

FEB 9 2000

COMMERCE AND REGULATION

HOUSE FILE
BY CHIODO

2196

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to inspections of residential real property in
2 conjunction with the sale of the property.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2196

1 Section 1. NEW SECTION. 558A.1A INSPECTION OF
2 RESIDENTIAL REAL PROPERTY.

3 1. A qualified person shall conduct an inspection of any
4 real property used as a residential dwelling prior to the sale
5 of the property.

6 2. The inspection report shall be given as part of the
7 written disclosure statement required under this chapter.

8 3. The inspection report shall:

9 a. Assess the general condition of the property including,
10 but not limited to, the exterior siding, windows, roof,
11 wiring, plumbing, and heating and cooling systems.

12 b. Indicate any repair costing one thousand dollars or
13 more that is likely to be needed within the next twelve
14 months.

15 4. An inspection performed on behalf of and to the
16 satisfaction of a mortgage lender shall satisfy the inspection
17 requirement of this section.

18 5. The commission may adopt rules and create forms related
19 to the inspection requirement under this section.

20 EXPLANATION

21 This bill amends Code chapter 558A relating to disclosures
22 made in conjunction with real estate transfers.

23 The bill adds an inspection requirement in conjunction with
24 the proposed transfer of residential real property and states
25 that the report must assess the general condition of the
26 property and identify any repair costing \$1,000 or more that
27 is likely to be needed in the next 12 months.

28 The inspection report becomes part of the written
29 disclosure statement required under Code chapter 558A. Code
30 section 558A.2 requires that the disclosure statement must be
31 delivered prior to either the transferor making a written
32 offer for the transfer of the real property or accepting a
33 written offer for the transfer of the real property.

34 An inspection made on behalf of and to the satisfaction of
35 a mortgage lender shall satisfy the inspection requirement.

1 The bill also authorizes the real estate commission to
2 adopt rules and create forms in relation to the inspection
3 requirement.

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