

CarsonDunlop **Pre-Listing Inspections**



Presented By: Andra Woolley

Pre-Listing Inspections CarsonDunlop

- The # 1 comment from agents using Pre-Listing Inspections:
 - “We are able to maintain control throughout the entire transaction with both the buyers and the sellers.”

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Pre-Listing Inspections CarsonDunlop

- Overview
- In this program you will learn
 - What is a Pre-Listing Inspection
 - How to gain a strategic advantage
 - How they can work for you
 - How they put you in **control** of the transaction

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Learning Objectives CarsonDunlop

- When you are finished this program you will understand:
 - The differences between a pre-purchase and pre-listing inspection
 - How pre-listing inspections speed up transactions
 - How pre-listing inspections keep transactions from falling apart

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Learning Objectives



- When you are finished this program you will be able to list:
 - Places to market the Pre-listing Inspection
 - Top 12 benefits of Pre-Listing Inspections

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What is a Pre-Listing Inspection?



- They may be called Pre-Sale Inspections, Pre-Inspected Listings or Seller's Inspections
- Inspections are done before the home goes on the market
- They may be a full inspection report

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What is a Pre-Listing Inspection?



- Reports can be available to prospective buyers
- They may include a summary report, with a photo of the home on the front

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SUMMARY OF HOME INSPECTION REPORT

36 North Heights Road, Dallas



Prepared By:
CARSON DUNLOP
David Kee
FEBRUARY 10, 2006

Over...

Why a Pre-Listing Inspection?



Keeps you in **control**

- Inspection at start of process
- Eliminates problems before they come up
- Gives everyone information at the beginning
- Reduces surprises
- Speeds up process

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Why?



- 1985 = 2% of home inspected
- 2008 = 98% of homes inspected
- You can't hide from the results of a home inspection
- Now, you are in control

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Why?



- Helps buyers, sellers, & agents
- Everyone has the same information
- Transactions can go more smoothly

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Why?



- Sell house faster
- Sell house for more money
- Buyers won't walk away after getting to **"Yes"**

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When Working with Buyers...

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Benefits to Buyer

- Get the whole story up front
- Avoid the surprises!
- Avoid the cost of an inspection
- Multiple offers

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Benefits to Buyer

- Home is memorable
- After seeing several homes, the one-pager will help buyers recall this home (photo) and remind them they have all the info

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As a Buyer


- No Pre-Listing Inspection =
 - Delay
 - Possible significant findings
 - Possibly no deal
- = Lost time and control


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As a Buyer 


- With a Pre-Listing Inspection =
 - No Delay
 - No Surprises
 - Significant findings addressed upfront
 - Choose to proceed with offer
- = Close the deal

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When Working with Sellers... 




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As a Seller 

- Manage emotions
- Pride of ownership
- Setting realistic selling price
- Rely on facts from Pre-Listing Inspection

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As a Seller 

Opportunity to:

- Rectify deficiencies prior to listing
- Set appropriate selling price

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Benefits to Seller



- No parade of inspectors through home
- You get to choose the inspector
- Buyer won't miss-represent the findings

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Benefits to Seller



- Avoid negativity if 'failed' inspection
- Helps eliminate conditional offers

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Agent Advantages



- Fix items before home is marketed
(Produce a very clean report)
Or
- Reflect items in listing price
(Buyers can make their own improvements)

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Agent Advantages



- Helps get listings (You can offer sellers something that others may not.)
- Helps adjust sellers' expectations (The listing price can be set realistically)
- Keeps you in control
- A great marketing tool for you and your sellers

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Marketing Tools for Agents CarsonDunlop

- In agent and buyer open houses
- On listing – with a link to report or summary
- On feature sheets

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Marketing Tools for Agents CarsonDunlop

- On lawn signs
- In newspaper and magazine ads
- (Your name is there too!)

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How? CarsonDunlop

Much better than a typical pre-purchase report

The process:

1. Do typical inspection
2. Inspector prepares report
3. Some also do a one-page summary

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The Process



4. Seller and agent review report and summary – before it's published
5. Discrepancies resolved offline
6. Seller may choose to fix some things
7. Revise report to reflect any changes
8. Publish final report
9. Distribute copies at open houses

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More Process!



- Buyers and buyer's agents can take a copy of the a summary report
- Complete report stays at house for review
- Alternatively, the entire report can be posted on the web

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The Process - Options



Summary reports may also be created with -

1. Photo(s) of home
2. Positive features (functional)
3. Architectural style, if applicable
4. Big ticket items only
5. Reference to lesser items in report
6. Agent's contact information (photo)

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PRE-INSPECTED LISTINGS
a better way to sell homes

SUMMARY OF HOME INSPECTION REPORT

PREPARED BY:
CARSON DUNLOP
FRANK LABRIOLA, P.Eng
JULY 24, 2002

33 DUNCAN AVE.
TORONTO, ONTARIO

continue... →

Inspection Report
- Front

PRE-INSPECTED LISTINGS
a better way to sell homes

REPORT SUMMARY

Introduction
The inspection summary reflects the findings of our team inspection of 28 items...
Comments
The well built masonry home has been influenced by the Renaissance Classical style of architecture...
RECOMMENDATIONS
Potentially significant expenses over the short term are identified below...
HEATING - New, high efficiency cast-iron boiler.
COOLING - New, ductless air conditioning systems have been installed on second and third floors.
ELECTRICAL - The wiring has been completely updated. Several minor electrical improvements are recommended upon moving into home.

