When selling your Pennsylvania home at auction, it's important to be aware of the legal considerations and potential pitfalls that may arise throughout the process. From drafting a legally binding contract to ensuring compliance with state and federal laws, there are a variety of legal concerns that sellers should address to protect themselves from liability and ensure a successful sale. Seeking advice from experienced legal professionals can be crucial in navigating these complexities and avoiding common mistakes that can lead to legal disputes and financial losses. In this article, we will explore some key legal considerations and offer tips and advice for protecting yourself when selling your Pennsylvania home at auction.

# Legal Obligations of Disclosure and Consequences of Deliberate or Accidental Negligence

In Pennsylvania, failing to disclose problems with a house, even if accidentally, when selling it at auction can lead to significant legal liabilities for the seller. The following are some of the potential consequences:

- 1. Breach of contract: When a seller fails to disclose problems with a house, they may be breaching the contract of sale. In Pennsylvania, a contract of sale requires the seller to disclose any known material defects to the buyer. A material defect is a problem that would affect the value or desirability of the property, such as a leaky roof or a faulty foundation, termite damage, or mold problems. If the seller fails to disclose a material defect, the buyer may be able to sue for breach of contract.
- 2. Fraud: If the seller deliberately conceals a problem with the house, it may be considered fraud. For example, if the seller knows that the roof leaks but tells the buyer that it is in good condition, this could be considered fraud. If the buyer can prove that the seller committed fraud, they may be able to sue for damages. Additionally, even if you are an honest seller who did his homework, got a professional inspection and tried to disclose problems, you can still face legal fees for defending yourself.
- 3. Negligent misrepresentation: Even if the seller did not intend to deceive the buyer, they may be liable for negligent misrepresentation if they make a false statement about the property that the buyer relies on. For example, if the seller tells the buyer that the electrical wiring is up to code when it is not, and the buyer relies on this information to make the purchase, the seller may be liable for negligent misrepresentation.
- 4. Breach of warranty: In Pennsylvania, a seller of real estate is required to provide certain warranties to the buyer, such as a warranty that the property is free from

defects. If the seller breaches these warranties by failing to disclose a problem with the house, the buyer may be able to sue for breach of warranty.

The <u>consequences of these legal liabilities</u> can include the buyer being able to rescind the contract of sale, recover damages, and potentially even force the seller to buy back the property. Additionally, the seller may face monetary penalties and other legal consequences.



Make sure you get a

home inspection ahead of time if buying from an auction.

Advice on Avoiding Legal Action When Selling a Pennsylvania Home at Auction

While we do not claim to be legal professionals, we have worked in the real estate world for years and have a lot of experience with real estate transactions. We have seen the good, the bad, and the ugly of home selling. The following are some good tips on avoiding legal hassles and consequences.

#### Pay For A Professional Inspection

If you are selling your home at auction in Pennsylvania, we cannot overstate the importance of getting a professional home inspection. A home inspection is a professional paid evaluation of the condition of a home, including its structure, foundation, electrical, plumbing, HVAC systems, and more. The professional licensed home inspector will identify any potential issues that a buyer at the auction may have concerns about before they commit to purchasing or even bidding on the property. By getting a home inspection before auctioning a property, sellers can be proactive in addressing any problems and ensuring that their home is in top condition. This can lead to a smoother transaction process, potentially fewer required disclosures, and a higher selling price. It's always better to be proactive than reactive, and a professional home inspection is an essential step before auctioning your home in Pennsylvania.

If there are problems found, sellers must consider if repairing the problem is better than having to disclose it and see a reduction in the selling price at the auction. This applies particularly if the problems is related to the <u>roof</u>, <u>mold</u>, or <u>termites</u>, or other major areas home buyers perceive as major expenses or on-going problems after a purchase.

## Be Sure to Carefully Follow Pennsylvania Disclosure Law Before the Auction of Your Home

It's essential for sellers to disclose any known problems with the property to potential buyers at auction in Pennsylvania. As noted above, failure to do so can result in significant legal and financial consequences. You can read more about Pennsylvania disclosure law here from Nolo. We also have an article on Pennsylvania disclosure laws here.

### Seek Professional Legal Advice From a Pennsylvania Real Estate Lawyer

It's always advisable to consult with an attorney experienced in real estate law to ensure compliance with all relevant laws and regulations. Talk with an attorney about your disclosure obligations. The lawyer will likely ask you to discuss the results of your professional home inspection. They can then provide you with legal advice on your disclosure obligations.

### Consider the Advantages of Selling To A Professional Home Buyer

717 Home Buyers can assist you in avoiding the legal liabilities and inspections inherent with home auction in Pennsylvania.

As a cash buyer, we will not require a standard home inspection because we are aware that repairs to the houses we buy are typically needed. We factor that into our evaluation and offers. Many times, we can make you a very reasonable offer when you consider other costs you face with inspections, time involved in making repairs, added insurance bills, utilities, and taxes. We also totally remove any disclosure requirements and liabilities for needed repairs.

Better yet, there are no auctioneer fees or commissions involved in our cash sales. There are no closing costs or hidden fees. We purchase homes directly from homeowners in as-is condition, as well as <u>inherited properties</u> and homes in <u>foreclosure</u>. Our process is straightforward and honest. We will make you a cash offer and you will decide if you want to accept it. If you do accept it, we can typically close the deal within a week to ten days.

You can <u>learn more ab</u>out how we operate at 717 Home Buyers by clicking here. Please consider <u>reading our Google reviews here</u> or <u>watching some videos of satisfied customers</u> <u>here.</u> If you feel that we can be of help and would like a no-obligation offer within about 24 hours, give us a call today at 717-639-2164.