

Don't be penny-wise and pound-foolish when hiring a building inspector

Planning on purchasing a commercial building or assuming control of a condominium? As part of your due diligence, you'll need to hire a building inspection company to analyze the property's physical and mechanical condition and check for any Maryland Real Property Title 10 or Title 11 warranty violations. Though a building may appear to be in mint condition, only a qualified building inspector can tell you for sure.



By James S. Aist

In general, a building inspection report identifies items in need of repair and evaluates the lifecycle of the property's major systems, including heating, cooling, plumbing and electrical. This report will give you a much clearer picture of the property's safety, usability and market value.

Before you start scouring the yellow pages for inspectors, keep in mind that not all building inspection companies are created equal, and hiring the wrong one could have disastrous consequences.

Building inspections vary widely in quality and cost. For a commercial or res-

idential building, you could spend as little as \$10,000 to as much as \$40,000 or more depending on the size of the property. Though it's tempting to go with the lowest bidder, it's not always wise. Depending on the age and condition of the building, an inspection costing \$30,000 or more could save you hundreds of thousands of dollars down the road.

Why is it that the lowest bidder may not be your best choice?

When you pay for a building inspection, you're essentially paying for the inspector's qualifications and time. Low-cost building inspections are typically performed by those with limited credentials who are often not engineers. Since these companies make their money on volume, they'll spend less time inspecting your building and generate a "canned" report that features fill-in-the-blank sections to record their findings. The quality of such low-cost inspections varies widely. Certainly some are competent. However, you may be taking a big risk that an expensive problem will escape detection.

But what about pricier inspections? Are they really worth it?

Inspections costing \$30,000 or more

are typically performed by a structural engineer who will spend considerable time examining the plans, specifications, structure and mechanical systems of your building. The resulting inspection report will be much more informative and tailored to the unique circumstances of your building. If your building has latent defects or extensive deferred maintenance, a well-credentialed, experienced inspector will find them — and save you a lot of grief.

Keep in mind that you may have limited legal recourse in cases of botched inspections. Some inspection companies include limitation of liability clauses in their contracts, which cap their legal exposure for missed defects at the price you paid for the inspection. It's best to err on the side of caution and hire the most qualified inspector you can afford. After all, peace of mind is priceless.

James S. Aist is a partner at Anderson, Coe & King LLP. He litigates construction defect cases and has handled several matters involving faulty building inspections. The opinions expressed are Mr. Aist's and not necessarily those of The Daily Record. He can be reached at 443-573-9309 or at aist@acklaw.com.

Keep in mind that not all building inspection companies are created equal.