Revised 2013

We felt there was a real need for this book simply because there are far more older homes than new ones. And while you may be able to well afford a new home, an older home is often more appealing due to its character, and having that comfortable lived-in feel. And the money you could save could be invested to earn you even more money.

Unlike most new homes, older homes can be fixed up, allowing the owner to reap huge profits at the eventual resale. It is relatively easy to add value to an older home, and almost impossible to do so with a newly built structure.

Another benefit, of course - you can usually move right in. With many new homes, you often must wait for completion, which could takes months.

But perhaps one of the best features of an older home is its quality. I have seen so many new homes that were little more than "cracker boxes". Even some of the high-end homes would feature low quality in places where it doesn't show - at first. If a home has been around for a long time, and is still basically sound, rest assured it will be around for a long time to come.

But there is a caveat when buying an older home - many parts may be out-dated, or worn out. Some of these parts may be structural, requiring huge dollar investments to repair. Therefore,

it is imperative that the person looking for an older home should know exactly what to look for - and look OUT for. It isn't simply a matter of glancing at the roof to see if it sags, or checking the foudation for cracks.

Don't let visions of comfy, old-fashioned living lull you into overlooking important details - if you do, your dreams of settling in may well turn into a nightmare and moving out.

The two major things for you to do: 1) be honest with yourself as to what you really want in a home - don't convince yourself that***this*** home can be made to suit, and 2) be honest and critical when evaluating the building and surroundings. It's easy to "overlook" a few things when you have that dream in your head. Be realistic.

And study this book - know what to look for, and what to steer away from.

Good luck!

Being Your Own Expert

Before buying an older home, there are many things you need to check. As a general rule, I make at least three visits to the home. On the first visit, I simply try and get a "feel" of the property - a general idea as to whether or not it is even worth pursuing. this is the time to notice the general architecture, the layout and its general condition. On your second visit, you should conduct a close inspection of the premises, checking plumbing, electrical, heat and air conditioning systems, inspect for damages caused by insects, water and fire. Look for defects in the foundation, sags in the roof, and any other possible problem areas. In short, visit number one is for determining if you like the place, and visit number two is specifically for identifying defects and potential problems.

Visit number three is vital. After visit number two, you should estimate the costs and time required to fix those defects that need to be addressed, and during your third visit, re-evaluate - based on those costs - whether or not this is the property for you. Bear in mind that, as affordable as the home might be now, as-is, it may not be nearly as affordable when fix-up costs are added.

Some people, when making these visits, will be tempted to bring others along to get a "second opinion". While this can be helpful at times, it is not recommended - we all have our own ideas as to what makes for a good home, and their ideas may not be the same as yours. In essence, their opinion can distract you from making determinations based on your own, specific desires. For example, one person could become negative about a home because it is heated by woodstoves, while another may very well enjoy wood heating. If you must bring others along, they should be professionals who can clearly identify problems and calculate estimated repair costs. Opinions on anything else may only cause confusion.

Many people believe they need a myriad of experts to identify defects and determine repair costs, but this is not the case. You will find that, while expert help is sometimes needed, you can usually figure much of it out for yourself, as long as you have prepared. And this book is designed to provide you with the know-how to be your own expert in most areas. It really is simpler than you might think.

Sometimes, of course, you will need an expert. If you are not a roofer, and the roof leaks, only

an expert can tell you if it can be repaired, or if it needs replacement altogether. He can also provide an accurate cost estimate. If a house has major structural defects, bring in an expert to determine repair options and costs. And unless you are a qualified electrician, always bring in a professional if electrical problems may be present, or if the electrical system is antiquated. This is especially important because it is quite rare to find an old home with wiring adequate for today's needs. When the home was built, maybe all that was required was a water heater and a few lights. Today, we have TV's in every room, computers, printers, microwaves, faxes...the list goes on.

When evaluating an older home, it is far easier if the home is empty. Furniture can be used to cover defects, and residents can often distract you away from looking into the deeper recesses. So, if a home is currently occupied, have the Realtor arrange for the owners to be away during the showings, so you can move furniture and look into cupboards and closets. Don't feel embarrased about prying, either - if you are going to make what may well be the most expensive purchase in your life, you have a right to check everything out.

