A RESOURCE FOR HAMILTON HOME BUYERS

HOME INSPECTION GUIDE

Understand the Inspection. Make a Better Decision.

What a home inspection covers, what it doesn't, and how to think about the findings before deciding what to do next.

KNOW WHAT'S COVERED.

READ THE REPORT.

DECIDE WITH CONFIDENCE.



BEFORE YOU BEGIN

Understand the inspection. Make a better decision.

A home inspection can reveal important information about a property you're considering, but knowing what the inspector finds is only the beginning.

This guide will help you understand what a home inspection covers, what it doesn't, how to choose an inspector, how to read the report, and how to think about the findings before deciding what to do next.

> This guide provides general information only and is not legal advice. Review the conditions in your agreement of purchase and sale with your REALTOR® and/or lawyer.

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SECTION 01

What a Home Inspection Really Tells You

An inspection is information, not a pass-or-fail test.

A home inspection is a visual examination of the condition of a home and its major components.

A qualified inspector examines accessible areas of the property and, where appropriate, operates components to identify existing conditions, potential concerns and areas that need further attention. The findings are provided in a written report.

The real value of an inspection

An inspection can help you:

- Understand the current condition of the home
- Identify visible defects or areas of concern
- Learn about maintenance requirements
- Identify issues that warrant further investigation
- Ask better questions before committing to the purchase
- Make a more informed decision about the property

What it cannot do

An inspection cannot tell you with certainty that everything in a home is perfect, or that nothing will fail after you move in.

The goal isn't to find a perfect house. The goal is to understand the house you're buying well enough to make a decision you can live with.

SECTION 02

When Should You Have an Inspection?

Timing matters.

Think about the inspection before you make an offer, not after you've already committed to the property.

An inspection condition gives a buyer an opportunity to complete due diligence before becoming fully committed to the purchase.

Your purchase agreement determines your rights.

If your offer includes an inspection condition, the wording of that condition determines what happens if the inspection identifies concerns.

Depending on the agreement, you may have an opportunity to:

- Complete your due diligence
- Ask additional questions
- Obtain specialist opinions
- Negotiate changes to the agreement
- Decide whether you want to proceed

> REMEMBER
>
> Do not assume that an inspection automatically gives you the right to cancel a purchase. That depends on the agreement you've signed and the conditions it contains.

SECTION 02 · CONTINUED

Before submitting an offer, discuss:

1. Is an inspection appropriate?
2. What type of inspection is needed?
3. Should the offer include an inspection condition?
4. How much time is needed to complete your due diligence?

Those decisions are best made **before the offer is written.**

SECTION 03

Inspecting Before You Offer, or Going Firm

In a competitive market, the inspection doesn't always happen after the offer.

When a property is likely to attract multiple offers, buyers sometimes choose not to include an inspection condition. That leaves two common approaches.

APPROACH ONE

Inspecting before you offer

Some buyers arrange an inspection before submitting an offer, with the seller's permission.

WHAT IT GIVES YOU

Information before you commit, and the ability to submit a cleaner offer.

WHAT IT COSTS YOU

You pay for an inspection on a home you may not end up buying. If you lose out, that cost doesn't come back.

APPROACH TWO

Going firm without an inspection

WHAT IT GIVES YOU

A simpler offer that may be more attractive to a seller.

WHAT IT COSTS YOU

You accept the home's condition without the information an inspection would provide. If something significant turns up after you've committed, you may have limited options and could be responsible for dealing with the issue.

SECTION 03 · CONTINUED

A seller-provided inspection

Some sellers commission an inspection before listing and make the report available to buyers.

It can be a useful starting point, but keep in mind:

- The inspector was hired by the seller, not by you
- You may not be able to rely on it the way you could rely on your own inspection
- You can't ask follow-up questions in the same way
- Conditions may have changed since it was completed

Read it carefully, and consider whether your own inspection is still worthwhile.

> THE HONEST ANSWER
>
> ### There's no single right approach.
>
> It depends on the property, its age, the competition, your budget and how much risk you're comfortable with. Those are decisions to make deliberately, before the pressure of an offer date, not in the moment.

SECTION 04

What a Home Inspection Covers

A lot, but not everything.

A typical home inspection is a visual examination of accessible areas and major components of the property.

STRUCTURE

- Foundation
- Basement
- Structural components
- Floors and walls

EXTERIOR

- Roof
- Exterior walls
- Windows and doors
- Grading and drainage
- Visible exterior components

INTERIOR

- Walls and ceilings
- Floors
- Doors and windows
- Stairs and railings

SYSTEMS

- Plumbing
- Electrical
- Heating
- Air conditioning

OTHER AREAS

- Attic
- Chimney
- Visible insulation and ventilation
- Other accessible components

The exact scope depends on the inspector, the property and what is accessible at the time of the inspection.

