



CONSTRUCTION INSPECTOR REVIEW

VOLUME 1, 2ND QUARTER 2006

WORD FROM THE HOME OFFICE

Welcome to the first volume of the **Construction Inspector Review (CIR)** newsletter. It was created to inform GCI Inspectors about internal developments and provide up-to-date information on industry trends.

At GCI, we understand that partnering with qualified, professional inspectors like you is at the foundation of our success, and effective communication is a building-block of this type of achievement. With that being said, we hope you enjoy Volume 1, 2nd Quarter 2006 of **Construction Inspector Review (CIR)**.



Construction Inspector Review Volume 1, 2nd Quarter 2006 In This Issue:

1. *A Few More Words On Home Inspections*
2. New! GCI Developments
3. Helpful Hints
4. Inspector Q&A
5. GCI's TOP FIVE

P: 800.919.8903
F: 888.647.4677
info@gcinspects.com
www.gcinspects.com

A Few More Words On Home Inspections

by Al Heavens¹

A few weeks back, I wrote a column about a seller complaining about a home inspection.

In response, I received a few emails taking me to task for writing the column. I sat there, scratching my head, then passed the column to a few colleagues, a home inspector I know and a couple of real estate agents, trying to figure how anyone could have read what I had written in the ways they did.

None of the people reading the column after the fact read it the same way as any of the e-mail respondents. One, in fact, pointed out to me that each of the e-mail writers had put his own spin on what I had written, so that the objections to my column were not only not shared, but in several instances contradictory.

In a week, I will have been a reporter for thirty-eight years, and these things never cease to amaze me.

Anyway, let me make a few observations about home inspections, before getting to a bit of news from the American Society of Home Inspectors.

I had my first home inspection in 1983, when I bought my first house and before it became standard operating procedure. Houses followed in 1987 and 2001, and each time, the house was inspected before we purchased it.

(cont'd page 2)

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New! GCI DEVELOPMENTS

Customer Service:

DON'T FORGET WE'RE ALWAYS HERE FOR YOU! We know that completing an inspection can sometimes be very difficult, so don't let fixable problems keep you from delivering your inspection on time – CALL US AT 800.919.8903!

As of January 1st 2006, we have expanded our Customer Service and Support Department to better assist our Inspector Network. We now have additional staff dedicated to answering all of your questions and have extended our Customer Service hours from 7:00 am to 6:00 pm MST.

(cont'd page 4)

GCI'S TOP 5

Top 5 Reasons for an Incomplete Inspection

1. Incorrect or disconnected contact numbers for Contractor's or Borrowers
2. Locked gates
3. Incorrect codes for lock boxes
4. Poor or no directions
5. No address for the project



A Few More Words On Home Inspections (cont'd)

Each time, I was with the inspector the entire time, armed with pencil and pad, asking him questions as we went from one part of the house to the next. Being present through the entire inspection, I was better able to understand the final report, and to make educated conclusions about the data presented.

Because home inspection was, to say the least, unusual in 1983, the listing agent and my agent, who was with the same firm as the listing agent, objected strenuously to it, but, since I was a first-time buyer, I believed it necessary. There was no contingency clause in the agreement of sale for an inspection.

Today, as agents and inspectors have reassured me, contracts are written so that the window for a home inspection is established and the inspector is made fully aware of that time frame so he can schedule and complete his work.

Even today, new-home builders often make it difficult for buyers to

have a house inspected, setting up unreasonable times for those inspections, including the settlement walk-through. The builders say that they know better or that the inspectors don't know enough. There is always a middle ground.

In a real estate market where every house seems to have a surplus of buyers, too many people are walking into open houses and forgoing home inspections as a bargaining tool.

Have I been satisfied with my inspections? In the main, I have been. Inspectors are human, and because inspections must be carried out within a prescribed period under often difficult conditions, there is a chance a problem can be overlooked. In general, the inspections have been very helpful, providing me with information I needed to determine if I could afford to do what needed to be done after spending most of my cash on the purchase of the house.

Should a buyer have a home inspection? Yes. Should the buyer be present during the home inspection? Yes. Should the listing and buyer's agents be nearby? Yes. Can the seller be present? Yes, but he or she should not accompany the buyer and inspector during the inspection. The inspector is working for the buyer, not the seller. The seller should be available to answer questions, but the buyer's agent should be the one asking the listing agent to ask the seller. In addition, the listing agent should be familiar enough with the property and with home inspections to explain the process to the seller beforehand.

Do home inspectors kill real estate deals? There was a home inspector



in my market who was reviled by listing agents as "the deal killer." He explained that problematic houses killed deals. His job was to inspect houses and write reports on what he saw.

Sometimes, a buyer with second thoughts may use an inspection to get out of a deal, as I believe happened with the subject of my previous column. My experience has been, however, that buyers really hope that inspectors don't find problems. Most prefer to overlook the minor stuff and hand the major things over to their agents for negotiation with the listing agent and the seller.

Now, to the ASHI report. Thirty states now regulate home inspectors and inspections, with most enacting these laws in the last eight years. New Jersey's two-year law is ranked the best, followed by Louisiana, Texas, Arizona, Pennsylvania and Massachusetts.

