

# IMPORTANCE OF INSPECTIONS AND PROPERTY SURVEY

1 Name of Buyer(s) \_\_\_\_\_

2 Property Address \_\_\_\_\_

## 3 I. HOME INSPECTION

4 **1. WHY A BUYER NEEDS A HOME INSPECTION.** A home inspection provides the Buyer with comprehensive details about  
5 the overall condition of the property before completing the purchase. During this process, a licensed inspector conducts a thorough,  
6 objective assessment of the prospective new home to:

- 7 a. This includes evaluating the structure, construction, and mechanical systems.
- 8 b. The inspector pinpoints items that require attention.
- 9 c. The inspector provides an estimate of the remaining useful life for major systems, equipment, structural  
10 components, and finishes.

11 **2. APPRAISALS ARE DIFFERENT FROM HOME INSPECTIONS.** An appraisal differs from a home inspection. While  
12 appraisals are conducted for lenders, home inspections are intended for buyers. An appraisal is necessary for the following reasons:

- 13 a. To determine the current market value of the property.
- 14 b. To confirm that the property complies with the Lender's minimum property standards and requirements.
- 15 c. To ensure the property is suitable for sale in the market.

16 **3. LENDER IS NOT RESPONSIBLE FOR THE CONDITION OF YOUR NEW HOME.** The Lender does not guarantee the  
17 condition of your prospective new home. If issues arise with the property after closing, the Lender will not provide funds for repairs or  
18 repurchase the home from you.

19 **4. BE AN INFORMED BUYER.** As a buyer, it is your responsibility to make an informed decision. Ensure that the home you  
20 purchase meets your expectations in every way. You have the right to thoroughly inspect your potential new home with a licensed home  
21 inspector. This can be arranged either before signing the agreement or afterward, provided the agreement specifies that the sale is  
22 contingent upon the results of the inspection.

## 23 II. WOOD DESTROYING INSECT INFESTATION INSPECTION

24 **1. WHY A BUYER NEEDS A WOOD DESTROYING INSECT INFESTATION INSPECTION.** A wood-destroying insect  
25 infestation inspection, conducted by a licensed and professional pest control company, identifies the presence of insects such as  
26 termites or carpenter ants and assesses the property for potential damage caused by these pests. Additionally, some lenders may  
27 require a wood-destroying insect infestation report as part of the loan approval process.

28 **2. BE AN INFORMED BUYER.** As a buyer, it is your responsibility to ensure that the property you purchase meets your  
29 expectations in every way. You have the right to hire a licensed pest control company to check for the presence of wood-destroying  
30 insects and assess any related damage. This inspection can be arranged before signing an agreement or after, provided the agreement  
31 specifies that the sale of the home is contingent upon the results of the inspection.

## 32 III. PROPERTY SURVEY

33 **1. WHY A BUYER NEEDS A SURVEY.** A survey provides the Buyer with detailed information about the property's boundary  
34 lines before completing the purchase. A licensed surveyor can offer the following services, which may be valuable to you as a Buyer  
35 in this transaction:

- 36 a. Determine accurate boundary lines for a parcel of land, especially when subdividing the property;
  - 37 b. Accurately depict boundary lines as part of a comprehensive property survey;
  - 38 c. Highlight concerns related to the property, such as encroachments, setback violations, easements, and other potential  
39 conflicts.
- 40 .

- d. Create a detailed property description to be included in the deed of transfer; and
- e. Identify whether the roads associated with the property are public or private.

**2. SURVEYS ARE DIFFERENT FROM OTHER INSPECTIONS.** A survey differs from a home inspection and an appraisal. While a survey defines the boundary lines of the property and identifies any potential issues related to those boundaries, a home inspection focuses on the condition of the property's structures, and an appraisal determines the property's value. To ensure you understand exactly how much land you are purchasing and any boundary-related conditions, it is recommended to have a survey conducted.

**2. BE AN INFORMED BUYER.** It is your responsibility to be an informed buyer. Ensure the property you intend to purchase meets your expectations in every aspect. You have the right to have the property examined by a licensed surveyor. This can be arranged either before signing the purchase agreement or afterward, provided the agreement includes a contingency for the survey.

#### **IV. RADON GAS TESTING**

**1. WHY A BUYER NEEDS RADON GAS TESTING.** Radon is a naturally occurring radioactive gas that can build up in homes and buildings, presenting serious health risks, including cancer. Both the United States Environmental Protection Agency (EPA) and the Surgeon General strongly recommend testing all homes for radon levels. Testing helps identify and mitigate this invisible danger, ensuring a safer living environment. For additional information on radon testing, you can contact the National Radon Information Line at 1-800-SOS-Radon (1-800-767-7236) or the Tennessee Department of Environment and Conservation at 1-800-232-1139.

**2. BE AN INFORMED BUYER.** As a buyer, it is your responsibility to ensure that the property you purchase meets your expectations in every aspect. You have the right to have your potential new property thoroughly examined by a licensed inspector. This inspection can be arranged before signing the purchase agreement or afterward, provided the agreement specifies that the sale of the home is contingent upon the results of the inspection.

#### **V. BUYER ACKNOWLEDGMENT**

##### **1. HOME INSPECTION.**

**I/We acknowledge the importance of obtaining an independent home inspection and have taken this into consideration before signing an agreement with the seller for the purchase of a home. Additionally, I/We have thoroughly reviewed this notice and fully understand that the Lender will not conduct a home inspection nor guarantee the price or condition of the property.**

- I/We elect to have a home inspection conducted.
- I/We elect **NOT** to have a home inspection conducted.

##### **2. WOOD DESTROYING INSECT INFESTATION REPORT**

**I/We acknowledge the importance of obtaining an independent wood-destroying insect infestation report and have considered this before signing an agreement with the seller for a home. Additionally, I/We have carefully reviewed this notice and fully understand that obtaining such a report is the most reliable way to identify any active or past infestations on the property.**

- I/We elect to have a wood-destroying insect infestation inspection conducted.
- I/We elect **NOT** to have a wood-destroying insect infestation inspection conducted.

##### **3. SURVEY**

**I/We recognize the importance of obtaining an independent survey, which can be conducted by a licensed surveyor. I/We have been advised that a survey is recommended before purchasing real property and have taken this into consideration prior to signing an agreement with the seller for a home. Additionally, I/We have carefully reviewed this notice and fully understand that an independent survey is the most reliable way to determine the boundary lines of the property.**

- I/We elect to have a survey conducted.
- I/We elect **NOT** to have a survey conducted.

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**4. RADON GAS**

**I/We acknowledge the importance of conducting a radon gas inspection and have taken this into consideration before signing an agreement with the seller for a home.**

- I/We elect to have a radon gas inspection conducted.**
- I/We elect NOT to have a radon gas inspection conducted.**

_____ <b>BUYER</b> _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm <b>Date</b>	_____ <b>BUYER</b> _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm <b>DATE</b>
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