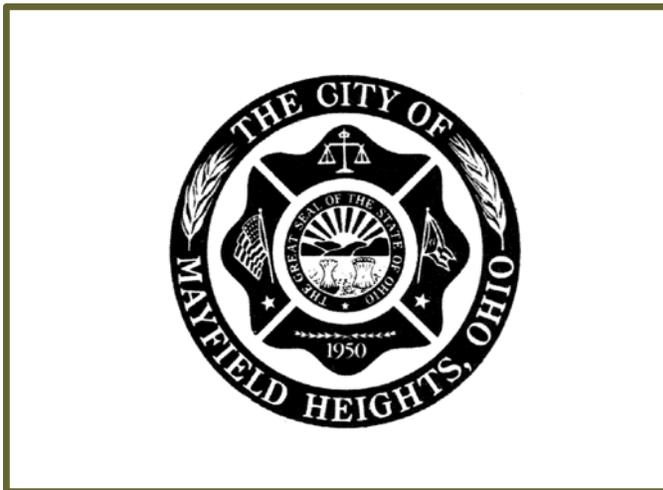


THE CITY OF MAYFIELD HEIGHTS

BUILDING DEPARTMENT

6154 Mayfield Road
Mayfield Heights, OH 44124
Phone: 440-442-2107
Fax: 440-442-7662



POINT OF SALE INSPECTION GUIDE

Per Section 1339 of the Codified Ordinances, all homes offered for sale must be inspected prior to entering into a purchase agreement with a potential buyer.

02/2016

APPLICATION

Applications can be filed via mail or in person at the Building Department during regular business hours (8:00 a.m. – 5:00 p.m.). Application forms are available on the City of Mayfield Heights website www.mayfieldheights.org under *City Departments; Building Department; Applications and Forms; Point of Sale Application*.

The owner of the property or the owner's legal representative, executor or trustee may file the application. Documentation authorizing legal representation must be included with the application.

Representatives of bank owned property must include written authorization from the property owner.

In the case of business or corporate property owners, the name of the statutory or fiduciary agent along with a current mailing address must be included.

Be certain to include a daytime or cell phone number on the application.

INSPECTION FEE

\$50.00

The filing fee is \$50.00 and may be paid either by cash or check made payable to the City of Mayfield Heights. The application and fee must be submitted prior to scheduling an appointment.

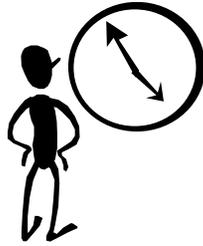
There are no additional fees for re-inspections.

SCHEDULE AN APPOINTMENT

Appointments are scheduled between 9:00 a.m. and 3:00 p.m. and can be arranged either in person or by calling (440) 442-2107 after an application has been filed.

INSPECTION

- The owner or a representative of legal age must be on site during the inspection.
- Inspections will take about one (1) hour to complete.
- Please allow for appointment delays. While rare, there are at times unforeseen circumstances that may cause a short delay.
- The inspection consists of an evaluation of the exterior and interior components of the house and garage structures as well as the exterior property areas for general maintenance and safety concerns. The inspection typically does not include access to the roof or crawl space unless conditions warrant such.



- You are encouraged to walk through your home with the inspector during the inspection to answer questions and provide access to the various areas of the house, garage and yard.
- Please keep pets out of harms way during the inspection.

GETTING YOUR HOUSE READY

The following is a suggested list to review in advance of the inspection:

Exterior Property Areas

- ✓ Remove any trash, debris, out-of-use equipment, parts, appliances and other outside storage from the property. Cut the lawn and trim any overgrown shrubs and trees.

- ✓ Check sidewalks, walkways, and driveways, making certain they are in good repair and free from hazardous conditions such as “trip spots”.
- ✓ Check exterior yard structures, such as fences and walls to make sure they are in good repair and structurally sound.



Exterior Structure

- ✓ Make certain address numbers are displayed on the house and easily seen from the street.
- ✓ Review the exterior surfaces of the house, garage, shed, fence for their general repair. Check for damaged or deteriorated siding; peeling, flaked or chipped painted areas; rusted metal surfaces; the need for tuck-pointing between masonry and brick joints.
- ✓ Be certain roof coverings and flashing are in tact and that gutters and downspouts are in good repair and free from obstructions.
- ✓ Review all porches, decks and stairways for their repair and stability. Steps and railings should be properly anchored and in good repair.
- ✓ Check to see that windows and doors are operable, in sound condition and weather-tight.

