

Minor problem or major defect

One of the most misunderstood items in the real estate/inspection world is the difference between a major or minor problem. A delicate balance is needed to properly point out these issues to potential homeowners. Inspectors certainly don't want to understate anything, but overstating relatively innocuous items is not helpful to anyone involved in the process of buying a home. In some cases, a realtor wants a list of major defects in a home. However, the definition of "major defect" can vary as widely as personalities.

Within the scope of my inspections, I prefer to use 5 primary categories with which I define items:

1. Health and safety hazards
2. Structural problems
3. Things or systems that are broken
4. Water penetration
5. Insect damage.

I generally leave the definition of "major defect" up to the client. For example, if the flashing around a chimney is loose and allowing water to enter the attic or living space, I classify it as a health and safety issue as well as an obvious water penetration problem. While the repairs needed may be minor, the effects of water and the resulting mold in the living areas can cause serious health and safety hazards. Since some realtors use the \$500 mark (for repairs) to define a major defect, this fix would likely cost far less, but is a serious issue most cases.

A home with ungrounded outlets is another somewhat confusing issue. Using these outlets is perfectly OK (assuming no other problems) as long as nothing expensive is plugged into them. The use of a surge protector to protect electronic equipment is worthless if plugged into an ungrounded outlet. While correcting this condition is relatively easy, it could be a major problem if pricey TV's and computers are fried.

Other items that seem minor but could have major implications include:

1. Structural damage from termites can be minor, but the treatment to kill them off can cost thousands of dollars.
2. Mold in the crawlspace, caused by high humidity, can be relatively easy to solve. But if left unchecked will destroy a foundation.
3. Electrical breakers in the main panel with two or more wires under one terminal screw can be repaired for a few dollars, but potentially cause a fire if not fixed.
4. Fogged up glass between double pane windows indicate a failed seal. This will not hinder window performance but could be unpleasant to look through. Replacement will obviously be costly.

Other issues determining the severity of a problem include the buyer's health, age, and knowledge of how maintain a house without having to call someone every time something breaks.