
LESSON 2: KEY CONCEPTS

Client Empowerment and Satisfaction

Why should buyer insist on due diligence?

- One of most overlooked is drains (out of sight – not reality)
- Latent conditions – minimal water; no solids
- Empowered to make financial decisions based on risk and resources

What is the value in protecting equity of investment?

- Big ticket Items - Foundation, Electrical, HVAC, Roof, Water Heater

A picture is worth a 1,000 words, why?

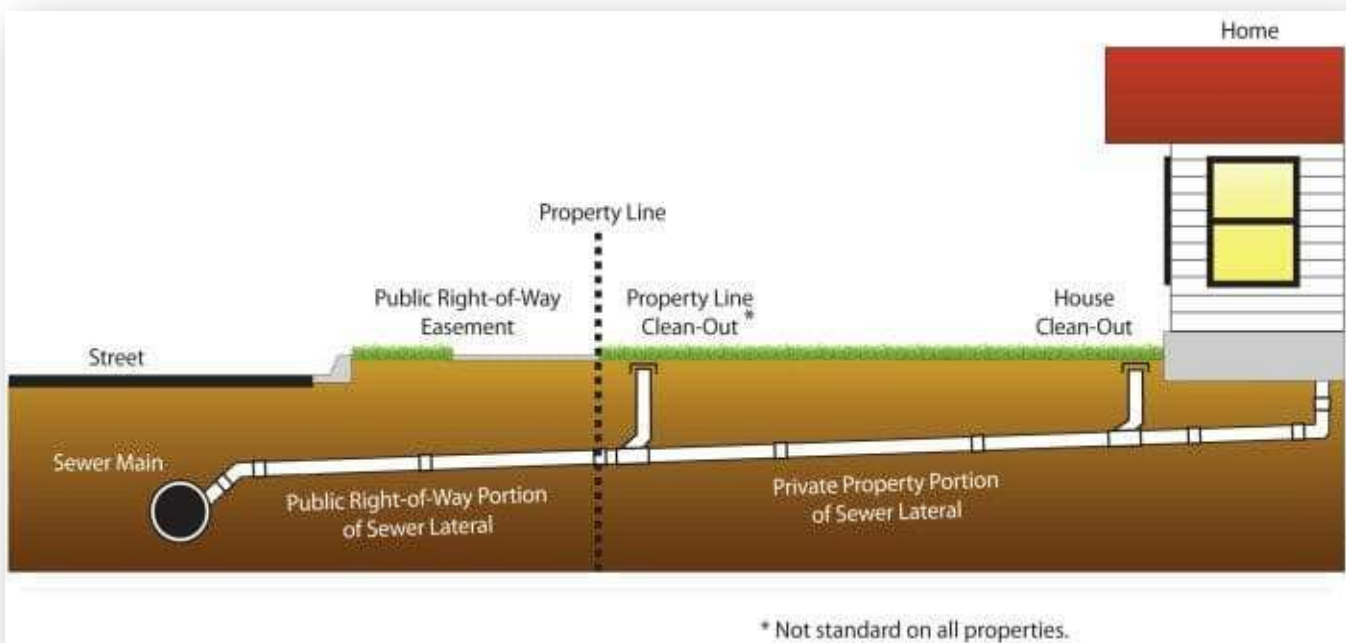
- Pictures not necessary but it is what defines reality today (Instagram)

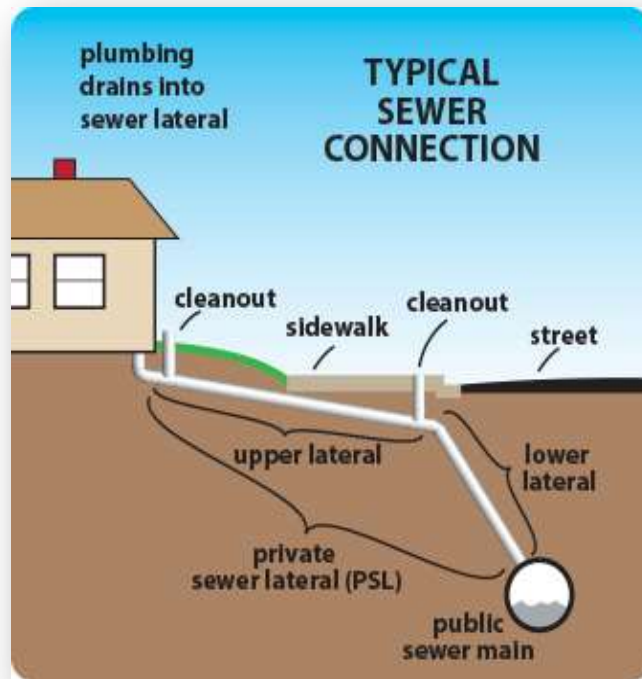
Cost of Drain Line Repairs

- Sometimes sewer issues go undetected until they do a good bit of damage to the home.
- Require as much attention and maintenance as other parts of your home
- Often overlooked because we don't know what we don't see
- Average Repair - \$7,000 to \$13,000

Benefits and Liability

Private vs. Public Responsibility





Benefits and Liabilities of a TREC Sewer Camera Inspection

BENEFITS

- Unbiased Opinion (not selling services)
- Inspector typically most trusted in transaction
- Repairs become Seller's responsibility (or allowance)

LIABILITIES

- Scope is not exhaustive
- Cannot identify leaks or amount of deterioration
- Extreme cases can cause further damage
- Did not cause problem, you found one

Differentiation in the Market Place

How does offering sewer camera inspections set you apart from competition?

- Offer services that other inspectors do not
- One stop shop – no need to schedule third parties
- Provide Home buyers a better understanding of house and its conditions
- Seamless reports, ease of access and timeliness of information during option period

Additional Revenue Stream

Time = Money

- Already at the House (no extra drive time)

What is one of the most important principles of investing?

- Diversification
- Grow Ancillary Services Offerings
- Grow Average Inspection Fee

Average Inspection Fee Increase

Sole Proprietor: 400 Inspections @ \$500 per = \$200,000

- If add \$200 to 10% of inspections = additional \$8,000
- \$20 increase per inspection (\$520 or 4% increase)

Multi-Inspector: 6000 Inspections @ \$500 per = \$3MM

- If add \$200 to 10% of inspections = additional \$120,000
- \$20 increase per inspection (\$520 or 4% increase)

Secure More Inspections

- Literally sell more inspections by offering sewer camera inspections
- Competitors are doing it
- It will be come standard of customer service
- Get the training, buy equipment, make more money!

Licensed Plumber Partnerships

Pivot Ready Services – Sources

- Maintenance or Trouble Shooting - Previous Inspection Clients
- Plumbing Companies and Partnerships – perform a service for them
- New Home Construction Quality Control – third party, unbiased opinion