

I just finished helping my buyer clients complete a home inspection on a foreclosure. Two years ago buying a foreclosure with a home inspection contingency would have been unthinkable! Home inspections are quite the norm now given the supply of foreclosures. Currently listing agents are trying to make the process more "user friendly". Still, for this particular foreclosure the task of setting up the utilities fell on the buyer. I had to call the utilities' companies to have the gas and electricity turned on so we could conduct the inspection. I turned on the water at the meter to get the water running and fill up the water heater. I then called a contractor to come and light the pilot light on the water heater and insure that it was functioning OK (the furnace was rather new with electronic ignition, no pilot light). You don't want to mess around with gas! The house 'passed' the home inspection and did not have too many issues, at least none that my buyers could not cope with. Most foreclosures have SOME kind of issue, because figure this: if the homeowner could not pay the mortgage, you can be sure they didn't have money to keep up the house. Some people even trash a house before giving it up to the bank, I have seen water heaters removed, light fixtures gone, all sorts of missing items. After the home inspection, we had to drain the hot water heater and "re-winterize" the house. MY home inspector helped me a year ago with a foreclosure home inspection when they first popping up more and more. So he is an old hand at this now. Lastly, my buyers purchased a home warranty BEFORE we had the home inspection and before we had ANY knowledge about the house. A home warranty covers major systems during the first year of ownership, i.e. mechanical, plumbing, electrical. This is a relatively NEW use of home warranty, as SELLERS have always had the option of buying a home warranty when their house was listed and it would cover any repairs DURING the listing period until sale, and then the warranty would convey to the buyer at closing for the full year after sale period. If you are looking to buy a foreclosure, call me as I can help de-mystify and make clearer the process, from FINDING the right foreclosure that matches your needs in a home, through the home inspection period, working through the contract period to help make the process go as smoothly as possible.