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Buyer Beware: 5 Things Sellers Try to Hide

By Mallory Carra | October 30, 2014

That fantasy home can turn out to be a real nightmare after you sign on the dotted line.

Found your dream house, made the right offer, and you're ready to make a down payment? Not so fast. That fantasy home can turn out to be a real nightmare after you sign on the dotted line if the seller failed to disclose that cracked foundation or pest infestation.

Here are five things sellers commonly try to hide during the sales process, and the questions you can ask to suss out the truth.

1. Leaks

Leaky faucets, radiators, ceilings, roofs — you name it, real estate agents, brokers, and sellers might try to temporarily



(http://dwtd9qkskt5ds.cloudfront.net/ blog/wpcontent/uploads/2014/10/buyersbeware-5-things-sellers-try-to-hide-600x400.jpg)

Buyers can actually include their questions about a home as a condition of their initial offer. plug that drip to attract offers. But sometimes honesty is a better policy and shows you that the property is well maintained. New York City

(http://www.trulia.com/for_sale/New_York,NY)-based real estate agent Jennifer Breu once showed a home in which the ceiling was falling down; she still got a ton of offers on it and made the sale by being honest that the repairs would be made soon.

"Leaks are very common, but they can be fixed very easily before the close," says Breu, a licensed salesperson with Charles Rutenberg Realty who also represents buyers. "It doesn't pay to mask something that isn't a huge issue and can be fixed. Transparency increases value."

2. Pests

The entire house looks wonderful, but believe it or not, termites could be eating away inside the walls. Disclosure laws about pests vary from state to state. Texas, Michigan, and North Carolina (http://www.investopedia.com/articles/personal-finance/061214/real-estate-flipping-8-disclosures-you-must-make.asp) require that sellers tell buyers about potential infestations during the sales process.

3. "Emotional Defects"

Depending on the state, sellers don't necessarily have to disclose whether a property is haunted or if "emotional defects" such as a death or a murder occurred there. Last summer, the Pennsylvania Supreme Court ruled in favor

(http://www.courthousenews.com/2014/07/24/69814.htm) of the team that sold buyer Janet Milliken a house and did not tell her it was the site of a murder-suicide in 2006.

4. Issues with the Roof or Foundation

Great Neck, N.Y. (http://www.trulia.com/for_sale/Great_Neck,NY)-based Ian Aronovich and his wife fell in love with a house last year. Unfortunately, they spotted major cracks in the foundation that would've cost tens of thousands of dollars to repair.

"We smelled some mold in the basement, and asked the owner if we could cut a small section of Sheetrock to check for the source of moisture," Aronovich says. "As we peeled away the Sheetrock, we noticed the crack. In the end, we did not buy that house."

5. Age of Systems

Atlanta (http://www.trulia.com/for_sale/Atlanta,GA) RE/MAX Realtor and team leader Maura Neill sees a lot of sellers try to hide the ages of water heaters and HVAC systems with two simple words: "Don't know."

But a home inspector could find out that information very quickly. Neill says she and her buyers tend to get a good sense of the selling side from the property disclosure.

"When it states the bare minimum, we know we are either dealing with a disconnected or uninvolved seller who doesn't really know their home *or* with a seller who knows there are issues and doesn't want to disclose them."

Questions You Should Ask:

Don't just limit your questions to the real estate agents — ask your potential new neighbors about the home as well, says Rhonda Duffy, a top real estate agent in Atlanta. "Buyers should first ask three sets of neighbors key questions, including: 'Why are the sellers moving?', 'Have you seen any repair trucks there lately?', and 'Are there any construction problems in the neighborhood?""

Ask to see references and get a C.L.U.E. Report — that stands for Comprehensive Loss Underwriting Exchange, a claims information report — from your homeowner's insurance agent.

If a buyer wants to make a quick offer but still has questions, Maura Neill suggests that she can actually write that as a condition of her initial offer that those inquiries be answered at a later date but before the close. "Being diligent in getting questions answered is an important piece of the puzzle for buyers, who should take every opportunity to get to know as much about the house they are buying from the person who knows it best: the seller."



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Mallory Carra has been professional writer for more than 10 years. Mallory currently writes for WhoSay and Bustle. Her work has also appeared in the New York Daily News, Columbia Journalism Review, BuzzFeed, The Huffington Post, and more.

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