During your inspection visit (normally visit #2) you will need to bring along certain tools. These are:

- flashlight
- penknife or ice pick
- mirror
- tape measure
- binoculars
- magnet
- pencil, notebook and the checklist included in this book

Your inspection and evaluation should cover three basic categories - the structure, itself; the functioning of essential and non-essential systems and workings; and the livability - the comfort, if you will. The checklist included in this book is designed to cover them all. Your objective is to have as complete and detailed checklist filled out as you possibly can.

Exterior

We begin with the exterior of the home and work inward, simply because the most notably visual defects - and often the most critical, can be found from the outside - foundations, roofs, chimneys etc. If there is something dramatically wrong with these, you may not want to waste time going any further.

You may have noticed the more obvious things on your first visit. This time, you need to look much more closely. Since the foundation is so critical, we have reserved that for another chapter. We would then normally begin by checking the siding. Will it require paint? Are there areas of rot, cracking, loose pieces? If signs of rot are found, use your ice pick or penknife to

poke into it, to see how far the rot goes. If only the siding is bad, that'sone thing. But if the rot goes through, into the main structure, that is a more serious problem, to be checked later by a professional. If large areas show softness or rot, the entire house needs to be resided - and may also require some structural repair. Many moisture-filled bubbles in the paint may indicate lack of a vapor barrier, which creates a situation for extensive rot. In cases where aluminum or vinyl siding is present, there should be fewer problems, but you should still attempt to find a loose area where you can shine your flashlight and check the structure behind it, looking primarily for moisture that will rot a structure.

Siding materials such as stucco, or applied mortar can separate from the structure, bulging outward, or breaking off. Small areas like this can be easily repaired, but expansive areas of cracking, bulging or breaking away could indicate the foundation has shifted.

What if the home is made of brick or stone? Well, we know that while these materials last virtually forever, the mortar used to hold them together may crumble. Always use your icepick or penknife to check the solidity of mortar in siding, foundations and chimneys.

Time to check the outer window frames. If they show signs of rot, they will need to be replaced. Even if they do not show signs of damage, note whether or not they are tight, and if they are energy efficient. Many older windows, even in good condition, are notorious for letting heat escape in cold climates.

This is also a good time to check steps, porches, fences, gates and other structures. Note the exterior doors - do they fir properly? Are the hinges tight? In rural areas, check out the well/water supply, and any out-buildings. If you plan on doing any gardening, check the soil, or have a sample tested at the county extension office. If there is a septic system, find out how old it is, its capacity, and how long it has been since it was last pumped. Septic systems need to be pumped at least once every three years. A well-built system could last you a lifetime, but many older systems need to be replaced.

Now, get out those binoculars and give a good sweep of the roof and chimney. These areas will be discussed later, but right now you want a general idea of condition, so you can determine if you even want to invest more time in further inspection of the property.

As a final note here, determine if the SITE is suitable. If you want to take advantage of solar heating in the winter, does this home have a good southern exposure, preferably with lots of window area? Is it too close or too far from the road? What will it be like getting in and out after a snowstorm? Such questions asked now will reduce headaches later.

Foundation

There are many types of foundation, from wood to stone to concrete. Needless to say, you should avoid any home that utilizes wood as a foundation - posts, even pressure treated ones - can shift, jack up or sink. And despite its reputation, even pressure treated wood has a limited life-span.

A foundation is expensive - even more so when you have to jack up a house to repair or replace one. So use care in evaluating this critical part of a home.

In checking the foundation, you begin by carefully looking at the roof. No, that's not a typo. A

sagging roof can (but not always) indicate a shifting or settling foundation. Other indicators of foundation problems are:

- windows, bricks or siding, sloping downward
- wide cracks in the foundation or walls
- bulging in the exterior walls or foundation

These indicators should prompt you to enlist the expertise of a professional builder.

Small cracks in foundations made of stone, brick, cement block or concrete can be expected. These usually occur during the drying process of mortar and concrete. Wooden sills should rest on foundations at not less than six inches above grade (ground level).

In the event you are interested in an older home with wooden supports, you will need to add some kind of stone or cement foundation - bear that and its costs in mind.

While inspecting the foundation from the inside and outside, stick the blade of your knife or pick into the wood that rests on it, looking for soft spots that may indicate rot, dry-rot or insect damage. Insect infestation will usually be accompanied by tunnels in the wood, mud tunnels running from the ground to the wood, and/or sawdust. If such signs are found, seek out a pest control expert. If termites are found, no need for alarm - they can be exterminated. However, if they have already caused substantial damage to support beams, consider looking for another house.

