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Real Estate Firm, Home Inspector Give Buyer Bad Examples Of Ethics

by Blanche Evans

If you're wondering why there's such vitriol in the press about the real estate industry, this homebuyer's situation illustrates some good reasons.

Hi, Blanche

I remember seeing you on a talk show or evening news, but have to apologize because I don't remember which one.

I am desperately seeking your expert opinion, on the purchase of my home. My husband and I bought a home in November of 2005. The realtor that we used also worked at the same office as the seller's realtor. Also my realtor gave me a brochure and told me to use a specific home inspector, which I did. He gave me an inspection that everything in my house was great and even told me he would have bought this house.

One week after we moved in our roof had a horrible leak in our family room. I immediately called the inspector and complained, and after a couple of phone calls he did come out to my house (I also had my Dad there at the time.) So my Dad and the inspector went up into the attic where my Dad found it completely blackened out with charred wood from a previous fire.

To make a long story short I called my realtor who said she knew nothing about it and told me she would call the Better Business Bureau to find out the Inspectors Insurance Information, since he refused to give it to me.

Later I found out that this particular inspector is on a Referral Program with this real-estate company. The way this particular program works is this: you have to pay the real-estate company a fee to be on the referral program, and only those on the referral program can be referred out by the realtors. However, neither the realtor or the inspector tell the client about this referral program. I guess that's why I had such a "great inspection."

I have contacted lawyers -- who want a LOT of money to handle this case, but to be honest I don't have the money. We used all our savings for an addition we needed to add to our house.

But in addition to those costs -- we not only were not told of the fire damage, but now have mold/mildew damage from the old duct work that was in the house. It was not installed correctly and had been leaking for who knows how long. The wiring throughout the house I have been told by an electrician is incorrect and dangerous. There are many other things, too.

I just need to know if this is something I can pursue and be reimbursed for. What chance do I have to win against a large Real-estate company.

The reason I have waiting so long is the stress of the move, with added upset of all the damage, plus a series of personal issues surrounding my two young children. Plus both my husband and I work full time.

Not that what is going on with my house is not a priority but, I have had NO time to be able to research, write letters or anything. Things are getting better now with all my other personal problems so I am trying to get back on track with this.

Any advise or Information you could give me would help.

Realty Times responds:

Unfortunately, we can't give legal advice. We're not attorneys, and we certainly don't have both sides' version of events. To carry this further, and have others review your allegations and advise you, you need to have substantial, accurate documentation of everything that has occurred, right down to the dates and times you contacted everyone involved, what was said, and what transpired.

Assuming you are telling your side accurately, there are some actions you can take:

- Contact the broker who is in charge of both agents and report the problem.
- Report the problem to your local association of Realtors® and the licensing board of your state, which you can find at arello.org.
- If you strongly feel that referrals should not be paid between real estate professionals and home inspectors, you can also contact your local congressperson and complain.
- Contact the local news media -- they love stories like this. Where legal action fails (because it punishes the plaintiff as much or more than the defendant,) embarrassment can work pretty well.
- Contact your nearest legal aid center -- try your local college if one is in your area.
- Report the problem to your local housing authority, which you can locate either in the blue pages of your local phone book, or under

local housing authority at HUD.gov.

Wrong-doers depend on people taking no action because it's too much trouble or they're convinced they can't win. Don't buy it. You'll get out of this what you put into it. The only way to get wrong-doers attention and help from others is to make noise -- lots of it. With your help, real estate firms and home inspectors who don't help protect the buyer can get cleaned out of the system. At worst, they'll think twice about doing this to someone else.

Keep Realty Times informed of whom you contacted and what the responses were.

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