Interior Structure

- ✓ Check all interior surfaces including windows and doors. Remove peeling or chipped paint; repair damaged plaster, decayed wood and any other defective surface conditions.



- ✓ Insure there is a working smoke detector in each bedroom and a photo-electric smoke detector on each level.
- ✓ Check each bathtub, shower, lavatory, water closet, laundry tray, kitchen sink; and all water shut off valves to insure each is in good repair and free from leaks.

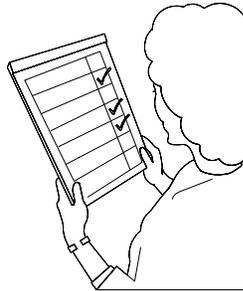
- ✓ Insure that there is a working carbon monoxide alarm on the floor where the gas-fired furnace and hot water heater are located and in the hall outside of the bedrooms on each floor.

Mechanical

- ✓ Have the furnace, air conditioning equipment and hot water tank inspected by a licensed installer.
- ✓ Insure that all gas shut off valves are ¼ turn type.
- ✓ Insure the electrical service is equipped with a 100 amp disconnecting means and proper grounding.
- ✓ Insure that ground fault circuit interrupter (GFCI) outlets are located in bathrooms, garages, unfinished basements, laundry areas, kitchen countertop areas, outdoors (with a weather-resistant cover), and other utility areas within 6' of a sink.
- ✓ Insure that there are grounded receptacle outlets for appliances and equipment.
- ✓ Check for any missing outlet and switch covers, open wiring, extension chords and light fixture current taps.

INSPECTION REPORT

- Inspection reports are valid for one year from the date of the initial inspection. The report will identify the corrections, the required escrow amount to be held and the expiration date.
- Reports are mailed to the property owner and are made available as a matter of public record.
- Review all information contained within the report and all other documents carefully. Contact the Building Inspector with any questions or concerns regarding the information contained within the report.



- A property owner is entitled to an appeal if he or she disagrees with any part of the report. The appeal must be filed within twenty (20) days of the issue date of the report. However, it is best to contact the inspector of record to discuss the issue.

❖ UNDERSTANDING YOUR INSPECTION REPORT

REPLACE = replace

REPAIR = the condition can be fixed or replaced

REMOVE = remove the condition

NOTE = just a notation stating a specific fact.

A NOTE requires no action.

NOTICE = a notification of a condition or specific requirement which may require an action now or in the future

DANGER = identifies a condition in your home which may be a very serious safety hazard and should be corrected immediately.

PERMITS: If a repair or replacement requires a permit it will be noted on the report.

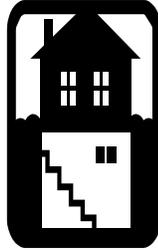
❖ Roof, Electrical, Furnace/Heating, Hot Water Tank, Air Conditioning, Plumbing or Other Mechanical Equipment



- If the inspection report identifies the need to have any of these professionally cleaned and/or inspected, an inspection receipt or service invoice, from the contractor, must be submitted.
- If a buyer is assuming the violations, he/she must submit the required proof of service.

❖ Damp, Wet, Leaking Basement

- If it has been determined that your home may have a damp, wet, or leaking basement it will be indicated as a NOTICE on your report.
- A *Basement Acknowledgment* form will be included with your report. This document is for a buyer and must be passed on to them.
- The buyer must sign and return the acknowledgement document to the Building Department prior to the Certificate of Inspection being issued.



- A revised inspection report will be issued showing only the remaining violations.
- The buyer will be required to fill out a Notarized Statement of Assumption (see Statement of Assumption), and an escrow account will have to be established (see Escrow Requirements & Proof of Escrow Funds).

❖ Buyer Correcting All Violations

- If the buyer has agreed to assume all the violations, he/she must fill out a Notarized Statement of Assumption (see Statement of Assumption). An escrow account will also have to be established (see Escrow Requirements & Proof of Escrow Funds).

