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THE SELLER'S REAL ESTATE CONDITION REPORT

Wisconsin Statutes, require every seller of residential property to fill out a real estate condition report. These reports contain very specific representations about virtually all aspects of the home. Equally important, they inform the buyer of how long the seller has lived in the house. Most home inspectors, for practical reasons, do not wish the seller be present during the inspection, the sellers real estate condition report is the next best thing. This report can afford the home inspector a great deal of protection against future complaints.

Home inspectors should tell buyers, that they function like "house doctors". A doctor cannot diagnose a patient's condition unless a doctor receives a history of symptoms. Home inspectors need to rely on the condition reports of the sellers to get a history of the house's prior symptoms. Home inspectors should explain to the buyers the importance of receiving the seller's condition report prior to the home inspection.

When a home inspector, inspects a property that is being sold by a personal representative of an estate or someone who has not lived in the house, clients should be told that the inspector is working at a disadvantage. Without a history of the past problems in the house, the home inspector is limited to viewing the house under the conditions at the existing time.

Once the home inspector has the seller's condition report, he or she should incorporate the representations in the condition report into his or her evaluation. For example, if the condition report says that the homeowner has lived in the house for ten years and has had no water in the basement, the home inspector should state that assuming the representations by the sellers are true and the house has not had any water damage in the past ten years, the efflorescence and/or the water stains in the basement probably are not a major problem. What this does is shift the responsibility for any problems that arise later to the sellers. The condition report also creates red flags for the home inspector. When the seller discloses a problem, this should cause the home inspector to focus additional attention on that area. If the

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seller discloses recent repairs and past corrections the home inspector should be very concerned about these particular areas. If the repairs were done in the recent past and not much time has elapsed since the repair, the home inspector should be very skeptical. For example if the seller says, “the basement leaked in the northwest corner”. However he or she extended the downspouts and adjusted the grade and the basement hasn’t leaked since, this should be a concern to the home inspector especially if these repairs were done only six weeks earlier. It is clear that not enough time has elapsed to determine whether the repairs really solved the problem.

If there are water stains on the ceiling of the kitchen, and the seller indicates that a roof leak was patched, and there has been no leakage ever since. Again, the home inspector should be very concerned about whether repairs were done correctly, or whether a warranty was given, whether the repairs were done by a competent repair company or was it merely the homeowner going up on the roof with a tube of caulk.

When the home inspector comes to one of these areas of concern, it becomes important to do more than check a few boxes on the inspection form or write a few words in a blank space. When the home inspector sees a disclosure on the condition report or the seller represents that they had no problems in an area that appears to have had problems, the home inspector should take the time to write out in complete sentences his or her thoughts, and opinions.

For example, if the condition report states that there are some hairline cracks in the basement walls and the seller lived in the house for twenty-years and that there has been no wall movement and that cracks have not changed in twenty years. This deserves some comments by the home inspector. The home inspector should write that the seller represented that these cracks have not opened or closed in twenty years and have remained constant. If this is true, the walls are not moving and the condition may not be serious. If not true and there is ongoing movement in the wall, this could represent a serious structural problem. The seller is advised to consult a foundation specialist to have the cracks evaluated.

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It takes a minute or two to write out a few lines in these types of situations, but the time and effort is well spent. Very often homebuyers only read the comments at the end of the home inspection report in the summary section and are not concerned with the check marks made in the body report. Make sure you call the buyer's attention to the comments, put them at the end of the report in the summary section, and explain the basis for your opinions.