



Dave Windsor's 'Alaska Real Estate'

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Caviat Emptor Latin For What?

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When I entered the real estate industry in 1990 the Home Inspection was a relatively new idea. The principle of "Caveat Emptor" or "Let the Buyer Beware" had been the way of things prior to that.

When you purchased a home in the 50's, 60's and 70's you looked at the property and took your chances. If there was a drainage problem, you worked it out. If a window was stuck, you fixed it yourself etc. Buyers were, in effect, much more trusting (and sellers were more to be trusted). Homeowners were more philosophical about life's daily round and took care of problems as they arose.

Now the good old days are gone and the old real estate agreement has gone too. What used to be one page expressing an agreement (or even just a handshake) has expanded to 10 pages.

This is not bad news. The Home Inspection procedure now in place, even though still optional for a buyer,

takes a lot of tension and potential lawsuits out of a transaction. Buyer makes offer, offer is negotiated, buyer performs home inspection, repairs are negotiated, repairs are completed, appraiser reviews property and establishes value, lender underwrites financing, transaction closes – Bingo!

Unfortunately, there are lots of things that can still go wrong with the inspection:-

1. Home Inspector makes error.
2. Home Inspector is nit-picky.
3. Buyer wants seller to fix everything to make home new.
4. Seller is unreasonable about essential repairs.
5. Repairs are not done by licensed or skilled contractor.
6. Appraiser wants more repairs than Buyer cared to worry about.
7. When re-inspections become necessary, who pays for them?

Navigating the Channel: A real estate transaction can be 'smooth sailing', but sometimes more like shooting the rapids. I honestly believe

that this is where your Real Estate Professional starts to earn his keep. Managing the white water in what should be a smooth flowing river requires tact, knowledge and skill. It means the difference between overturning the transaction or safely reaching your destination.

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