Again, dig your blade into any masonry in the foundation. If a substantial portion is crumbly, get an estimate of the cost to repair ir before making any offer on the house.

Supports, Beams & Sills

We have already touched on this aspect of the evaluation, but the importance of them requires further inspection. The first step is to simply look at them, to see if they are bowed, sagging, or straight and sound. Are there any signs of rot, and how extensive is the problem? Use your blade to check for soft spots that may indicate dry rot or termite damage.

If girders (the main beams across an expanse that often support floor joists) sag, they will need to be propped up. But beware - propping girders can result in doors and windows sticking, and in severe cases, can break windows and crack walls. In most cases where the sag is minor, floor jacks and posts can be used for propping. If you prop girders, take your time! Do not raise them up quickly. Instead, jack them up not more than 1/4 inch per day, to allow other parts of the house to adjust to the changes. Sudden changes can create structural problems elsewhere in the house. Calculate the costs of propping - or adding - girders, as this will need to be done as soon as possible. ">

Basements

Since you are already checking the foundation, this is a good time to check the basement. Many things will be apparent - the floor may be dirt or concrete, some finish work may already

have begun or is completed, the height from floor to the joists above you. Determine in advance whether or not you want the basement to play a part in your use of the home, and exactly what part. For example, if you are looking to have a finished basement for recreational living space, you will need at least seven feet between the top of the finished floor to the bottom of a finished ceiling. Therefore, if there is a dirt floor and no ceiling, measure the height from floor to joist and subtract at least 8 inches (unless you also want to excavate dirt). Also, look for plumbing and other obstacles that may be in the way, and determine whether or not they can be moved or covered easily.

Look over the entire basement walls and floors for signs of water leakage or flooding, such as wet spots, high water marks, and/or a sump pump. Walls that bulge inward may be a sign of great water pressure in the soil behind them. Ordinarily, this can be addressed by careful regrading, and other water problems can usually be "cured" by digging around the basement, waterproofing the walls and laying drainage pipe that drains away from the building.

While wet basements are not unusual - even common in some areas - you still want to make sure that all essential equipment such as furnaces and water heaters are placed above the flood-prone area.

Note that dirt floor basements are a source of allergens for may people - especially those that suffer from mold spores. And in many areas, it doesn't hurt to run a quick check for radon levels.

Floors, Walls, Ceilings & Windows

If you have done your job well to this point, there is little need to worry about the structural integrity of floors. Still, if the floors seem to be excessively uneven, make sure you are aware of the cause, and can, if necessary, stand the cost of fixing them. And, unless you are planning on moving very heavy pieces in, you do not ordinarily have to be concerned, provided the structure has checked out well to this point.

You must think about what treatment you would want to give the floors. If simply laying new carpet or linoleum, there should be no problem. But sanding old floors can be a real pain, with nailheads everywhere. And many wood floors have already been sanded as much as they can - look for a lip where the floormeets the wall, to determine if there is enough wood left for sanding. Laying new wood floors over old may require a professional, so take this cost into consideration before buying, if new hardwood floors is a must for you.

Check under existing carpeting and linoleum, if possible, to determine the solidity and general condition of the floor. Sometimes, such coverings were used not so much for decor as for covering a problem area.

Ceilings are your next concern. Bulges, cracks, peeling, water stains - all are signs of distress and may require either repair or extensive replacement.

Walls may not be as essential as the ceilings, and small cracks are quite normal. But larger cracks - especially under windows, over doors and in corners can indicate more serious problems. If the walls are plaster and lath, the plaster may be separating from the lath. Taking down or repairing plaster and lath requires care - and a face mask! Plaster that is crumbly in large areas cannot be effectively repaired - it must be covered or replaced, usually with

wallboard (sheetrock) or paneling.

When checking the windows, check first to see if they open and close properly - if not, it could be a sign the house has settled since they were installed. This is a relatively easy fix, in most cases - remove the casings, re-adjust the frame into the opening (using shims and a level) and replacing the casing. But you should also check to insure that the window frames are tight - tight in the wall, and tight around the sashes - to prevent cold drafts on wintry days. Look for lots of caulking - this is a sign that the current or previous owners noticed the windows were loose. If so, they are still loose.