REMEMBER

The inspection is visual. It isn't the same thing as taking a house apart to discover every possible problem.

BUYING A CONDO OR TOWNHOUSE?

The unit inspection is only part of the picture. The status certificate, including the reserve fund and any planned major work, matters just as much.

SECTION 05

What a Home Inspection Doesn't Cover

Understanding the limitations is just as important as understanding the scope.

An inspection cannot reveal every possible flaw. Some conditions are concealed. Others are inaccessible. An inspector can't see through walls, floors or foundations to determine what may be happening behind them.

A home inspection is not:

A warranty

An inspection doesn't guarantee that a furnace, appliance, roof or other component won't fail in the future.

A destructive investigation

An inspector doesn't open up walls, remove finishes or dismantle components to investigate what may be behind them.

A prediction of the future

A component can be functioning properly during an inspection and fail later.

A complete code-compliance inspection

A home inspection should not be treated as a complete building-code or municipal compliance inspection.

A substitute for specialist advice

If something requires expertise beyond the scope of a general inspection, a specialist may be appropriate.

An appraisal

See the comparison on the next page.

SECTION 05 · CONTINUED

Inspection vs. Appraisal

They answer different questions.

	Home Inspection	Home Appraisal
THE QUESTION	What's the condition of the home?	What is the property worth?
LOOKS AT	Visible condition and operation of components and systems	Comparable properties and the property's characteristics
COMPLETED BY	Home inspector	Qualified appraiser
USEFUL FOR	Understanding condition, maintenance and potential concerns	Lending and an opinion of market value

One doesn't replace the other. A house can have good value and poor condition, good condition and questionable value, or both can be strong.

A good inspection helps you understand uncertainty. **It doesn't eliminate it.**

SECTION 06

Choosing Your Home Inspector

Ontario does not currently have mandatory licensing for home inspectors.

Legislation passed in 2017 has not yet come into force. That's one reason it's important to evaluate an inspector carefully.

Consider:

- Training and qualifications
- Building-code knowledge and related trade experience
- Years of experience
- Professional standards
- Reporting practices
- Insurance coverage
- Areas of specialization
- Reviews and references

Professional affiliation

Membership in an association such as the Ontario Association of Home Inspectors (OAHI) or the Canadian Association of Home & Property Inspectors (CAHPI) means the inspector has committed to professional standards and a code of ethics. It isn't a substitute for your own due diligence, but it's one factor to consider when comparing inspectors.

What does it cost?

Standard home inspections in Hamilton currently tend to run about $350 to $700, depending on the size, age and type of home, plus any specialist add-ons.

SECTION 06 · CONTINUED

Questions worth asking

- What qualifications and training do you have?
- How long have you been inspecting homes?
- Do you carry professional liability insurance? (It isn't legally required.)
- What standards or professional practices do you follow?
- What's included in your inspection?
- What isn't included?
- How long does the inspection usually take?
- When will I receive the report?
- Can I attend the inspection?
- What happens if you identify something that requires a specialist?

Don't choose on price alone.

The cheapest inspection isn't necessarily the best value. You're paying for the inspector's time, experience, judgment and ability to communicate what they find.

WHAT ABOUT RECOMMENDATIONS?

I'm happy to share the names of inspectors I've worked with. That can be a useful starting point, but you choose the inspector.

— Mike

SECTION 07

Inspection Day

If you can, be there.

Being at the inspection gives you a firsthand understanding of the property's condition and a chance to ask questions.



Being there can help you:

See the property differently

You may notice things that aren't obvious during a normal showing.

Understand the inspector's findings

Something that sounds alarming in a written report may be relatively minor when you understand the context.

Ask questions

You can ask what a finding means, how significant it appears and whether further investigation is appropriate.

Learn about the home

The inspection is also an opportunity to learn about maintenance, shutoffs, equipment and other features.

SECTION 07 · CONTINUED

Before the inspection

Make a short list of anything you've noticed or are concerned about. Tell the inspector about:

- Water stains
- Cracks
- Unusual smells
- Strange noises
- Previous renovations
- Anything you've been told about the property
- Areas you particularly want examined

During the inspection

Let the inspector do the job. Stay with them where practical, ask questions and take notes, but don't interfere with testing.

What to expect

A standard inspection usually takes a few hours, and the report is typically delivered within a day or two.

The season can affect what's possible. In winter, snow may prevent a full look at the roof, and air conditioning may not be tested in cold weather. Ask the inspector what they couldn't assess and why.

I'LL BE THERE WITH YOU

I attend my clients' inspections, go through the report with them afterward, and help them work out what, if anything, to do next.

