

A dream home or a nightmare? Be sure before you sign.

By [Eric Bell](#)

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When Jonathan Robertson bought his new home, the estate agent tried to get him to sign a Disclosure Document that stated that the house, its foundations and fixtures were in good working order. He was told that this document was required for the sale to proceed.

Fortunately, prior to signing the Disclosure Document, Robertson insisted on hiring a qualified building inspector who found that the house had badly corroded galvanized steel corrugated roof sheeting throughout, rotten doors frames, structural cracks and a leaking geyser, amounting to repairs in excess of R150 000 - none of which had been disclosed in the Disclosure Document by the seller or agent!

Disclosure Documents are a disgrace and fraudulent

Countless buyers nationally are left with extensive repair costs after signing similar Disclosure Documents. These Disclosure Documents are a disgrace and fraudulent, giving the buyer (consumer) a false sense of security. These documents ask buyers to sign off on a number of key areas, including roofing, geyser condition, and damp problems. Unless you are a structural engineer or qualified building inspector, it is highly unlikely that you or the seller will be able to identify any latent defects. Every day, throughout the country, we see houses that are painted to make them look good and unsuspecting buyers are then taken to the cleaners with extensive and unexpected repair bills once they have moved in - their dream house becomes a nightmare!

Sellers are liable for latent defects that existed at the time of the sale, but, by signing a Disclosure Document, buyers are signing away their rights to that claim, effectively making the defects the buyer's problem.

Should be standard practice

Investing in the services of an accredited home inspector should be standard practice when buying a property, as it is in other countries such as the US, UK and Australia. It is important that all home inspections take place before any sales agreement is signed and it is stipulated in the agreement - "Subject to a favourable inspection report".

Before buying a property:

1. Remember that you are not required to sign any Disclosure Documents. Not an expert? Then don't sign!
2. Ask the seller and estate agent to make full disclosure of any known defects upfront and in writing

3. Most importantly, hire a qualified property inspector and avoid any costly oversights

An expert inspector should deliver a comprehensive report on the interior and exterior of the property, highlighting structural concerns and hazards, and recommend potential repair solutions. In addition, they will upon request, come back once the work has been completed to ensure that it was carried out properly. As an experienced inspector with your interests at heart, Inspect-a-Home will not recommend any selected service providers, therefore ensuring that you receive a totally honest assessment of the property, whether it is a new home, a property you want to sell, or a complex run by a Body Corporate.

An objective assessment of the value of a property

Despite objections by estate agents, using a service like Inspect-a-Home does not mean that the sale will not go through. Rather, it means that the seller and the buyer will have an objective assessment of the value of a property and any possible concerns. In the long run, this means happy clients, possible repeat business going forward for the agent, and no nasty surprises. Most houses inspected do have defects and, if costly to repair, a reduction in the purchase price is only fair. Buyers are mainly looking for peace of mind and, at the end of the day, the majority of houses inspected are still sold.

Too many of us presume that the Consumer Protection Act (CPA) is a blanket act, covering all consumer purchases. Be warned that this is not the case. The CPA only applies to the consumer buying directly from a supplier of goods/services. Estate agents are not suppliers - they are intermediaries who are contracted to sell a property. They are required to operate within a mandate, but that does not mean that they are governed by the CPA. If you have signed a Disclosure Document and you buy a house with unexpected structural damage, you will have no recourse with the estate agent.

The onus is on the buyer

The fact that the onus is on the buyer is supported by attorney Bob Wynne who cautions that buyers should not be in a rush to sign Disclosure Documents and should make sure that they are properly informed about what to do should structural faults be found in a property they are interested in purchasing. In addition, Wynne warns that "fighting the sale of a property after the fact will probably take years and cost you a small fortune. You take a car to the AA for a thorough inspection before purchase, why not do something similar when buying a home, which is a much bigger and more costly purchase? Having it professionally inspected makes huge sense"!

ABOUT THE AUTHOR

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