

Red Flags for Buying a House

If every transaction and home was squeaky clean, then we really wouldn't need lawyers, home inspectors, Realtors and other professionals to assist and protect us through the process. There are hundreds of things that can be problems in a house or with the deal itself. Below are a few red flags that should pique your attention when buying a house.

PLEASE NOTE: *These items are only red flags. They are not necessarily problems in themselves, but should trigger a little more research.*

Current Owner Assumed Their Mortgage – Assumable mortgages have been an easy way for unscrupulous people to purchase homes without using a bank.

Low Down Assumable Offered – The terms of the mortgage may be horrible, or the house may be over priced.

Stained Basement Items – Water stains on any item in the basement should be questioned.

Newly Finished Basement – This is a common way to hide past problems.

Odd Smell – Could be mould, mildew or caused by water or a past drug operation.

Exterior Cracking – Any unsealed opening on the exterior can cause water entry.

Slope Toward the House – The yard should move water away and not toward the house.

Attached Homes Without Condo Fees – If something happens to the roof or another shared item, who is responsible for the cost? Does your neighbor even have the money for half the expense? Can they paint their half pink?

Hot Water Tank Damage – Any sign of wear and tear on a hot water tank should be addressed very quickly.

Dirty Furnace Filter – The furnace is likely working overtime, and what else haven't they fixed?

Cold Spots – This can be poor insulation or improper construction.

Swellings Around Windows and Wall Seams – Possible water entry.

Water Staining – Uhhhh... probably water.

Restrictive Covenants on Title – This could restrict the ways you can use the property, or what you can build in the future.

No RPR or Survey – This is the only protection you have to ensure that the house is built in the proper location on the lot and that you are getting the amount of useable land you paid for.

Newly Built Deck or Fence – Is it in a legal location and does it have a permit?

Soft Shower Walls – Could be rotten from long term water leaks

House Feels Small – The square footage listed may not be accurate.

One Agent Represents the Seller and the Buyer – It is impossible for a single agent to get the seller the highest price possible, and the buyer the lowest price possible. This is a conflict of interest. (Dual Agency)



Ask lots of questions and be sure to get accurate information from trusted professionals. Your team of pros is the best protection here.