— Mike

SECTION 08

Reading Your Inspection Report

Don’t panic when you see a long list of findings.

Inspection reports can contain a lot of information. That doesn’t mean the house has a lot of serious problems. Inspectors are documenting observations. Your job is to understand which observations actually matter to your decision.

Start by sorting findings into categories.

1 **Safety**
Could someone be injured or exposed to a significant hazard?

2 **Water**
Is there evidence of current or past moisture intrusion, drainage problems or water damage?

3 **Structure**
Is there evidence of a potentially significant structural concern?

4 **Major Systems**
Are heating, cooling, electrical or plumbing systems functioning properly?

5 **Maintenance**
Is this routine maintenance rather than immediate repair?

6 **Age and Condition**
Is a component simply older and approaching the end of its useful service life?

7 **Further Investigation**
Does the inspector recommend bringing in another professional?

SECTION 08 · CONTINUED

> READ FOR SIGNIFICANCE, NOT QUANTITY
>
> A report with 30 minor maintenance observations may be less concerning than a report with one significant structural or water issue.

Then, for each significant finding, ask:

What is the condition?

What did the inspector actually observe?

How significant is it?

Is this routine maintenance, a repair, a major concern or something that requires further investigation?

What happens if nothing is done?

Some issues are cosmetic. Others become progressively more expensive if ignored.

Do we need another professional?

The inspector may recommend an electrician, plumber, roofer, structural professional or another specialist.

What does the uncertainty cost?

Sometimes the issue itself isn't the biggest concern. The bigger concern is not knowing what lies behind it.

SECTION 09

Findings Worth a Closer Look

Not every finding deserves the same reaction.

There is no universal list of defects that automatically makes a house a bad purchase. Context matters. But some categories deserve particular attention.

WATER INTRUSION

- Active leaks
- Repeated water entry
- Drainage problems
- Basement moisture
- Roof-related water intrusion
- Significant water damage

STRUCTURAL CONCERNS

- Foundation movement
- Significant structural cracking
- Sagging
- Major framing concerns

ELECTRICAL

- Unsafe wiring
- Improper modifications
- Electrical hazards
- Panels or components requiring further evaluation

HEATING AND COOLING

- Age
- Condition
- Operation
- Maintenance
- Replacement implications

PLUMBING

- Leaks
- Poor drainage
- Water pressure concerns
- Older or deteriorated components
- Evidence of previous water damage

ROOFING

- Current condition
- Visible damage
- Signs of leakage
- Approximate age
- Remaining useful life

The key question: **Is this a problem I understand and am comfortable taking on?** That's very different from asking whether the house has problems.

SECTION 10

When You Need a Specialist

Sometimes a general inspection isn't enough.

A home inspector may identify something that requires a closer look by someone with specialized expertise. Depending on the property, that could include:

- Electrical evaluation
- Plumbing evaluation
- Roofing evaluation
- Structural or foundation assessment
- Sewer scope
- Chimney inspection
- WETT inspection (wood-burning appliances)
- Septic inspection
- Radon testing
- Wood-destroying organism inspection
- Environmental or mould assessment

> A SPECIALIST RECOMMENDATION ISN'T A DIAGNOSIS
>
> If an inspector says something needs further investigation, that doesn't mean the worst-case scenario is present. It means there isn't enough information to reach a confident conclusion yet.
>
> **That's useful information.**

SECTION 11

Hamilton Homes: Things Worth Looking At

Hamilton has a wide range of housing, and age matters.

Hamilton has everything from new construction to homes that are many decades old. The age, construction type and history of a property can influence what deserves closer attention.

Common features in older Hamilton homes

Knob-and-tube wiring

An early electrical system found in some older homes. Even when it's still working, some insurers may restrict coverage or require replacement, so it's worth having an electrician evaluate it and checking with your insurer before you commit.

Galvanized steel water pipes

Common in homes built before the 1960s. Over time they can corrode from the inside, which can reduce water pressure and lead to leaks. Like knob-and-tube wiring, they can also affect insurance, so a plumber's opinion and a call to your insurer are both worth it.

SECTION 11 · CONTINUED

Lead water service lines

Lead was used extensively in private water service lines before 1955, and Hamilton estimates that about 20,000 homes may have a lead water service pipe connecting the home to the municipal water supply.

The portion of the water service line on private property is the homeowner's responsibility. If you're unsure what type of service line a property has, the City of Hamilton offers a free Check Size and Type Inspection. The City also offers financial assistance for eligible homeowners replacing lead service lines.

Learn more from the City of Hamilton →

Older sewer lines

In many older homes, the sewer line running from the house to the street is clay or cast iron. Over time these pipes can crack, shift or be invaded by tree roots, and a standard inspection can't see inside them. A sewer scope (a camera inspection of the line) is a relatively small cost compared to a repair that can mean digging up the yard.