Attic, Roof & Chimney(s)

Most - but not all - old houses have attics. I think full attics are the best part of any home. Private, mysterious, dark. If the house you are looking at has something other than a full attic, it will require a bit of manuevering to check what you need to. In either case, there are certain things you need to check for, the most important being vents. A vent or grill is necessary to allow moisture from internal habitation (showers, cooking, evaporation etc.) to escape. If this moisture remains trapped in the house, it can eventually cause serious problems with rot, peeling paint and soggy insulation that cannot do its job anymore. Normally, there are three types of venting - in the oldest houses, it will probably be visible vents or grills on the wall peaks, just below the roof. Newer venting can be located in the eaves (best seen from outside, under the eaves) and ridge vent, which is a plastic or metal vent that runs along the ridge of the roof, outside. While ridge vent can be obvious from looking at the roof from outside, that does not mean it is actually vented. Only from the inside can you tell if there are openings in the roof, leading to the venting.

While poking around in the attic, look for:

- Loose floor boards (if a floor is available)
- Electrical wiring and boxes, and check if they are in good order
- Venting from other areas (bath, kitchen) that may pass through the attic

If vents from other areas exhaust into the attic, note that you will have to vent them outside, so get a cost estimate. By the way - I hope you are keeping track of these costs in that notebook you are supposed to be carrying!

If the rafters are exposed, check them for rot, dampness and water marks. Look to see if you can see daylight through the roof, which is a sure sign of leaks (unless it is a wood shingle roof). If your cursory roof check (when checking to see if foundation had shifted) revealed any sagging, check to see if the rafters may be at fault - bowed, twisted or sagging.

While you are in the belfry, check for signs of bats, birds, squirrels etc. Look for droppings, chewed items, beehives and so on.

If there is an entrance to the roof (or windows overlooking other roof areas), take a look at the general condition of the shingles and other things such as flashing around vents and chimneys, rain gutters and the like.

Now it is time to do a more in-depth study of the roof and chimney(s). Ideally, you should actually get on the roof to check the roof and chimney, but if this is not feasible, this is where those binoculars come into play. What does it consist of - asphalt shingles, wood shingles, slate? What is its condition? How old is it (ask the seller). Most asphalt materials last around 20 years, though some can last twice that. They should lay flat, even, and not be broken. When asphalt roofing shingles begin to look smooth and some are broken, chances are you will need a new roof soon. Wooden shingles -usually cedar, will last about 30-35 years, while slate will last virtually forever (needing repairs every so often). Tin roofing material will last for around 50 years, if it has been kept clean.

Check as much of the flashing as possible - those pieces of metal around chimneys, vents, valleys and corners. If none or little is apparent, or if they do not look like they are properly sealed to the house, vent or chimney, you may have to add or replace it, but this is a simple, inexpensive task. However, if you find loose or non-existent flashing, go back into the attic and recheck for water damage in and around those areas.

Check out the gutters and downspouts. If clogged or broken, check areas of the house that may be affected by damming or leaking.

Looking now to the chimney(s), do they appear solid, and tall enough to get a good draft (usually 2-6 feet above the roofline)? If you have been able to get on the roof, check mortar with your blade. If it is crumbly - well, you know what that means! It will probably, at the very least, need to be repointed, perhaps even redone. Repointing is easy and inexpensive, but if the damage is severe, replacing will cost some bucks. Now look inside, if you can (if not, try from inside, shining your light into the damper opening- your mirror will also come in handy here) - newer, good chimneys have flue-liners - an orange-ish clay-like material, but most older chimneys will not be lined.

If the chimney is one that climbs up the side of the house, check to see that it is not pulling away from the house, especially near the eave. Good chimneys are strapped to the house with metal strapping.

If more than one stove/furnace is vented into a single chimney, make sure each has a separate flue *IF* more than one will be operating at the same time.

A word about woodstoves - if you plan on using one, spend a few extra bucks to put a steel liner in the chimney. Even a triple-wall insulated liner should run less than $1000, while single wall is much less expensive.

If you live in colder climes, a sound chimney is essential - if yours is not in near-perfect condition, replace it! I live in New Hampshire, and I can't tell you how many families lose their homes - and sometimes their lives- from fires caused by poor chimneys or chimney maintenance.

Essentials: Heat, Hot Water, Electricity, Plumbing

Assuming the house is passing muster at this point, it is now time to check out the essential systems. This is particularly important with older homes, as the needs of people decades ago were much simpler. In today's world, most older systems just don't cut it. And, whereas these systems are expensive to replace, pay close attention to them. As you check each component,

question whether or not it will meet your needs - not the needs of the previous owner.

