

The Toxic Mold and the Hidden Room: A Homeowner's Nightmare

By **MARCUS BARAM, ABC News** (January 8, 2008)

After Young Couple Bought House, They Discovered Note Warning Them About Dangerous Mold: Who Was Responsible?



Kerri and Jason Brown discovered a hidden room in their new house with a note from the previous owner warning them about the presence of toxic

When homes go into foreclosure, banks are typically not required to disclose known problems. Instead, they are sold on the auction block "as is".

The previous owner — the one who lost the home in foreclosure — can be sued by the mortgage holder if he or she informs interested buyers of any defects.

For this and other reasons, POA suggests testing a home before buying.

It's the nightmare that haunts every first-time home buyer, especially a young couple with a 2-year-old daughter about to purchase their first house: toxic mold.

Jason and Kerri Brown were thrilled when they found a five-bedroom, two-bath house that was in foreclosure for \$75,000 in Greenville, S.C., a cozy town in the foothills of the Appalachian Mountains, on Aug. 16, 2005.

The next day, they started renovations on the fixer-upper and ordered new fixtures and furniture. Later that week, Kerri was at home when she and her uncle started to remove some bookcases in a bedroom and discovered a passageway that led to a hidden room.

Inside the room was a chilling note from the pre-

vious owner:

"You Found It! Hello. If you're reading this, then you found the secret room. I owned this house for a short while and it was discovered to have a serious mold problem. One that actually made my children very sick to the point that we had to move out."

[Click Here to Read the Note](#)

"I just couldn't believe it," Kerri tells ABCNews.com. "The previous owner left his email address, so I got in touch with him and he said that he didn't want the same thing to happen to him, that the mold made his children very sick."

The note was the starting point in a long saga for the Browns, complete with hidden histories and lengthy legal complaints. And it served as a wake-up call to all the parties about the potential dangers of toxic mold, which has been shown to have damaging effects to the respiratory systems of young children.

The couple hired an environmental engineer who tested the air quality and found high levels of stachybotrys, which is known as toxic black mold, and other molds including aspergillus and penicillium, and told them that it was too dangerous to move in to the house.

"We found readings that were four or five times higher compared to out-

side levels," says engineer Steve Hendrix. "On a scale of one to ten, with ten being the worst, I would say this house was a seven."

So, the question remains: why didn't the previous owner tell the Browns about the mold before they bought the house?

The author of the note was George Leventis, who lived at 6 Whitten St. with his wife Tricia and their two daughters in 2004. About four months after moving into the house, the first-time home buyers noticed that the girls were getting sick.

"They started getting sicker and very lethargic and nothing seemed to be working to help them get better," says Leventis. The parents suspected mold but couldn't afford the repairs that would be required to clean up the house.

"So we moved out and rented a place. I wrote a letter to the mortgage company about the condition and they never wrote me back."

Leventis says he was forced to declare personal bankruptcy and ended up defaulting on his mortgage. But he was worried about the future of the hazardous house and occasionally drove by to check on its status.

continued on page 22

Toxic Mold and the Hidden Room ... continued from page 21



"We drove by one day and saw the 'For Sale' sign," says Leventis. "And I called up the realtor that sold us the house and he called the listed broker and left her several messages about its condition, but he never heard back."

So he decided to leave a note for any future owners. "I guess I didn't want it to happen to someone else," Leventis explains. "It was our first house. We loved it. I felt horrible but I didn't want to see someone else get had the way we had. I was worried that if I left a note on the counter, it would get thrown away. I wanted to hide it where I knew someone would find it."

It's not clear who built the secret room, but Kerri Brown says she was told by Leventis that he discovered it during his short time in the house, thinking it would be a great hiding place.

Leventis says his daughters are feeling better but they still use an air compressor whenever they get a cold.

So where did the mold come from and who else knew about it?

Leventis bought the house from CCJ Properties, a local firm which flips homes in the Greenville area. "We were not aware of any mold," says Richard Robinson, the firm's owner. "We bought it from a bank, did regular repairs and painted the halls and floors. The only way I would have

known is if I lived there for a while."

As for the Browns, they moved out and went back to renting an apartment. The couple ended up suing the broker and Fannie Mae, the home loan corporation, claiming that they knew about the mold but did not inform the Browns.

"Do I think we were deceived? Most definitely," says Kerri Brown. "People knew about something that could be harmful, especially to my child, and nobody had the guts to say anything about it."

Fannie Mae eventually agreed to buy back the home for the selling price and was dropped from the lawsuit.

"Throughout this difficult situation, we have worked to find a fair and equitable solution, including investigating concerns about an unusually high presence of mold in the home," said a Fannie Mae spokeswoman. "Our general inspection and the inspections conducted by the professional retained by the family did not initially reveal the presence of mold in the home prior to sale. We did offer to pay the cost to clean up the mold that was subsequently found. Following further discussions with all parties involved, we have agreed to buy back the property in question. We believe this is in the best interest of all parties involved, and it's unfortunate that the buyers encountered these problems."

The realtor, Sue Bakx, declined to comment to ABCNews.com. Her lawyer, Clark Price, says that she received a voicemail message about the mold but was skeptical about its veracity.

"She has been involved in foreclosed property sales for over 20 years and has heard this story again and again, in which somebody who loses the house is angry over it and spreads rumors about the house," Price said.

Price says that Bakx called Fannie Mae and was informed that they would not do anything based upon hearsay. And he says that the Browns were given full access to the house before they bought it and that they were informed in a contract that the house might have mold.

Though he insists that his clients did not owe the Browns anything, the parties finally settled in recent weeks and Price says, "We paid them their expenses and made them whole and apologized to them for not calling them."

Neither Price nor the Browns would disclose the terms of the settlement.

And even Price learned a valuable lesson. "When I bought my first house, my second house, my third house, I didn't have it inspected for mold," Price says. "Now, I will."