Oil tanks

Some older homes were once heated with oil, and the tank may still be in the basement or buried in the yard, even if the home has since switched to gas. An old or abandoned tank can raise insurance and environmental concerns, and a leaking buried tank can be costly to clean up. Look for signs like fill or vent pipes on the exterior, and ask the seller whether a tank was ever removed and whether there's documentation.

Vermiculite insulation

A loose, pebble-like insulation sometimes found in older attics and wall cavities. Some vermiculite may contain asbestos, which is a concern mainly if it's disturbed. If an inspector spots it, avoid disturbing it and have it tested by a qualified professional, especially if you plan renovations.

SECTION 11 · CONTINUED



Also worth attention in any older home

Foundation and water management

Basements, foundations, grading and drainage deserve careful attention, particularly where there's evidence of previous moisture.

Roofing

Age and condition matter, particularly when a roof is approaching the end of its expected service life.

Renovations

Ask whether renovations appear to have been professionally completed and whether permits or documentation are available.

Age doesn't make a home bad. **It tells you where to ask better questions.**

SECTION 12

After the Inspection: Your Options

Once you understand the findings, you have a decision to make.

What's available to you depends on your agreement, including whether it has an inspection condition and how that condition is worded. Within those limits, buyers generally consider a few paths.

1 **Proceed as is**

The findings are within what you expected, or they're things you're comfortable handling yourself. Many inspections end here.

2 **Get more information**

If a finding needs a specialist's opinion, you may want that before deciding anything else. Keep an eye on the deadline in your condition. Specialists aren't always available on short notice.

SECTION 12 · CONTINUED

3 **Ask to renegotiate**

If a significant issue wasn't known when you made your offer, you can ask the seller to address it. That might be:

- A price adjustment
- A credit on closing
- A repair completed before closing

Any agreed change to the deal should be documented in writing. The seller can say yes, say no or counter. Reasonable requests tied to specific, significant findings tend to get a better reception than a long list of minor items.

4 **Walk away**

If your agreement allows it and the findings change your view of the home, you may decide not to proceed. Whether and how you can do that depends on the condition's wording, so this is a conversation to have with your lawyer as well.

HOW I HELP

I'll go through the report with you, help you separate what matters from what doesn't, and, if you decide to renegotiate, handle that conversation with the seller's side.

— Mike

SECTION 13

A Better Way to Decide

Don’t ask, “Is this house perfect?” It won’t be.

Instead, work through five questions.

01 **What did we learn?**

What does the inspection tell you that you didn’t know before?

02 **What actually matters?**

Which findings affect safety, structure, water, major systems or significant future expense?

03 **What don’t we know yet?**

Are there findings that require further investigation?

04 **What will it take to address?**

Think about cost, time, inconvenience and uncertainty.

05 **Does the house still make sense?**

Consider the property as a whole:

- Location
- Price
- Condition
- Features
- Future plans
- Your tolerance for repairs
- Your financial position

SECTION 14

Your Home Inspection Checklist

BEFORE THE INSPECTION

- [ ] Confirm the inspection date and time
- [ ] Understand any inspection condition in your agreement
- [ ] Ask what the inspection includes
- [ ] Prepare questions and concerns
- [ ] Tell the inspector about anything you've noticed
- [ ] Ask whether specialist inspections may be appropriate

DURING THE INSPECTION

- [ ] Attend if possible
- [ ] Take notes
- [ ] Ask questions
- [ ] Pay attention to major systems
- [ ] Ask about significant findings
- [ ] Ask what requires further investigation
- [ ] Ask what couldn't be assessed, and why
- [ ] Listen for maintenance recommendations

SECTION 14 · CONTINUED

AFTER THE INSPECTION

- [ ] Read the complete report
- [ ] Separate major concerns from routine maintenance
- [ ] Identify anything requiring specialist evaluation
- [ ] Understand the potential cost or risk of significant findings
- [ ] Note the deadline on your inspection condition
- [ ] Review your options before making a decision
- [ ] Keep a copy of the report for future reference

NOTES

SECTION 15

Final Thoughts

An inspection isn't about finding a reason not to buy. It's about making an informed decision.

Every home has a history. Every home has maintenance requirements. And almost every resale home will have something that could be improved.

The value of a good inspection is not that it gives you a simple yes or no. It gives you better information, and better information lets you ask better questions, understand the risks and decide whether the home is right for you.

Before you make your decision, make sure you understand:

- What was found.
- What matters.
- What needs further investigation.
- What it may take to address.
- And whether you're comfortable moving forward.

A house doesn't have to be perfect to be the right house. **But you should understand what you're buying.**

Have questions about a home you're considering?

Talk With Mike →

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