What these states have in common is superior experience and education requirements, a valid high stakes examination, and standards of practice and a code of ethics comparable to ASHI's own, said Don Norman, the group's 2005 president. ■

WIN A \$50 GAS CARD TODAY!

MAKE A REFERRAL TO GCI AND FREE GAS IS AS GOOD AS YOURS!

GCI has launched a referral program to recruit qualified inspectors in rural areas across the country. If you know a qualified inspector who can service one of these areas, and they are accepted into the GCI network, you will receive a \$50 gas card.

For more information contact Angie Kelley, Inspector Network Coordinator at angie.kelley@gcinspects.com.



INSPECTOR CENTRAL

Accounting:

Don't forget that we pay weekly. If an inspection is submitted complete with report and photos via the website (www.gcinspects.com) no later than 12:00pm MST on Wednesday, your check will be cut and mailed that Friday.

Inspector Memo:

Whether you are new or old to the GCI Inspector Network, remember that the following photo elements are required for all projects:

Minimum of 8 Photos Per Inspection with wide shots of the following areas:

- ⇒ Front and Rear Elevations
- ⇒ Kitchen
- ⇒ Master Bedroom
- ⇒ Master Bathroom
- ⇒ Living/Great Room
- ⇒ Garage or Carport
- ⇒ Basement (if applicable showing mechanicals)



"OUTSTANDING... IN THE FIELD"



Daniel Michura is the CEO and founder of **Coastal Inspection Services, LLC** which is a full service Inspection Company dedicated to providing professional inspection services throughout West Florida.

He serves on the Education Committee for NACHI and has over 15 years experience, having performed over 30,000 inspections.

Coastal has a reputation for thoroughness and reliability and they bring integrity, professionalism, and the training required to complete every inspection job. Offering Commercial, Residential, Radon, Mold, EPA, Insurance, Construction, Draw, Pool/Spa, HUD REAC, FHA/ VA/ FNME, ADA, Relocation, FEMA, and Commercial Mortgage Inspections, the number one goal of every inspection performed by Coastal is SERVICE.

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727.433.2930

Inspector Checklist:

- ✓ Did you update all applicable line items so that GCI is provided with a complete status of how the entire project is progressing?
- ✓ Did you complete the Site Review Questionnaire portion of the inspection? And comment on any items not defined in the budget?
- ✓ Did you take a minimum of eight (8) photos to upload when completing the inspection?

NOTE: When in doubt take additional photos and make notes to GCI in the comments section.



PHOTO CORNER:

Spring Forward!

Daylight Savings Time has arrived and the days are growing longer. That means there's more time to take your photos during daylight hours.

NOTE: Please remember that if you can't make out what's in the photo neither can we and neither can our clients!

Helpful Hints:

Remember to set your camera's resolution to the lowest possible level (300 dpi) or set the email setting to standard/email quality to ensure easier website upload.



JOIN OUR NETWORK!

GCI is constantly recruiting qualified individuals for our nationwide Inspector Network.

If you are interested in applying, please email us at:

inspectorinfo@gcinspects.com

to learn more about what GCI can offer you!

New! GCI DEVELOPMENTS (cont'd)

Accounting:

We have listened to your suggestions and PO Numbers are now posted on all inspections sent out by GCI. You can easily find the PO Numbers at the top right hand of each inspection page in the Inspection Details section.

Marketing:

2006 marks the start of a new marketing campaign to bring on more clients and provide our inspector network with more volume. Stay tuned to draws coming to a town near you! ■

Comments & Compliments

We are always looking for feedback from the field. If you have a suggestion to make your job more efficient or have something nice to say, let us know.

We appreciate your input and look forward to hearing your thoughts and ideas.

Inspector Q&A:

Q: How do I negotiate an upcharge on my base fee ?

A: Please contact GCI's Customer Service Department at 800-919-8903 and describe the circumstance that is necessitating the need for an upcharge. **NOTE:** Changes in fee will not be honored unless pre-approved by GCI.

Q: What is the difference between a hard cost and a soft cost?

A: 1) Hard costs are items such as lumber, concrete, windows, cabinets, etc. that can be inspected on site during the construction phase.

2) Soft Costs are items such as overhead, supervision, profit, contingency, etc. that cannot be inspected while on site. In this event, the lender must make the decision as to what disbursements should be made during the draw process.

Q: The property I have been assigned to inspect is locked and I am unable to reach the Borrower or Contractor to gain entry. What should I do?

A: Please call GCI Customer Service prior to making a trip to the project so that we can contact the lender and get an alternative contact number. ■

UPCOMING EVENTS:

GCI will be recruiting at the Inspection Training Association (ITA) Annual Expo in Las Vegas, NV -- so come visit us! For more information on the ITA visit : www.home-inspect.com

**Inspection Training Association
Inspection Expo
Las Vegas, Nevada
9/25 - 9/27**



NOTE: If you should run into any difficulties completing an inspection don't forget to call GCI Customer Service at 800.919.8903 or email us at inspectorinfo@gcinspects.com.

Construction Inspector Review
10770 Briarwood Avenue, Suite 280
Centennial, CO 80112
800-919-8903

Customer Service
800-919-8903
inspectorinfo@gcinspects.com

Sales & Marketing
866-380-9504
sales&marketing@gcinspects.com