

Should I Have a Bank-Owned Property Inspected?

By Jay Hensleigh, Carson Inspection Service

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In a word, yes. Even though banks usually sell these homes “as is” and are not willing to negotiate over repairs, there are three reasons why it is very important to inspect a bank-owned home.

First, bank-owned homes typically have been vacant for long periods of time. In a way, homes are like machines: they are designed to be used, and when they are not used, problems begin to arise. You probably wouldn't buy a car that you know has sat unused, outside for a year, without careful evaluation. A home is very much the same. Issues such as broken windows, storm damage, pest infestation, broken pipes, and vandalism can go unnoticed for weeks. The home's ventilation system is typically not functioning as intended which may lead to moisture issues in the home. A home needs someone in it every day to notice small problems, which generally lead to large problems.

Second, the utilities to most bank-owned homes have been turned off for extended periods. With the heat not functional, the home is at the mercy of extreme cold weather, which could mean broken pipes. With the water turned off, some valves, washers and toilet parts can go dry and become brittle. Water heaters are susceptible to damage without power and/or water. Turning the utilities back on can stress the plumbing, HVAC and electrical systems in the home. *Never* turn the utilities on yourself - *always* insist that the bank or bank's agent to turn these systems back on.

Finally, even though banks will not negotiate for repairs, in some instances they may repair essential items such as plumbing leaks, gas leaks, or serious electrical issues. The decisions for these kinds of repairs are made on a case-by-case basis, but almost certainly a bank will never make a repair without a professional home inspection to indicate the need for the repair.

Having a bank-owned home inspected may require a little more preparedness on the part of the home buyer and their realtor. Start early to get the utilities turned on prior to the home inspection, preferably 2-3 days before the inspection. In some cases, home inspections have had to be postponed because the utilities did not get turned back on. In other cases, when the plumbing is turned on the day of the inspection, slow leaks in the supply and waste lines and can go unnoticed.

Bank-owned homes can be an amazing bargain for smart home buyers. But the smartest home buyers will still have the home inspected... to catch those little problems that may turn into large problems, to ensure the plumbing, electrical and HVAC systems are functioning properly, and to possibly have some essential repairs made at the bank's expense.

Call 503-312-2105 to Schedule Your Inspection



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