Inspection Report – Back

CarsonDunlop
Creating Excellence

PRE-INSPECTED LISTINGS
a better way to sell homes

REPORT SUMMARY

Introduction
The inspection summary reflects the findings of our team inspection of 28 items...
Comments
This well built solid masonry home has been influenced by the Renaissance Classical style of architecture and has many of the defining features found on Colonial Revival homes. The home has been very well-maintained and most of the mechanical systems have been recently updated.
HEATING - New, high efficiency cast-iron boiler.
COOLING - New, ductless air conditioning systems have been installed on second and third floors.
ELECTRICAL - The wiring has been completely updated. Several minor electrical improvements are recommended upon moving into home.

Positive Aspects of Home

CarsonDunlop
Creating Excellence

PRE-INSPECTED LISTINGS
a better way to sell homes

REPORT SUMMARY

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Recommendations

ROOFING - Main roof is in good repair however, the rear flat roof should be replaced within the next year to minimize the risk of water damage due to roof leaks. (Cost: \$1,500 to \$2,000)
PLUMBING - Replace the main water valve and associated piping. This will allow the water to be turned off quickly in an emergency to prevent flooding the home. (Cost: \$750 to \$1,500)

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The Advantages of a Summary Report


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Summary reports –

1. Disclosure builds goodwill/credibility
2. Take away report help buyers remember home
3. A premier marketing tool to get your name (& face) out there
4. Opportunity to be proactive and remain in control of the process

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SUMMARY OF HOME INSPECTION REPORT
763 Dack Boulevard, Mississauga



BOULEVARD
PROPERTY INSPECTION
A Carson Dunlop company


Your business card here!

Prepared By:
Boulevard Property Inspection
Tom Woolley, RHI
MAY 10, 2006

Over...

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SUMMARY OF HOME INSPECTION REPORT
59 Princess Anne Crescent, Etobicoke



CarsonDunlop
Consulting Engineers


Your business card here!

Prepared By:
CARSON DUNLOP
Carla Edmiston, B.A.Sc.
MARCH 27, 2006

Over...

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Marketing Options



Home can be marketed as -


Pre-inspected by ABC Inspections

- In listing (with a link to the report!)
- On lawn sign
- In ads and feature sheets
- At open houses




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How? - Optional



- Some inspectors may incorporate additional property photos to enhance presentation
- These can be used in ads and feature sheets



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Conditional Offers?



- In some cases buyers may want their own inspector
 - Don't worry, this is OK!
 - When findings are similar between the 2 reports the comfort level is increased
 - = confidence in the property

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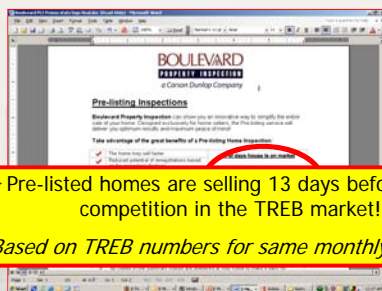
Some Common Questions



- Do Pre-Listing Inspections shorten DOM?
- Proven statistics...

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Some Common Questions



➤ Pre-listed homes are selling 13 days before their competition in the TREB market!
(Based on TREB numbers for same monthly period)

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Some Common Questions



- Who pays for the report?
 - Agent
 - Seller
 - Seller and Agent split the cost
 - Seller pays up front, and agent reimburses at closing out of proceeds

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Some Common Questions



- Can an Inspector defer payment?
 - some Inspectors may offer not get paid until closing....
 - **CAN'T DO!**
 - Creates a conflict of interest
 - **Violates inspectors' association Codes of Ethics**

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Keys to Success



- The Inspector needs to be credible
- The Prospective buyers need to have confidence in the report
- If there are concerns, Inspector should be available for a follow up consulting (i.e. walk through)

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TOP 12 BENEFITS OF PRE-LISTING INSPECTIONS



1. **Helps eliminate conditional offers**
2. **Avoids conditional offers falling through**
3. **You choose inspector**
4. **An inspector's bedside manner won't scare buyers**

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AGENTS' TOP 12 BENEFITS OF PRE-LISTING INSPECTIONS



5. **No conflicting information**
6. **Resolve disputed issues off-line**
7. **Fix problems or reflect in price**
8. **Buyers won't walk from multi-offers**

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AGENTS' TOP 12 BENEFITS OF PRE-LISTING INSPECTIONS



9. Get the listing

10. Helps sell homes faster, for more money

11. Reduce your liability

12. PR opportunity for you!!

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You Are In Control!



In short – Pre-Listing Inspections

- Put you in control throughout the transaction
- Speed up the process
- Is win-win-win (buyer, seller, agent)
- Is where the market is moving

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THANK YOU!

Andra Woolley
www.prelistingreport.com

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