

If You Intend To Buy & Rehab After Contracts Signed Do Your Due Diligence Before Closing

1. Is the house in a war zone?
2. Check the title.
3. Verify the after repaired market value (ARV). Get an appraisal.
4. Verify repair costs by getting one or more estimates from contractors who will do the work if hired.
5. Check zoning if not in a subdivision.
6. Order wood destroying organism (WDO) report.
7. Order a survey if there is any doubt of where the boundary line is.
8. Are the utilities flagged by the city? If so, check for problems.
9. Is the house condemned and on the bulldozer list? Call the code compliance office to verify.
10. Are there nuisance and abatement liens that are not recorded yet? Call code compliance office to verify.
11. Does the house have mold or asbestos? A home inspection is cheap insurance against overlooked problems. Make sure they consider environmental problems that are their responsibility to find.
12. If the property is on a well and septic, get a test done before you close to make sure it works properly.
13. Get insurance—is it in a flood zone.
14. Are all additions legal and permitted.

If you intend to wholesale and not purchase first, number 2 is your only due diligence.

Warning

If you purchase the house, this list should be done, or you will be taking an expensive seminar in Hard Knocks University.

Here's What I Do In Order Before Closing

1. Contract signed by all parties
2. Order title **search**
3. Order home inspection
4. Meet contractor to make list for bid. Give him copy of the home inspection.
5. Order after repaired appraisal, give him the repair list.
6. Line up money.
7. Any other applicable items on list above.

You may substitute this for the contractor's scope of work using these items, but you must number his proposal to create a draw schedule.

Work List

Exterior	Amount
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
11. _____	_____
12. _____	_____
Kitchen	
13. _____	_____
14. _____	_____
15. _____	_____
16. _____	_____
17. _____	_____
18. _____	_____
19. _____	_____
20. _____	_____
Baths	
21. _____	_____
22. _____	_____
23. _____	_____
24. _____	_____
25. _____	_____
26. _____	_____
27. _____	_____
28. _____	_____

Interior

- 29. _____
- 30. _____
- 31. _____
- 32. _____
- 33. _____
- 34. _____
- 35. _____
- 36. _____
- 37. _____
- 38. _____
- 39. _____
- 40. _____
- 41. _____
- 42. _____
- 43. _____
- 44. _____
- 45. _____
- 46. _____
- 47. _____
- 48. _____
- 49. _____
- 50. _____

Heat and Air

- 51. _____
- 52. _____
- 53. _____