

# Looking to Sell or Buy a Home in Wisconsin?

AUTHOR: ATTORNEY KEVIN D. TROST <sup>1,2</sup>

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In the majority of real estate sales, a buyer is delighted to purchase a home and a seller is excited to reap the financial benefits of years of investment in home ownership. In a few cases, however, a buyer may sour on the transaction after discovering unanticipated problems with the house. This article aims to offer tips for both buyers and sellers to avoid problems down the road and ensure a satisfactory real estate transaction.

## *Tips for Wisconsin Home Sellers*

Every seller in Wisconsin is required by law to complete a real estate condition report disclosing known defects in the property. The best way to avoid your former property becoming a legal albatross is to take care and consideration when completing the real estate condition report. When a seller fails to disclose known property defects, a buyer can pursue claims against a seller for false advertising, misrepresentation, or breach of contract.

A seller can take solace in the fact that a seller's liability to a buyer is contingent upon the buyer proving the seller knew about an adverse condition with the property that was not disclosed. Nevertheless, a seller cannot ignore conditions that would cause a reasonable person to undertake further investigation. For example, a buyer can point to recurring conditions such as water that enters the basement with every rain as evidence from which a jury could find the seller knew about an adverse condition and failed to disclose. Even

if the jury ultimately finds the seller had no knowledge of an adverse condition, the seller will have traveled a long and expensive road to reach that point. Accordingly, a seller should complete a real estate condition report thoroughly and with care.

Sellers often provide prospective purchasers with a summary of the updates and renovations performed to the house. While this is helpful for marketing the property, a seller should not overstate the work that was performed. A kitchen remodel should not be described as a professional renovation if, in fact, the seller performed the majority of the work and is not a professional in the trade. A seller's overly rosy marketing description may be a springboard for a buyer's false advertising claim when the non-professional's unpermitted renovation leaks, deteriorates quickly, or causes a fire.

Finally, an attractive selling point for a property can be the warranties a seller has received over the years from contractors who performed repairs or renovation work. Before telling a prospective buyer that a certain component of the house comes with a warranty, check to make sure the warranty will transfer to the buyer with the sale. You may think the roof warranty you received would logically transfer with the sale of the house, but the roofer or shingle manufacturer may have other ideas.

### *Tips for Wisconsin Home Buyers*

The best way for home buyers to avoid unforeseen surprises is to carefully investigate the property before purchase. Hire a home inspector who is both experienced and registered with the state. Experienced home inspectors can provide references, will belong to industry associations, and can tell you what continuing education classes they participate in to keep informed of industry developments. A home inspector will conduct a general inspection of the house and its major components. Wisconsin law prescribes the components of the house on which the home inspector is required to inspect and comment.

While a home inspection can be helpful, a buyer should also be aware of those items about which a home inspector is not required to comment. For example, an inspector is under no obligation to mention the presence of rodents, insects, or pests, even if he sees evidence of them. An inspector is also not required to comment on items that are not readily observable. After all, the seller still owns the house at the time of the inspection and the home inspector does not want to get in trouble for breaking the seller's personal property. Accordingly, an inspector will not move a seller's personal items to see if they are concealing a problem behind them. For a more in depth discussion of home inspectors, see our article *"You May Be Surprised What Your Home Inspector Does Not Have to Tell You."*

It is to your ultimate benefit to pay close personal attention to the condition of the property during your tours of the house. Buyers often spend no more than a few hours in a house before purchase. Rather than using this limited time to plan where furniture could be placed, check to see if the seller's disclosures on the real estate condition report match your own observations. Some sellers spend very little time filling out the real estate condition report and their disclosures may not be accurate. Check the attic and basement yourself to see if you observe any signs of critters. Do not be afraid to request specialized inspections by roofers, chimney companies, pest control specialists, arborists, etc., if something seems amiss.

Finally, do not hesitate to talk with others who likely know about the property. The neighbors may have information you want to know. Also, if the property is on a shared well, talk with the well captain to make sure the well is in good repair and there are sufficient reserves in the well account.

We attorneys frequently assist sellers and buyers with real estate transactions and any complications associated with those sales. We also are experienced in representing sellers

who have been sued by the buyers of their homes and representing buyers when the reality of their purchase becomes something they never anticipated.

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*1. Current law firm: Trost, LLC, [www.trostllc.com](http://www.trostllc.com) 2. Written while at Axley Brynelson, LLP*