



What if the home you buy has a lot of problems?

One of the biggest risks as a home buyer is buying a home that turns out to have a lot of expensive, unforeseen problems. Buying a home that later costs a lot to fix can make your good investment turn into a bad one. **How do you prevent buyer's remorse and protect yourself against unknown, costly repairs before you sign on the dotted line?**

To help us answer these tough questions, **we sought out the expertise of real estate lawyer Marjory Cajoux.** *The Law Offices of Marjory Cajoux is a full-service boutique law firm that specializes in providing personalized, client-focused care with skilled expertise and quality representation. She can be reached at (718) 237-0411 and marjorycajoux@macalaw.com.*



What can home buyers do to make sure that they don't find unwanted problems after they purchase a home?

Make sure you have a very experienced home inspector inspect the property thoroughly before buying your home, and get any related inspections performed, such as a separate pest inspection and sewer inspection if you suspect problems. Buying a home is for most people the biggest financial transaction of their life. For some, they see a property, money is tight, and they don't want to spend money for an inspection, or try to get the lowest cost inspection. But, it's crucial that you get a potential property inspected by a quality inspector. It's not something to skimp on.

How can you make sure that you get a good inspection?

Be aware of any conflicts of interest. You do not want the same person to do your appraisal, be your lawyer, and inspect your property, for example. Some professionals present themselves as a one stop shop. Similarly, don't just accept an inspector offered by the seller's broker. Inspectors vary greatly in terms of their thoroughness. You want an inspector who is known to be very thorough and really takes their time and has a lot of expertise. Make sure you do your research.

How can you make sure that all potential problems are identified before buying a property?

You want to make sure that the inspector does a very thorough job and you should always attend the inspection. Direct the inspector to any areas that you think need extra attention, such as, "I want you to look at this faucet". You want to really know what you are getting yourself into.

An inspector may not find all problems on their own. **Pay attention to your senses when you are first looking at a property.** Sometimes it's a sixth sense. You might notice that some doorknobs aren't working properly. What else could not be working properly? Or, you smell a strange smell. Sometimes recent renovations are used to cover up known problems. Make sure you go through the inspection thoroughly and point out areas that you have particular concerns about to the inspector.

A buyer should be aware that they should request additional inspections if they suspect issues during a walk through, or during the inspection itself. Often, you may not be able to see leaks but if you notice water damage on the ceiling or water stains, this may be a sign of a larger issue that you want to have more thoroughly inspected. If a door handle is not working, or you smell something funny, these things may clue you into larger issues, and you want to have more investigating done by professionals.

What if you find a lot of issues during an inspection?

After an inspection, make a list of all the items found and negotiate for the seller to either fix the items before you move in, or reduce the home price to accommodate the repairs.

Be aware that in very hot markets, it may be hard to negotiate on repairs, but it's worth a shot. In cooler markets, the seller should be able to accommodate these concessions.

What are some major issues that you may want to have inspected additionally?

Major issues that you will want to get checked out more thoroughly are potentially costly issues such as leaks, mold and structural issues. To check for termites, you need to have a separate inspection by a professional pest inspector. Also, you will want to check water pressure.

Be aware that carpets can cover up major issues such as water damage. You want to make sure that no issues are hidden by carpet and that the floor condition is good and sound. The seller may say no, but you need to ask.

You'll want to make sure that you note the age and condition of all major components such as the boiler and roof and be aware of their life span and cost to replace, so you have a good idea of major expenses coming your way in the future.

What if you've had everything thoroughly inspected but still have doubts?

Walk away from any property that you have hesitations about.

If you buy a property and then find out about major issues, can you have the seller compensate you for issues found after the sale?

The answer to this depends on the real estate laws in the area you are buying your home in.

For example, in New York City a law was passed where the seller must complete and sign a Property Condition Disclosure Statement to disclose certain condition or defects to the buyer or else the seller may have to compensate the buyer for defects found post-sale. Sounds great, right?

However, there's a loophole that is used by 100% of sellers, in my experience. The seller offers the buyer a mere \$500 credit, and if any issues whatsoever are found post-sale, the seller is 100% not responsible. If the buyer does not agree to this, the seller in 100% of cases refuses to sell to them.

In other words, upon signing the Contract of Sale, the buyer is waiving his/her rights to compensation for any issues found post-sale for only a \$500 credit.

An exception to this is if the seller tells you, "don't do an inspection". Telling a buyer who is signing a Contract of Sale to forgo an inspection would constitute fraud, as the seller is telling the buyer to waive their rights. Even if this happens, however, it often becomes a "he said, she said" situation unless the request was in writing.

Similarly, if you have a broker who is a friend of the seller, and the broker tells you not to get an inspection, this may be considered fraud. But again, it can be hard to prove unless it is in writing. In New York City, you accept the \$500.00 credit and it is buyer beware!

One exception to the Contract of Sale is for new construction. In the case of new construction, In New York City, **the buyer has two years to request repairs**. Requests must be timely made in writing via certified letter.

Since laws vary for different geographic areas, how should a home buyer find out what their rights are in their specific area?

Consult a lawyer who specializes in real estate law for your area. That's the best way, as you want to make sure you know the specific details so that you know your rights, know what sort of diligence you need to do, know the risks ahead of time, and can avoid a costly mistake.