Commerce's Chamber 100 group for up-and-coming leaders. The exclusive program was created for individuals who show promise as the future leaders of metro Denver.

The Coldwell Banker Residential Brokerage office in Greenwood Village is located at 890 East Crescent Parkway, Suite 100 and can be reached by phone at 303-409-1300. Kissinger can be reached directly at 303-585-0073 or via e-mail at amy.kissinger@coloradohomes.com.

**Sandoz earns NAR Short Sales and Foreclosure certification**

Susan Sandoz, a leading Broker Associate with Re/Max Masters, Inc. of Greenwood Village, has earned the nationally recognized Short Sales and Foreclosure Resource (SFR) certification from the National Association of Realtors (NAR). The NAR offers the SFR certification to real estate professionals who want to help buyers and sellers navigate these

often complicated transactions. According to a recent NAR survey, nearly one-third of all existing homes sold recently were either short sales or foreclosures.



For many real estate professionals, short sales and foreclosures are the new "traditional" transaction. Realtors who have earned the SFR certification know how to help sellers maneuver the complexities of short sales as well as to help buyers pursue short sale and foreclosure opportunities.

The SFR certification program includes training on how to qualify sellers for short sales, negotiate with lenders, protect buyers, and limit risk, while providing resources to help Realtors stay current on national and state-specific information as the market for these distressed properties evolves.

For more information on real estate services from Susan Sandoz, phone 303-818-6636, or contact Susan via email at susansandoz@remax.net.

To see a locator map for these properties, including interactive driving directions, go online to [denverposthomes.com/maps](http://denverposthomes.com/maps)

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