Layout: are bathrooms and kitchen located conveniently? Are the fixtures out-dated? Are the areas large enough? While these things may not seem too important now, many years of traipsing long distances from bedroom to bath, and years of bumping around in a tiny kitchen will grow into hating the house. Trust me on that one!

Water Heater: Is it oil, gas, electric? How many gallons does it heat? How old is it? What condition is it in? While a water heater may only cost a few hundred to replace, that's a few hundred that could have been saved or used elsewhere, so check it out well. Most HW heaters will last about 15 years with proper care. Electric units should be quick-recovery - if not,you may need a larger tank if you have 4 or more people in your family. A 40 gallon tank, heated by gas or oil, should be sufficient for the average family of 3-4 people. If the HW heater is nothing more than a reserve tank heated by the furnace, plan on installing a new hot water heater (and associated plumbing). Check under and around the heater for leaks - a leaky hot water heater is a unit that needs to be replaced immediately.

Plumbing: In many older houses, the rooms most apt to need updating are bathrooms, kitchen and laundry. The type of plumbing you find could vary from galvanized iron, to copper, to polyvinyl (PVC, or Poly Vinyl Chloride). The polys are easiest to work with, and the least expensive. Copper is nice, but more susceptible to breals & leaks, and it is a bit more difficult to repair and replace. The iron pipes (use your magnet - if it sticks - yup! it's iron) are among the oldest, and tend to clog, corrode and leak. These will need to be completely replaced. Galvanized iron pipes may last as long as 30 years, but if you see them, they have probably already been there at least that long! (Note: if you have gray-ish metal pipes and the magnet, she no stick, then you must replace the pipes immediately - they are made of lead, and are a true health hazard.)

Copper doesn't rust, but as mentioned, it isn't exactly care-free, either. But it is the second best material available (in some areas, it is the best, since as of this writing some codes do not yet allow for the polys).

I like the polys. Best thing since peanut butter! Cheap, tough, and easy for the do-it-yourselfer. Cut to length with any cutting tool, glue 'em together, and voila! And, they can't rust or corrode, and mineral deposits have a hard time clinging to the ultra-smooth surface.

Now that you have a handle on the kind of plumbing, and its general condition, you may need to check the water pressure, particularly if the system is fed by a well of some sort. If water flow is slo-o-o-w, it could be clogged lines or something more major, like an inadequate pump or water supply. If your plumbing is PVC, it probably isn't clogging! If copper, it could be clogging, but that is not likely, either. Therefore, in these instances, you can assume it is the pump, the water supply, or the water supply is simply gravity fed. If you can live with little water pressure, fine - just don't flush the toilet when someone is taking a shower ;o)

Finding out if there are leaks in the plumbing might not be difficult - turn off every faucet, then put your ear to an exposed pipe. If it sounds like water is still moving through the pipes, then there is a leak somewhere, and you need to find it.

If this house is in a cold climate, check to make sure the plumbing doesn't freeze up in winter. Are exposed pipes insulated? Are there black marks onmetal pipes that would indicate they

had been thawed with a propane torch? Frozen pipes can be a big problem in cold areas.

Okay, so the plumbing checks out, and all the water you could ever want comes easily into the house. But sooner or later, it's just gotta go back out. So the next thing to check is the septic system. If you are on city sewer, the only thing you need to check is the soil pipe - the line that runs from your fixtures to the street. But if the house has a septic system, you need to check into it.

First, flush a toilet two or three times in a row. If it flushed quickly and refills, there probably is no problem. If drains empty quickly, that's good. But if either of these shows signs of slow draining, there may be clogged lines - or worse.

Ask the owner how often he pumps the tank, and when the last pumping was done. Normally, every three years is fine. But if he has been pumping more often, it could mean there is a drainage, or leaching, problem, particularly if the tank is an older unit. When you build a home these days, the state requires a PERC test - a simple test to determine if the ground can percolate enough liquid to leach out the contents of the tank, over a certain period of time. But homes built years ago may not have had perc tests done. The leaching field may be clay, or some other less porous material, making it impossible for the septic system to work properly. If this is the case, owners of this property may have to put up with whiffs of "natural substance" that may not be pleasing. On the up-side, you could probably grow the best tomatoes around, as the ground will be well fertilized. Look around the area where the septic system is located - if the grass is greener, taller, healthier than that in other areas, the system isn't leaching properly. Not a real problem, especially if you are up-wind. Just inconvenient. And you'll have to pump more often.

