

Home Inspections and Repairs

Inspection Types:

It is customary in our real estate market for a purchaser to order and pay for a *Home Inspection* in order to ascertain the condition/status of the physical aspects of the property. In addition, the seller has the obligation to provide a “clean” *CL-100 Inspection* report completed by a licensed termite inspector in the State of South Carolina (this inspection must be performed no sooner than 45 days prior to the actual closing date).

As a result of the two above-mentioned inspections, there are three (3) categories of possible repairs for which, under agreed terms, the seller has certain obligations to address under the language of the contract. The categories are: 1) Property Systems and Structure; 2) Reasonable Secondary Repairs; and, 3) CL-100 Inspection Related Repairs. Each of these categories is independent, although there may be (at times) cross-over between items in categories 2) and 3), especially in regard to wood-rot.

1. Property Systems and Structure:

The standard Contract of Sale stipulates that ALL of the systems of the property (such as appliances, HVAC, electrical, plumbing, etc.) be in good working order at the time of closing subject to reasonable wear and tear. This extends to pool equipment, secondary appliances, etc. as those items are included in the sale. In addition, the structure must be reasonably sound and the roof(s) free of leaks at the time of closing. This basic obligation of the seller remains in place unless otherwise agreed to by both seller and purchaser.

2. Reasonable Secondary Repairs:

If included in a contract, the Inspection Addendum allows for the purchaser to order/pay for an inspection of the property, which may reveal defects/problems in the property that are outside of the scope of the Property Systems and Structure category (above). As agreed-to in the Inspection Addendum, the seller agrees to make those reasonable repairs up to a certain specified dollar amount. In the event that reasonable repair items requested by the purchaser exceed the specified dollar amount, then: 1) The seller can agree to repair those items and close on the property; 2) If the seller refuses to make the repairs over the specified amount, the buyer can accept the property in as-is condition or void the contract altogether; or 3) The seller and the buyer can agree to negotiate terms to resolve the repairs. Either way, these repair items are IN ADDITION TO any repair items required in the Property Systems and Structure category.

3. CL-100 Inspection Related Repairs:

The seller is required to provide a “clean” CL-100 inspection report on the property at the time of closing – this is required by S.C. law. The inspection report may identify termite activity, termite damage, wood-rot, wood-destroying fungi, etc., all of which the seller is required to address/correct prior to closing – UNLESS, the noted damage is insufficient enough in scope to recommend repair. This obligation for the seller to make repairs is IN ADDITION TO any repairs required in the Property Systems and Structure category and is nearly-always IN ADDITION TO any repairs agreed-to in the Reasonable Secondary Repairs category.

Other Inspections:

As appropriate and at the interest of the purchaser, inspections of pool/spa structures and systems, septic systems, stucco systems, plumbing systems and other property elements may be conducted at the specified cost of the seller and/or purchaser. Any resulting repair requests may either fall into the above-mentioned repair categories or be further negotiated (either before or after the inspections) by the seller and purchaser.

Re-Inspections and Final Walk-Throughs:

The purchaser customarily reserves the right to have the property re-inspected and/or to conduct a final walk-through of the property prior to closing. This is often done in order to verify completion of appropriate repairs and to confirm that the material condition of the property has not changed prior to closing.

Please Note... This document is intended to clarify the obligations of the purchaser and seller in regard to inspections and repairs for a particular sale of a particular property. Nothing herein replaces the actual language of the Contract of Sale or the Inspection Addendum or amends the obligations of the purchaser and seller as stated in the Contract of Sale or the Inspection Addendum. All questions regarding the legal obligations of the purchaser or seller should be directed to the respective legal counsel as selected by the purchaser and seller.