**Structural inspection**

**Home Inspection and Mold Inspection**

**Flood Zones**

**Noise/Odors/Traffic/Land Use**

**Residential Property and Owners' Association Disclosure Statement**

**Restrictive Covenants and Homeowners' Association Bylaws**

**Mineral and Oil and Gas Rights Mandatory Disclosure**

**Questions and Answers on:**

**DUE DILIGENCE FOR REAL ESTATE INVESTORS**

**Other Helpful Online Resources**

**A publication of the North Carolina Real Estate Commission**

**THE NORTH CAROLINA REAL ESTATE COMMISSION**

**Bo. No. 1799**

**Phone: 919/875-3700**

**Website: www.ncrec.gov**

4330 copies of this public document were printed at a cost of $5.71 per copy.

BEC 142 * 6/30/20
Questions and Answers on: DUE DILIGENCE FOR RESIDENTIAL BUYERS

Due diligence is a vital part of the home buying process. As a buyer, you are responsible to gather information about the property and surrounding area to help you make an informed decision about whether to buy the home. The due diligence period is required by law, and it allows you to inspect the home, ask questions, review documents, and order inspections to reduce the risk of buying a home with serious and costly defects or with issues that could affect its value and desirability.

As a homebuyer, you are required by a lender and even if a seller answers “No” to a lender to order a home inspection. If you choose to forego available inspections in order to save money, you could be faced with expensive and costly repairs or other problems after the purchase. You will have to pay for all repairs needed after the closing.

If the seller or the seller's broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

To ensure a smooth closing, you should consider asking the seller to sign acknowledging your receipt of it.

Your purchase contract may give you a limited due diligence period to make sure that the value of the property to determine if its market value meets or exceeds the purchase price. [Note: Your loan amount of the property to determine if its market value meets or exceeds the purchase price.]

Consider each of the following.

A: A home inspection is a general review of the systems and components of a home (plumbing, electrical, HVAC, structural, etc.) performed by a person licensed by the North Carolina Home Inspector Licensure Board. It is intended to give you an understanding of the condition of the structure, including whether a structure is safe and whether further inspection by a specialist is recommended.

If the home inspector recommends repairs, the seller will be responsible for all repairs needed after the closing. The seller or their broker will likely be responsible for all repairs needed after the closing.

Q: What kind of inspections do I need to find out about the condition of the property?

A: The most important inspection is a termite inspection. You should order a home inspection even if a home is new or recently remodeled. A home buyer should be responsible for the cost of the inspection services necessary to determine the condition of the property and to assess what it will cost to repair any problems.

The inspection services are generally not responsible if you choose not to receive a report. If you want a home inspection, you should hire a qualified home inspector to review your home.

Q: How will I know if I need other inspections?

A: Your home inspector may recommend further evaluation by a specialist such as a licensed pest control technician, structural engineer, or other professional. You should consider ordering additional inspections if there are problems related to the structural, electrical, plumbing or HVAC systems.

Q: How will the report be delivered?

A: The home inspector and your real estate broker will provide you with a copy of your home inspection report for confirmation. By law, the report belongs to you, and you may share it with them if you wish.

Q: May I have the home inspector perform a “re-inspection”?

A: Yes, you may hire your own inspector rather than relying upon an inspector of your choice. A re-inspection by your HVAC technician following the installation of a new HVAC system should determine if it is adequate to support the new or increased load as well as the life expectancy of the equipment.

Q: What is a home inspection?

A: Home inspection is a general review of the systems and components of a home (plumbing, electrical, HVAC, structural, etc.) performed by a person licensed by the North Carolina Home Inspector Licensure Board. It is intended to give you an understanding of the condition of the structure, including whether a structure is safe and whether further inspection by a specialist is recommended.

A home inspection is intended to give you an understanding of the condition of the structure, including whether a structure is safe and whether further inspection by a specialist is recommended. You should not be responsible for the cost of the inspection services necessary to determine the condition of the property and to assess what it will cost to repair any problems.

Consider each of the following.

A: A home inspection is a general review of the systems and components of a home (plumbing, electrical, HVAC, structural, etc.) performed by a person licensed by the North Carolina Home Inspector Licensure Board. It is intended to give you an understanding of the condition of the structure, including whether a structure is safe and whether further inspection by a specialist is recommended.

Q: What if the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

1. Q: What if the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: What if the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

The report belongs to you, and you may share it with them if you wish. By law, the report belongs to you, and you may share it with them if you wish.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.

A: Your home inspection may not clearly indicate that the property has city water and sewer systems. You should order a water quality test to determine whether there is an adequate amount of water and water pressure and if there are any harmful contaminants (i.e. bacteria, heavy metals, and pathogenic organisms) in the water system of the property.

Q: If the seller or the seller’s broker indicates that the agreed upon repairs have been completed, negotiate a shorter home inspection period.