

THINKSTOCK
IMAGE

Plumbing in newly purchased home fails, but who's to blame?

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Q: My daughter bought a 10-year-old home in North Carolina this year and now they have pipes bursting inside the walls, apparently due to a plumbing product (PEX) system that is failing.

She will need to completely repipe the entire home at great expense, which will not be covered by insurance. What recourse does she have to recoup the enormous cost of this project? There are some class action lawsuits against this product that are currently pending but this avenue will take years to complete. Who else should she go after for this? Can she go after the builder, seller or the town that approved the installation, etc.?

This is horrible, as she cannot afford this expense.

A: Before we talk about going after people, you and your daughter need to understand that there are risks to owning real estate. Many people buy homes thinking that the purchase is a risk-free investment. But, it isn't. Owning a home is expensive and when something goes wrong, it's even

more expensive.

When new home buyers purchase electronic devices, appliances and cars, they assume that they'll be covered by the manufacturers' warranties for a year or so for defects in these products. When it comes to cars, some buyers have become used to warranties of up to 10 years. In some cases, these warranties are bumper-to-bumper warranties.

Real estate is a different animal. It's still a buyer beware market out there, and the more information a buyer has before the closing, the better off the buyer will be.

Consider that there have been homes with defective drywall that caused homes to become uninhabitable, old lead pipes that can cause lead poisoning, older homes with lead-based paint causing lead poisoning in children, homes built over land previously used for industrial purposes with contaminated soil, roofing materials that failed, siding materials that captured moisture leading to mold growth in walls, and even carpeting products and glues used in construction causing medical problems with their homeowners.

Can you protect yourself from all of these issues and new ones that are found? Probably not. But you certainly can minimize these issues by using a good home inspector when you purchase a home. We've worked with home inspectors who have alerted home buyers to the faulty installation of siding in homes, the installation of recalled mail electrical boxes, the installation of aluminum electrical wiring instead of copper wiring in homes, and the installation of galvanized pipes for water supply lines in homes.

These are just some of the many issues we have seen over the years. There are dozens of others, of course. Some municipalities are criticized for their "old fashioned" application of laws. For example, these municipalities won't allow the installation of anything other than copper piping for the supply of water, and won't allow the installation of electrical wiring in the home unless the wiring is in conduit -- where the wiring

is inside a pipe from the main electrical box to each and every electrical source in the home.

These municipalities may stick by the older method of installing these items and may claim they are a "better" way of doing things. Others communities are open to newer options for mechanical systems. It's not for us to say which is better, but the older methods tend to be a bit more expensive. The newer methods allow home builders to build a home at a lower price, with lower labor and material costs.

Sometimes these newer systems are great, but in other situations, it takes quite a bit of time to verify that the new systems are as reliable as the older ones. I think your daughter is experiencing this with her purchase. We don't know if she had a professional home inspection, but if she did, we'd hope that the home inspector would have disclosed to her the existence of the type of water supply system in the home. If the inspector did disclose this to your daughter, it would then be up to her to understand the risks involved and determine whether she wanted to go forward with the purchase of the home.

Furthermore, there are companies out there that offer home warranties for home buyers. Some of these home warranties may only cover appliances and some limited coverage to certain types of fixtures in the home. But other home warranties do cover electrical and plumbing systems. For some home buyers,

these home warranties might be a lifesaver if real big issues arise after the home is purchased.

While these home warranties may not provide complete coverage for a person like your daughter, they might have provided quite a bit peace of mind. The warranty company would probably have replaced faulty valves and replaced other components. Your daughter might still have been out of pocket for big expenses, but she would have had coverage to limit her exposure.

All that said, it could be a seller disclosure issue. If the seller knew of the problem with the pipes and failed to disclose it to you, you may have a claim against the seller. We doubt that you have a claim against the real estate agent or broker unless they knew of the issue, had a duty to tell you and didn't say anything. The home is 10 years old and we don't know if the builder is still around. You know of the class action against the manufacturer of the pipes so you might be a member of that class.

We think that your daughter should talk to an attorney, find out if she can be a member of the class action lawsuit, and once she has an idea of her legal options, figure out what to do. She'll need to fix the pipes, of course, but in terms of going after someone, she should know that it's likely she will have to pay out of pocket for that attorney, which may be affordable.

In any case, we're sorry she has this problem and we hope she can find a solution that's affordable.