

INTRODUCTORY REMARKS: (8 Minutes)

- Q1. Mr. Smith, why in the world did you write this book? Aren't there a lot of home buying books out there already?
- A1. Well, I've seen a lot of people, whether it was their first house or their fifth house, get ripped off, and I see the same mistakes being made over and over again. These are pretty expensive mistakes which could set a person back financially for years, or sometimes they never would be able to recover from some of the horror stories they've been involved in.
- Q2. Well, where did these ideas come from?
- A2. Basically, the information, the horror stories, and nasty problems came from notes and sketches and photos, being a good listener of homebuyers and their horror stories over the years.
- Q3. Your title mentioned 500 years experience. Are you really 500 years old?
- A3. Well, I could say that I work out a lot and take a lot of vitamins and food supplements, but that's really not accurate. What I've done is assembled a lot of information and knowledge and wisdom from experts and home-buyer victims that I've encountered over the last 35 years. I've had the good fortune of dealing with a lot of contractors, engineers, architects, builders when I worked as an insurance adjuster, and also had a tremendous amount of training in construction through the insurance training schools and was in situations where I would work with builders, estimate repairs and diagnose what caused the problems to houses and buildings.
- Q4. How come, if you're from Michigan, you think that you've got information that could apply to other states?
- A4. Well, I've actually been sent out on storm duty to other states, so my state experience would include Michigan, Texas, Iowa and Illinois. I've also had hands-on training, such as climbing on roofs, going into basements and crawl spaces, and looking at the inside of furnaces in other states. They are Ohio, Pennsylvania, New Jersey, Virginia, Texas and Wisconsin. And during the course of those training sessions, which were anywhere from 3 days to 3 weeks, I also encountered people from around the country and instructors from around the country, so we shared problems and solutions and common experiences. This gave me a tremendous background in understanding construction and problems with houses.

Q5. Why can't someone when they are buying a house, just hire a home inspector or trust the findings of a building inspector or a real estate agent or an appraiser without having the bother of learning all this information themselves?

A5. Well, in the real world, things don't always work out as we've planned them to do. Not everyone is honest and does a thorough job. Many people are sadly unprofessional, untrained, unethical, and not very thorough in doing their jobs. While it is not my intention in the book to make trained appraisers or trained home inspectors or to make them into surveyors or title company experts or real estate attorneys, having a good background enables them to make the proper selection of these experts. Also, so a person can guide and monitor the jobs that they are doing for them, so they don't get ripped off by the "experts."

Q6. Does this really happen of the professional people ripping off the public?

A6. Sadly, it happens all too often, and many times there is little that an individual can do other than file grievances through state regulatory agencies. Sometimes the experts do not even carry insurance and they go out of business or move to another state or go out of town where the law cannot have any effect upon them. So the best way to solve the problem is to avoid the problem, and not get hooked up with these questionable people to get into horror stories.

Q7. Mr. Smith, why don't you just give us a couple teaser samples of something that the average person could pick up on when they are out home shopping?

A7. Well, do you know the difference between a step cracking in a basement foundation wall, and horizontal cracking, and which is the most serious?

Q8. No, I don't.

A8. Step cracking is often found in cement block or concrete block foundations, and it is often in steps that almost looks like steps going down the wall. These can be a nuisance. They can allow water penetration, they can be unsightly, but they are not major structural problems. They can be corrected. Horizontal cracking in the foundation wall goes in a lateral line which would be parallel to the floor and when this happens, you often get a bowing inward type of effect of a wall. This is often caused by improper backfilling on the outside of the foundation wall, improper drainage, or perhaps the craftsmanship and materials are defective. These are serious structural defects and need the expertise of an engineer to diagnose the extent of the problem and the extent of repairs needed.

This is something that you really want to see a red flag going off in your mind and saying WOW... I don't want to be involved in this house.

Q9. Do you have another little tip that you can share with us?

A9. Do you know why a garage floor should be lower than the living area of the house?

Q10. No, I never noticed the difference. Why should a garage floor be lower than a house?

A10. The reason is that the fumes from an automobile being stored in a garage do travel to the lowest point. So if you have a garage floor that is higher than the living area, say if the people have a basement house and they are living in that, and the garage floor is higher than that, you have the possibility of the fumes going downward into the basement. This is not a good thing health wise, because you may be involved with carbon monoxide, and you also have the possibility of fumes, that if these fumes were in an area where there may be a pilot light with a gas water heater, you could have the possibility of a fire or explosion. You should never have a water heater with a pilot light in the garage in an area close to a car.

Q11. Wow, I never knew that. It never dawned on me that there was such a reason.

A11. Yes there is a reason. And this is one of the reasons a person has to be very cautious in an owner-built home that may not have had the guidance of building inspectors or permits. There may be a lot of safety or health problems that could sneak up on a person and their family.

The one thing I've learned in life is that I am not the smartest person out there. But I am smart enough to know that if I associate with, listen and learn from the smartest people out there, I have a much greater understanding of problems and how to solve them than what the average person may have.

What I'm saying is that there are a lot of incompetent, lackadaisical people out there that have too much power and they basically screw up peoples' lives. As an example, I did a sale appraisal that was on the county line in the western part of the county. The property was on a lake and the selling parties showed me the flood map that they had gotten and also indicated about flood insurance being in that area and the specifics of it. They were very thorough and kept notes. I indicated to the bank that there was a flood zone, in regards to flood insurance, and all the things that I am obligated to do in the appraisal report. The bank

hired a certification company, and those charges are usually \$15 or \$20, so you can imagine

how thorough and comprehensive they are. The certification company said that I was “all wet”, and that there was no flood insurance program involved in that area. I am not “all wet”, I did know what I was talking about, and I asked for a copy of the report as I was taken to task as being a dummy and giving the wrong information. I got a copy of the certification report, and their research was done for the county which was across the street, which did not participate in the flood insurance program, while the county that I was in on one side of the street did. So this just goes to show you that you have to watch yourself and make certain that you know what you’re talking about or have an ability to talk with the experts who can get the proper information and get to the facts.

Q12. Do you think people intentionally try to rip off people?

A12. I can’t say that their actions are always intentional, but many times they are very selfish and less than open. There are many personalities in this world. I want to see the little guy and the little gal avoid being victimized by all the rip-off artists that there are out there. I want them to get a good deal in their home buying experience. They deserve better treatment.