CORRECTING VIOLATIONS

- All violations must be disclosed to potential buyers.
- All repairs must be done in a workmanlike, neat and professional manner.
- After you have corrected your violations, **CALL FOR A RE-INSPECTION.**
- If all violations are found to be satisfactorily corrected, a Certificate of Inspection will be issued. The Certificate of Inspection authorizes the title company to transfer the title (see Final Approval - Certificate of Inspection).

❖ Correcting Some of Your Violations

- You may choose to correct some of the violations and allow your buyer to assume the responsibility to correct the remaining violations after title transfer has transferred.
- After you have corrected the violations that you have agreed to assume, call for a re-inspection.

ASSUMING VIOLATIONS STATEMENT OF ASSUMPTION



A Notarized Statement of Assumption is required any time a buyer assumes the responsibility to correct the remaining violations.



The form is provided by the Building Department. It is for the buyer and must be passed on to them.



Signing the Notarized Statement of Assumption is agreeing to assume the violations as written and ordered by the Building Department.



The buyer will have six (6) months from title transfer to correct the violations they have assumed.



Assumed violations cannot be appealed to the Building Department. All appeals must be requested by the seller to the Board of Zoning/Housing Appeals.

PERMITS AND CONTRACTORS

Required permits must be obtained prior to starting any work. It is the property owner's responsibility to ensure that all permits are obtained and

the required inspections are made. Check with the Building Department for permit costs and submittal requirements.

It is not advisable for homeowners to obtain permits for their contractors.

If you plan on hiring a contractor or handyman, make sure they are well qualified to complete the work. Electrical, plumbing, heating and air conditioning contractors must be registered with the City.

Work covered under a permit should have its own separate inspection.

The Building Department is not permitted to recommend contractors. We will provide a current list of registered contractors upon request. However, a contractor registration does not guarantee workmanship.

It is advisable to obtain at least three (3) estimates from different contractors and have a written contract for the work being done.

Contact the Better Business Bureau to see if there are any complaints. Be a smart consumer.



ESCROW, PROOF OF ESCROW, APPEAL

❖ Escrow Requirement

Escrow funds are required when violations remain at the time of title transfer. Funds must be set aside to assure that violations are corrected at a later date.

The amount listed on the front page of the inspection report is the amount required to be held, as “escrow”. This amount is determined by the Housing Inspector.

THE ESCROW AMOUNT IS NOT AN ESTIMATE: The Building Department **does not** guarantee this amount to be the cost to cover

repairs. The City does not estimate the cost of any repairs. All parties involved in the sale of your home should be made aware of this.

The escrow account must be established with an independent escrow holding company. This is usually a title company, mortgage company, bank, or escrow company. The City of Mayfield Heights **does not** hold escrow funds.



It is up to the buyer and seller to decide who will establish the escrow account, decide whose funds will be used, and who the funds will be released to. The City does not mandate the responsible party.

SELLERS PLEASE NOTE that there is no guarantee the escrow funds will be released within six months of the title transfer. Buyers are entitled to extensions if requested. Consider this if it has been agreed that escrow funds will be released back to the seller.

It is important to know that mortgage companies, lenders, underwriters, banks, and/or title companies may require additional funds be set aside for the correction of violations. The City has no control of the distribution of additional funds being held.

Third parties may also have additional restrictions, terms and conditions on the release of escrow money. The City has no control over their additional conditions.



❖ Proof of Escrow

Prior to the issuance of a Certificate of Inspection, a written proof of escrow, on appropriate letterhead, must be submitted by the holding company.



It must contain the name, address and contact information of the holding company as well as the escrow account number, and the amount of money being held.

It is necessary that the language in the written proof of escrow state that the specified dollar amount will be held to insure the correction of violations until such time that the City of Mayfield Heights authorizes the release of the escrow funds.

The issuance of the Certificate of Inspection by the City of Mayfield Heights will permit the transfer of title of the property.

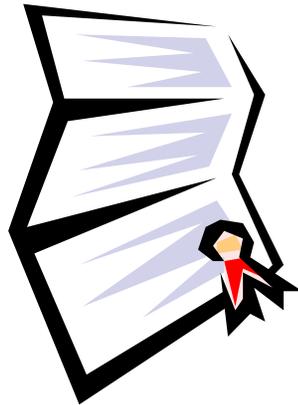
❖ Release of Escrow Funds

The Building Department will authorize the release of the escrow funds after a re-inspection has been conducted and the violations have been found to be satisfactorily corrected.

