

## HOME INSPECTION POLICY

- A home inspection/systems check is available to any purchaser on insured and uninsured sales. The intent of the inspection is to identify major defects only. A professional licensed inspector must perform the inspection.
  - The purchaser has 15 days from the date of HUD's acceptance of a sales contract to have the inspection completed. Failure to comply with this time frame may forfeit purchaser's right to an inspection with utilities on.
  - Up to \$200 of the cost may be financed when a FHA loan is involved; or included as a closing cost on Line 5 of the Sales Contract.
  - The agent must submit a "Home Inspection Request" to the nearest PROPERTY MANAGEMENT OFFICE. A copy of the accepted contract must be attached.
  - The utilities must be activated by the purchaser or agent, in the purchaser's name. The utilities may not remain on for more than two days.
  - Purchaser is responsible for all expenses resulting from the inspection, including repair of damage to the property.
  - The agent must be present during the inspection.
  - The agent is responsible for ensuring that the property is returned to the same condition as before the inspection.
  - The purchaser may not make any repair to the property prior to closing.
  - If the inspection discloses a major defect, the following will apply:
    - A. Insured Sales: The purchaser may either close "as is" or be released from the contract with earnest money refunded, provided HUD concurs with the inspection report, receives the written request within 15 days of contract acceptance, and HUD elects not to make repairs. A copy of the inspection report must be attached to the request for sales contract cancellation.
    - B. Uninsured Sales: No repairs will be authorized. The inspection will not be a basis for canceling the sale.
- \* If utilities cannot be turned on due to code violations, known defects, or utility company policy, the Home Inspection Request will be denied.