Most leaching fields (layers of rock/gravel underground) only last about 30 years, so find out when this one was created. Replacing this leach field is a messy, expensive job, requiring a backhoe to dig up the area and replace the rock layers. If you are still uncertain after talking to the owner, don't be afraid to ask the neighbors - if there's a problem with the septic, they'll know about it!

If the house has a cesspool, a drum tank (55 gallon drum) or an out-house, perhaps you would consider walking away from this one.

Electrical: This is the biggie, because it is the one that could cost you your home - or your life - if not in good shape. For that same reason, if you are not a competent electrician, you would be well advised to seek the expertise of a licensed electrician. But there are still some things you can check.

First, ***don't touch anything until the main power swith is turned off!*** But you can ***look*** at the service panel - is it an older fuse type, or breakers? How many amps, and how many circuits? Many older homes, especially those still using fuses, only carry 60 to 100 amps. While this may have been adequate a few years ago, 200 amps is now standard, due to all the electrical requirements of even a modestly modern home. Circuit breakers are a sign of a recent (within about 20 years) update. A circuit breaker with three wires (rather than two) indicates that the previous ownerhas probably updated much, if not all of the wiring. At the very least, the service to the kitchen should be rather new, and worry free (unless done shoddily by a do-it-yourselfer, which should be readily apparent).

Look for wires that are covered in cloth - these are extreme fire hazards. If wrapped in metal (BX cable), the wiring is old, but possibly still quite serviceable. If the wires are all sealed in plastic (such as Romex), it is reasonably new (within about 40 years) and should be good.

Check each room for an adequate number of outlets. While older homes do not have to meet modern codes, the current code is to have one outlet at least every six feet of running wall. With today's greater need for "juice", you may have to add wiring and outlets.

Now check to make sure all lighting and appliances actually function as they should.

If you have gotten this far and still think you want to own this home, call a qualified electrician to check the electrical system, and get an estimate if work is required - such work can be costly.

Heat: More important in colder climates, a good heating system is also important where temperatures usually remain pleasant. This is because even in warm climates, weather can get quite cold - I was in Florida during the Christmas holidays in 1989, when temperatures dropped to -20 degrees for four days. Whereas people in such climates seldom require the use of heat, systems don't get used very often, and get neglected. And sorely neglected systems cannot be depended upon, no matter how new they may be. If this house is in a warm climate and has no heating system, not to worry - there are plenty of inexpensive, portable space heating units available in the marketplace.

Determine the type of heating source - is it central heat, zone heat, space heating? Oil, gas, electric, wood or coal? Is it in good condition? If central heating, is the ducting in good condition, without breaks or leaks? Are there fireplaces, and do they work? How is the heat circulated - forced hot air, forced hot water, or steam? If woodstoves are used, are there registers or grates startegically located to help circulate heat to other areas of the home? Are these clogged?

Newer hot air systems will include a number of filters through which the air must pass, to keep out dust particles. Are these filters clean? If terribly clogged, the owner has not been maintaining his system, and there may then be other problems. Check to see if all rooms have heat ducts going to them - otherwise, you may have to add space heaters.

If your house uses steam heat - well, they do work, but they certainly are not the most comfortable. And, personally, I have never trusted steam - too volatile for my taste.

Heating via hot water is efficient and effective, but leaks can develop as with any other plumbing. In addition, hot water systems often need to be "bled" each heating season, to get air out of the lines.

Coal and woodburning furnaces and stoves require more work - these hungry critters need to be fed - by you! How often they need fueling depends on the size of the unit, its efficiency, and how much heat you need to draw. Normally, a typical air-tight woodstove will have to be fed about 4-6 times per 24/hour period on a cold day. Coal furnaces - you're looking at shoveling coal twice a day unless the unit is equipped with an auto-stoker. And ashes from coal units must be cleaned out daily.

Many older homes have older heating systems - check with local fuel companies to see if it

may be cost-effective to switch over. After all, oil is no longer 30 cents a gallon, and electrical costs - once very cheap - are now higher than any other fuel source.