The Building Department authorizes the release by sending a letter to the holding company.

- *If all the violations are found to be corrected, all the money will be released.*
- *If some of the violations are found to be corrected, a partial release may be granted.*

The partial release of funds is determined by the Housing Inspector and/or Director of Building and is based on the number and type of violations that have been corrected. It is not based on the cost to make the repairs.



EXTENSIONS

- Owners, whose homes transfer during the winter months, are often given extensions for exterior violations due to weather conditions.
- All other extensions are considered by the nature of the violation, progress being made, and reason for the request.
- All requests for extensions must be in writing on the pre-printed form supplied by the Building Department.

FINAL APPROVAL – Certificate of Inspection

The Certificate of Inspection is the document issued by the City when all requirements have been met. This form allows the title company to transfer the title.

The Certificate will be issued if:

1. There were no violations at the time of your initial inspection.
2. All the violations have been satisfactorily corrected and re-inspected, prior to title transfer.
3. The buyer has assumed the violations and submitted a Notarized Statement of Assumption (see Statement of Assumption), a Proof of Escrow letter from the holding company (see Proof of Escrow) and any required confirmation forms and/or acknowledgement documents.

Certificates of Inspection carry the same expiration date as the inspection report: one (1) year from the date of the initial inspection.

The title must transfer prior to the expiration date or another point of sale inspection must be conducted.

The Certificate of Inspection is issued to the owner of the property. Copies can be faxed to title companies, mortgage companies or lenders in order to expedite the transfer.

No property shall transfer without a current Certificate of Inspection.

EXPIRATION: REPORTS AND CERTIFICATES

- Point of Sale inspection reports and Certificates of Inspection expire and become invalid when you fail to sell your home within one (1) year from the initial inspection of your property.
- It is imperative that the Building Department receives all documents prior to the expiration date so the Certificate can be issued prior to that date.

PRIVATE INSPECTIONS, FHA, VA

- Be aware that some lenders such as, FHA (Federal Housing Authority) and VA (Veterans Administration) may require their own inspections and may require that all violations be corrected prior to title transfer. Make sure you have a clear understanding of these types of programs.
- The City's requirements must not be superseded by requirements of other agencies.
- The buyer may hire a private home inspector. The City is in no way affiliated with private inspectors and has no interest in the results of a private inspection. The results of a private inspection are between the seller and the buyer.
- All sellers of property must conform to local laws and Ohio real estate laws.

FOR SALE – OPEN HOUSE SIGNS



One "For Sale" sign is permitted on your lawn during the time your home is listed for sale.

Such sign shall be no greater than six square feet in area, four feet in height and shall be located a minimum of five feet from the nearest edge of the sidewalk.



No signs, including "Open House" signs, shall be permitted in the public right of way: tree lawns, telephone poles, street signs, corners of streets.

When the property is sold the sign shall be removed.

"Sold" signs are prohibited by ordinance.

IF YOUR HOUSE DOES NOT SELL

You are still required to correct all violations if you do not sell your home or if you decide to take it off the market.

RENTAL PROPERTY

❖ Renting Instead of Selling

If you decide to rent your home instead of selling it, or if you have purchased the home for rental purposes, you will be required to register it as a rental, have it inspected and obtain a yearly rental license.

The rental license requires a separate application and registration fee (\$50.00).

Contact Gregory Fort at 440-442-2626, Ext. 281 for additional information, an application and/or an appointment.

❖ Selling Your Rental Property

A point of sale inspection is required when selling a rental property.

❖ Outstanding Rental Inspection Violations

Applying for a Point of Sale inspection will not exempt you from correcting outstanding violations resulting from a previous rental inspection.



Your violations must be corrected along with any additional violations found during the point of sale inspection.

If you have purchased a home and have assumed point of sale violations you must correct all the violations within six months from title transfer.

QUESTIONS?

Questions may be directed to:

Don Takacs, Building Inspector
dontakacs@mayfieldheights.org
440-442-2626, Ext. 208

Anne Weiland, Executive Assistant
anneweiland@mayfieldheights.org
440-442-2626, Ext. 210

Mary Fisco, Administrative Assistant
maryfisco@mayfieldheights.org
440-442-2626, Ext. 211

Tom Jamieson, Director of Building
tomjamieson@mayfieldheights.org
440-442-2626, Ext. 209

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