

ENVIRONMENTAL HAZARDS IN RESIDENTIAL REAL ESTATE

Contaminants found in the home, such as lead-based paint, mold and radon pose known health risks and are routinely evaluated by home inspectors and other professionals. Threats from pollution outside the home, such as groundwater and soil contamination are often as hazardous and are gaining increased attention in residential real estate.

RISKS TO HOMEOWNERS & HOMEBUYERS FROM ENVIRONMENTAL HAZARDS

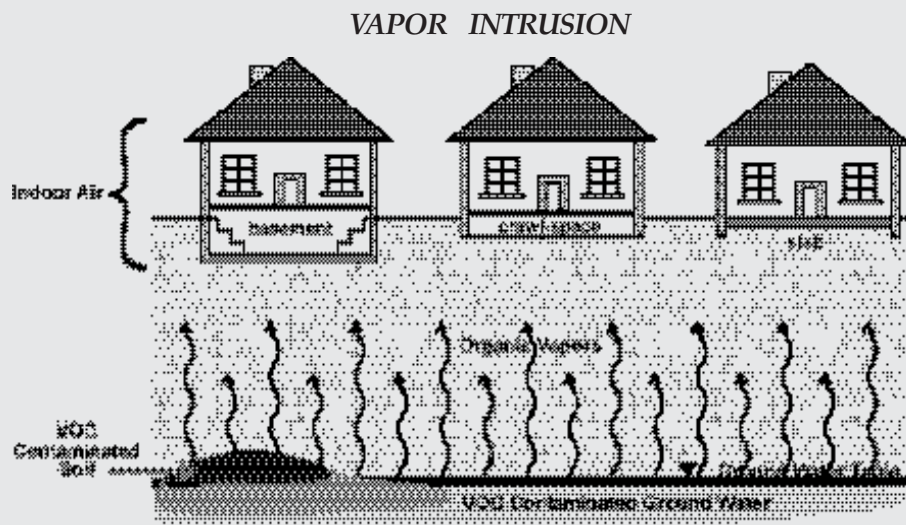
Pollutants such as hazardous waste from industrial sites, solvents from dry cleaners and petroleum from leaking tanks can seep into soil and groundwater and cause unhealthy living conditions. Likewise, chemicals in the ground can travel through the soil as vapor, contaminating indoor air. There are three primary risks:

- Contaminated property is usually devalued; many studies show that properties near contaminated sites are often devalued as well; such properties can become stigmatized
- Exposure to contamination via groundwater, surface water, soil, or vapors can compromise human health
- Homebuyers can be liable for a cleanup, even if they didn't cause-or know about- contamination, when it comes time to sell the home

COMMON CAUSES OF ENVIRONMENTAL HAZARDS

There are many types of environmental hazards that vary by region across the United States. Some of the more common sources of hazards include:

- Leaking underground storage tanks and spills of toxic substances
- Prior commercial, agricultural or industrial activity on or near the property (often going back to the late 1800s or early 1900s)
- Contamination from vapors or liquid that has migrated via underground plumes (that can spread for miles) or groundwater
- Illegal dumping of hazardous materials
- Improper handling, treatment, or storage of hazardous materials



DID YOU KNOW?

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Environmental Hazards in Residential Real Estate

HOW TO DETECT IF THERE IS A PROBLEM

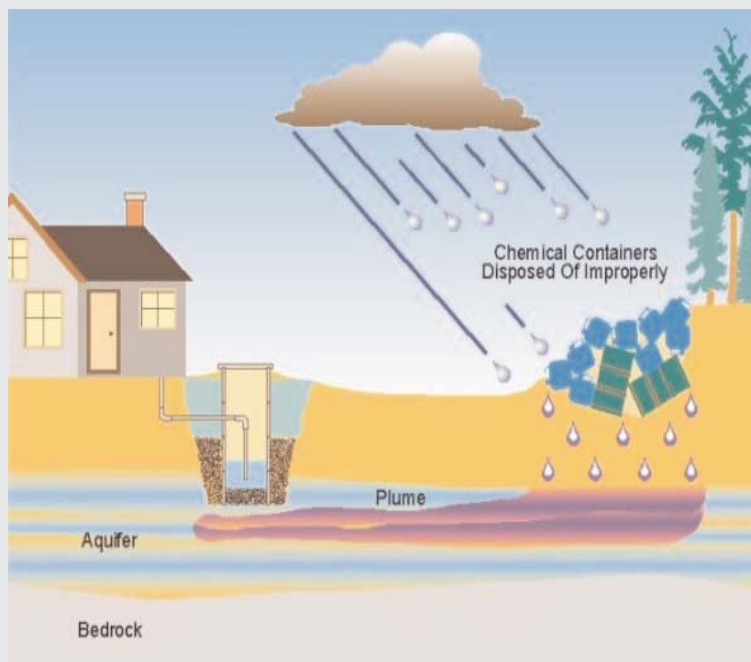
Testing properties for environmental hazards involves skills and technology that are usually too expensive for the average homebuyer. Federal, state, and local branches of the EPA and other government agencies have identified thousands of potentially contaminated sites nationwide. Thus, the nearest regional office of the EPA is often a good place to start researching the location and status of local hazardous sites.

Another option is to purchase an environmental report. These reports compile data from a variety of government and private databases to condense information about relevant environmental hazards into one source. Hazards covered in the reports often include information about nearby leaking underground tanks, spills, Superfund sites, hazardous waste sites, landfills, and even clandestine drug labs (a.k.a. meth labs) in some areas.

WHAT TO DO IF CONTAMINATION IS DETECTED OR SUSPECTED

When homebuyers or homeowners are concerned about contamination there are a few simple steps that can be taken.

1. **Test well water:** If the property is served by a private well, make sure the well water is tested. If there are concerns about a nearby underground petroleum leak, make sure the water is tested for volatile organic compounds (VOCs). If water contamination is detected it can often be addressed by installing additional filtering systems.
2. **Correct indoor air quality problems:** If indoor air quality is being affected by vapors entering the structure from underground plumes of contaminants, a ventilation system can be installed. These are the same systems that are used to dissipate radon gas.
3. **Look for obvious signs:** Finally, look for signs that contamination could be affecting soil or water on the surface. Signs include patches of dead vegetation, strong odors, dark or oily soil, and an oily sheen on the surface of water.



DID YOU KNOW?

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