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Who Killed the Deal to Sell Your House? It Was an Inside Job

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Real-estate agents say you never know who might by trying to doom a sale

By Katherine Clarke

It took weeks for Jade Mills to finger the perp.

The real-estate agent had been showing a mansion in Los Angeles's Benedict Canyon area for several months with no success. Priced at around $10 million, the Hamptons shingle-style property boasted seven bedrooms and a swimming pool with a spa. Prospective buyers would seem enamored but never be heard from again.

Barking next door

Then Ms. Mills got a call from another agent. She learned that the sellers' housekeeper, fearful of losing her job once the home sold, was giving buyers a laundry list of woes. The neighbor's dog was a barker, the canyon echoed loudly at night, and another neighbor hosted raucous parties.

"You're never going to sell that house with her there," the other agent told Ms. Mills.

She quickly called the sellers and asked them to make sure the house was vacant for showings. Within weeks, it found a buyer.

A home sale can have many potential deal killers. Emotions can run high. There can be hidden agendas. From tenants who don't want to move to the child who doesn't want to see the family home sold, third-party players can block

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IN DEPTH

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or undo a transaction. For agents, it can mean playing a combination of sleuth and therapist.

Sometimes the culprit is easily identified. A couple of years ago, a disgruntled teenager who was upset that his home was about to be sold decided to throw a blow-out party at the large Brentwood estate while his parents were away, recalls real-estate agent Joseph Montemarano. The boy and his friends painted graffiti all over the tennis court and guest house the day before the final walk through—smiley faces, tags and different versions of "Bob woz 'ere" were sprayed all over the property.

"The parents had to pay to have the court repainted and resurfaced and repair the guest house," Mr. Montemarano says. "Luckily, my buyers were pretty OK with it. They just told the seller to make it right."

More common is the angry-tenant problem. A renter in a townhouse in the Upper East Side of Manhattan, who was paying just $1,500 for a parlor-floor apartment in the top location and didn't want to move, took to chilling it to freezing before every showing and leaving rat traps lying around. There were no rats.

"When I brought buyers, she would say to them, 'I can't stand living here, but you can go ahead and see it,'" says real-estate agent Jean Marie Echemendia, who brought by several prospective buyers with no luck. Seeing through the tenant's scheme, Ms. Echemendia purchased the apartment herself, at a deep discount.

A different strategy suited the second-floor occupant in a four-unit building in Culver City, Calif. "My name is Mr. Bravo. State your business," he announced in a booming voice when real-estate agent John Hathorn brought a prospective buyer of the building around for a final inspection.

Mr. Bravo tried to convince the pair that the building's garage had a "demonic force" in it, describing objects randomly falling from shelves and telling of a time he was attacked by a ghostly presence.

"I turned to my client and asked him if it concerned him," recalls Mr. Hathorn. "He said, 'Are you kidding me? Of course not.' " The deal closed as planned, and contrary to the tenant's fears, he hasn't been evicted.

Sometimes the people who make trouble aren't even aware of what they are doing. Leslie Turner, an agent in Charleston, S.C., says her nemesis comes in the form of a local building inspector who's given to discussing a home's condition in such alarming language he regularly deep-sixes deals.

In January, the inspector checked out a charming 1882 downtown house that was under contract to a couple from Ohio for about $1.5 million. When the inspector came by, he toured it for hours and produced a lengthy report that "made it sound like there was a parade of imaginary horribles" awaiting the couple. Spooked, they walked away from the deal.

> *A tenant who didn't want to move set out rat traps when would-be buyers came by.*

"You always want to protect your clients and have them have a really thorough home inspection, but it's just the way this guy delivers the news—he doesn't have a good bedside manner," Ms. Turner says. "I've seen people miss out on perfectly good properties because of this deal killer."

For the Charleston house, she had other eager shoppers, and the house sold just a day later to different buyers. Although they used the same inspector, they had owned historic homes before and knew what sort of quirks to expect.

Cheryle Healion, a woman shopping for a home in the Los Angeles area, has been supplying her own inspector, of sorts—and her own deal killer.

Ms. Healion, a paralegal who is a subscriber to ideas of spirituality and alternative healing, asks for help on her prospective purchases from an adviser who studied feng shui under a Chinese master.

Ms. Healion was in late-stage negotiations on several properties over the past three months, but when she sent the floor plans to her feng shui expert, the guru disapproved.

In one instance, the expert noted electrical towers near the north side of the property, which she said would bring bad health.

In another case, a property's position on a sloped piece of land indicated that Ms. Healion might lose money, the expert said.

"I am very frustrated," Ms. Healion says of the rulings from her guru. "But her heart is in the right place."

Ms. Healion's real-estate agent, Melea Johnston-Avrach, is even more frustrated. "I now cringe when I hear the term feng shui," she says.