While electric heat may be the most expensive, it is also the most convenient (unless the power goes out, for which you should definitely have a non-electric back-up, or a generator). Electric heat components seldom wear out, do not require tanks of fuel or acres of cordwood, and allow you to heat wherever and whenever you wish, from room to room (zone heat).

My own home had a gas furnace, originally. Living in the country, I decided to take it out and install a Monitor heater in the lower level (finished basement) of the house (kerosene) and a woodstove in the upper level. The monitor heats the lower level, and heat rising from it helps heat the upper portion. An occasional fire in the woodstove handles the rest quite comfortably. By doing this, I have accomplished a number of things:

- savings of roughly $1200/year
- no gas lines in the house to leak
- no ductwork taking up needed space
- I get plenty of exercise splitting cordwood

Whatever the current heating system, ask the owner to show you all of last season's heating bills. Since these bills may become your bills next season, it's nice to know what you will be up against.

It's time to check conditions. Woodstoves and furnaces, as well as coal can create creosote in pipes and chimneys. extremely flammable, any such buildup needs to be cleaned out at least annually.. Determine the overall condition of heating units, vents, registers, ducts, chimneys and flues. Sooty areas over a fireplace indicates that there is poor draw or draft. Black, sticky substances streaking pipes of woodstoves indicates creosote buildup, or that the chimney needs to be higher for better draw.

A/C: Few older homes have central air conditioning, unless it has been recently added as an update. If your house has central air, check the condition of the unit, filters, and ductwork, just as you did with the heating system. Turn the unit on and listen to it run, and see for yourself how quickly it cools. A lot of noise may mean the unit is on its last legs. If there is no air conditioning, decide if it is necessary - in some parts of the country it is an absolute must. If you need a/c, and it is not present, get an estimate for adding it, and have your electrician determine if the present electrical system can withstand it.

While we are on the subject of comfort, think about checking the insulation in the walls and roof, as well as caulking, storm windows and doors etc.if your home is in an area that requires heating in cold months. Rare is the old home that has sufficient insulation, so you will probably want to add it.

Check the attic/roof first. The thickness of the material often determines its "R" value (its ability to retain heat or cold). The amount required for your home will vary according to the weather zone you live in. In New Hampshire, where I live, a roof should be R-38, and exterior walls should be at leastR-19. Floors over unheated spaces should also be insulated.

If the house is not insulated, or poorly so, definitely add in the cost of insulating, if not for the sake of saving money and energy resources, then for the sake of your family's comfort.

Before You Buy - Protecting Yourself in the Purchase Agreement

Okay - so you've decided to buy this old house, rickety back steps and all. But before you make that offer, there are some things you may need to consider to protect yourself. Remember - anything not spelled out in the purchase agreement just doesn't exist.

If you have found defects that require expenditures, and those defects were not disclosed to you by the seller or Realtor, the costs for many, or all, of these can be used to negotiate a lower price, particularly if the seller was not really aware of them, or how expensive it would be to fix. Or, you can add into the agreement that the seller, prior to closing, shall make these repairs in a professional and acceptable manner or, in lieu of making the repairs, reimburse you, at closing, for the cost of those repairs. Each repair must be individually itemized, with dollar cost, in the agreement (usually in an addendum, if there are multiple repairs to be listed). In particular, necessary repairs to the essential systems should be paid for by the seller, unless he is selling "as-is" and the price is reasonable for the condition of the house. Rarely does the purchase price of an older home reflect the age of septic systems, so if this septic is old or problematic, you may want your agreement to stipulate that the seller will pay - at least in part - for a new septic tank or leach field, unless you use this point to lower the purchase price.

If the seller has agreed, verbally, to fix something, make sure that is included,in detail, in the agreement. If a pest inspection shows damage, and pest control is required, the agreement should call for the seller to take care of this, at his expense, prior to closing, and provide a certificate of completion from the pest control agent.

If the house is under-priced, in spite of its condition, the seller could instead charge you FULL market value, with a stipulation in the agreement that he will reimburse you "X" dollars at closing for the purpose of making certain repairs. For example, let's say the house is worth $120,000, as-is, but the asking price is $105,000. You and the seller have already agreed on what he will and will not pay for in fixing up. Let's assume it has been decided that there are roughly $15,000 worth of costs that he won't pay, because he is selling so cheap. You and he could then agree to a purchase price of $120,000, and the agreement would call for him to reimburse you $15,000 for repairs. He still gets his $105,000, and you have succeeded in financing those repairs at a low interest rate amortized over 30 years. And that interest is (currently) tax deductible.

