



Real Estate Q&A

AskPhyllis@RealtorHarb.com

By Phyllis Harb, Dickson Podley Realtors

Dear Phyllis,

I am probably going to sell my home this year and have been favoring one agent as he sells a lot of homes in my area. I was at one of his open houses last weekend and the home was held open by someone else who spent most of the time talking on the street to a couple.

The home wasn't vacant and it surprised me that anyone and everyone was allowed to go in and out unsupervised. If I decide to hire this real estate agent, is it unreasonable for me to demand that he personally conduct the open house?

LJH

Dear LJH,

It is not unreasonable to insist when your home is held open to the that a professional be in the home safeguarding your home and its possessions. Prior to having any home go on the market I remind my clients to remove or hide prescription drugs, jewelry, and other small valuables.

Dear Phyllis,

After the Northridge earthquake FEMA came to our home and performed a damage assessment. We were eligible for and received funds to repair our "damaged" fireplace. Prior to making repairs, we hired a chimney/fireplace expert for a second opinion. After a much more detailed evaluation than FEMA conducted, including a camera scope of the inside of the chimney, the expert found no structural damage. A cleaning was recommended and we did have that done. My question: Since ultimately no damage was found, will we need to disclose the FEMA assessment when it comes time to sell our home?

Sam

Dear Sam,

FEMA doesn't have the best reputation and because you had the "clean bill of health" from the camera scope inspection, I don't understand why you are reluctant to disclose something to the effect that: "After the Northridge Earthquake FEMA made an evaluation and provided funds to repair our fireplace. Prior to FEMA's recommended repair we hired (name of) Chimney Company to provide an assessment and after their visual inspection and camera scope of our chimney, (name of) Chimney Company found no major damage and disagreed with FEMA's assessment; therefore we made no repairs." If you have a copy of your inspection report you should attach to your disclosures.

If your chimney is indeed cracked and it came to the buyer's attention during the escrow period, the buyer would likely want to negotiate the cost of the repair with you. If the buyer were to discover that the chimney was cracked after escrow closed and learned that you had a settlement from FEMA which you didn't disclose it seems likely that legal action would result.

Most California home sellers (other than institutional type) are required by law to disclose facts and defects, which materially affect the value or desirability of their home. The Transfer Disclosure Statement (T.D.S.), Supplemental Statutory Disclosure and the Seller Property Questionnaire aid the seller by providing a standardized format for disclosing most basic information.

The disclosure forms ask if the homeowner has received an insurance settlement in the last five years. Since your check from FEMA was well over five years ago, your answer would seem to be "no". But the disclosure questions also ask if there are any other material facts not disclosed. I think you should check with an attorney, if you elect not to disclose the FEMA settlement.



Phyllis Harb offers 20 years of real estate experience.

She is currently a Realtor at Dickson Podley Realtors in La Cañada. Harb, an e-Pro and S.R.E.S. is ranked among the top 5% of Realtors nationally and is certified by the Department of Real Estate as a course instructor. Prior to entering real estate in 1989, Phyllis worked in real estate lending for 15 years.

You can send your real estate questions by mail to:

Attn: Phyllis Harb,
Dickson Podley Realtors
846 Foothill Blvd.
La Cañada, CA 91011
or email:
AskPhyllis@RealtorHarb.com
(818) 790-7325