

FHA

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner



REMEMBER:
Sign everywhere you
see this "Check".

For Your Protection: Get a Home Inspection

Name of Seller: _____

Property Address: _____

What the FHA Does for Buyers... and What We Don't Do

What we do: FHA helps people become homeowners by insuring mortgages for lenders. This allows lenders to offer mortgages to first-time buyers and others who may not qualify for conventional loans. Because the FHA insures the loan for the lender, the buyer pays only a very low down-payment.

What we don't do: FHA does not guarantee the value or condition of your potential new home. If you find problems with your new home after closing, we cannot give you money for repairs, and we cannot buy the home back from you.

That's why it's so important for you, the buyer, to get an independent home inspection. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Appraisals and Home Inspection are Different

As part of our job insuring the loan, we require that the lender conduct an FHA appraisal. An appraisal is different from a home inspection. Appraisals are for lenders; home inspections are for buyers. The lender does an appraisal for three reasons;
to estimate the value of a house
to make sure that the house meets FHA minimum property standards
to make sure that the house is marketable

Appraisals are not home inspections.

NOTE: If this form is not signed and dated on or before the date the sales contract is executed, FHA requires the sales contract to be re-executed, unless you waive this requirement by signing below in the space provided. *I/We* waive the FHA requirements to re-execute the sales contract.

Why a Buyer Needs a Home Inspection

A home inspection gives the buyer more detailed information than an appraisal—information you need to make a wise decision. In a home inspection, a qualified inspector, takes an in-depth, unbiased look at your potential new home to:

- evaluate the physical condition: structure, construction, and mechanical systems
- identify items that need to be repaired or replaced
- estimate the remaining useful life of the major systems, equipment, structure, and finishes

What Goes into a Home Inspection

A home inspection gives the buyer an impartial, physical evaluation of the overall condition of the home and items that need to be repaired or replaced. The inspection gives a detailed report on the condition of the structural components, exterior, roofing, plumbing, electrical, heating, insulation and ventilation, air conditioning, and interiors.

Be an Informed Buyer

It is your responsibility to be an informed buyer. Be sure that what you buy is satisfactory in every respect. You have the right to carefully examine your potential new home with a qualified home inspector. You may arrange to do so before signing your contract, or may do so after signing the contract as long as your contract states that the sale of the home depends on the inspection.

Signature & Date

Signature & Date