Remember - as far as real estate is concerned, the law clearly states that, if it's not in writing, it doesn't exist.

Conclusion

Congratulations - you may now be the proud owner of a classic, older home, and with a bit of luck, you got a pretty good deal. I love older homes, mostly because they are usually built better, have a lived-in atmosphere, and present wonderful challenges. You wouldn't want to rip out a wall in a brand new home, but in an older home, it okay, in order to make it reflect your lifestyle better.

Even if I had the money of Bill Gates, I would live in an older home. I enjoy coming in all frosted with snow shoveling to a warm hearth where I can warm my fanny and listen to my gloves sizzle as the ice melts on the stove. I like being able to just plop back into an easy chair, kick my feet up and relax. Somehow, I just can never seem to relax in any house that is new, doesn't look lived in, and everything is just so! And relaxation is an essential to a long, happy life.

Wood heat warms you twice - once when you work up a sweat on a crisp autumn morning, cutting and splitting the wood, and again when you toss it on the fire! A-a-ah! I can smell those sweet cinnamon rolls now!

Good luck on your adventure, my friend, and enjoy one of life's rare treats- living in an old house.

Property Inspection Report

Property Address_____

Below are my/our findings of the physical condition of the above mentioned

Real Property as of _____/_____/_____ Items not marked as **unsatisfactory** are considered to be in satisfactory condition.

EXTERIOR		
Grounds		
Landscaping_____	**UNSATISFACTORY**	**EST. COST REPAIR/REPLACE**
Pool_____		
Sewers/Septic_____		
Sprinklers_____		
Other_____		
BUILDING		
Roof_____		
Chimney_____		
Foundation_____		
Wood Exteriors____		
Other_____		
INTERIOR		

Heating/AC

Furnace_____

Air Conditioning_____

Water Heater_____

Other_____

APPLIANCES/EQUIP.

Ovens_____

Burners_____

Dishwasher_____

Microwave_____

Disposal_____

Smoke Detectors_____

Garage Door Opener___

Other_____

ELECTRICAL

Interior Lighting_____

Exterior Lighting_____

Other_____

PLUMBING

Bathrooms_____

Kitchen_____

Laundry_____

Other_____

GLASS

Windows/Screens____

Doors_____ Shower/Tub Encl.____ Mirrors_____ Other_____		

TOTAL: $_____

Property Analysis

OWNERSHIP AND PROPERTY LOCATION

Owner's Name_____ Tel._____

Owner's Address_____

Property Address:_____

PHYSICAL DESCRIPTION

- Square Feet_____
- Lot Size_____
- Bedrooms_____
- Baths: Full_____ Half_____
- Basement_____
- Garage_____
- Attic_____ Porch_____
- Den/Family Rm_____
- Fireplace_____ AC_____
- Heat_____
- Water_____ Septic_____
- Construction_____

- Age_____ Taxes_____
- Largest Util. Bill_____
- School Dist_____
- Public Transp_____
- Refridge_____ Stove_____
- Washer_____
- Dryer_____
- Oven_____
- Dishwasher_____
- Microwave_____
- Garbage Disp_____
- Water Softener_____

Comments_____

OWNER

How Long Owned_____How Long On Market_____ Asking Price_____

Original Asking Price_____ Date of Price Change_____

Why Selling_____

Needs Cash?_____How Much?_____

What Owner will be doing with cash_____

Owner Financing?_____How Much_____Interest Rate_____

What owner likes most about property_____

Least_____

Comments_____

RENTAL ANALYSIS

Is property rented now_____ To whom_____

Children_____ Pets_____

How Long Rented_____ Lease or Month-to-Month_____

Rent_____ Last Increase_____ Last Month's Rent_____

Sec. Deposit_____ Potential Rental Income_____

Improvements needed to rent_____

_____

Other Rents in neighborhood_____ Rent Paid_____

Comments_____

FINANCING

First Mortgage: Lender_____ Balance_____ Interest Rate____Assumable____Payment_____ P.I.T.I*_____ Constant_____

Second: Lender_____ Balance_____ Interest Rate____Assumable____Payment_____ P.I.T.I*_____ Constant_____

Other Liens: _____

***Principal, Interest, Taxes, Insurance**