

CAHI MONTHLY NEWS



Presidents Corner

"It is what it is"

The real estate market is such that you cannot predict it, cannot control it, you simply need to hold on and try to ride it out. Hopefully, as with anything, a contingency or emergency plan was developed in better times and is in place or is being tapped into to limit the current stress of the market.

Talk to real estate agents, attorneys, testing labs, other inspectors, etc. we are all in the same boat. For those home inspection veterans this market, while unique in its many formative causes (high interest rates, low inventory, surplus of buyers, inflation, etc., etc. etc.) is not the first downturn in their careers and for many will not be the last. It is the nature of the real estate industry "beast".

Having additional time to tend to family and friends I have also been afforded the time to reflect on numerous moments over the many years of my inspection career. One of the most poignant moments was relative to a conversation that I had the fortune of overhearing @ one of CAHI's monthly presentations. It was a conversation between two older inspectors relative to the state of the market @ the time and pricing. The market was spiraling and many in the industry were cutting prices to out compete other inspectors. They had been through similar markets before and made the following statement: "the last time we went through a market like this and many cut their prices it took years to get back to where they were".

Continued on pg 2

MONTHLY MEETINGS – Details & Info

CAHI's regular monthly meetings are held at the Best Western located at 201 Washington Ave (RT 5), North Haven.

Meetings are still free to members but RESERVATIONS are a MUST.

Reservations can be made at our CAHI website.

Most meetings are on the fourth Wednesday of the month from 7-9pm. Guests are always welcome! Guests may attend 2 free monthly meetings to experience our presentations, meet our members, and receive a CE attendance certificate. Joining CAHI may be done at anytime of the year through our Membership Page.

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Meeting Date!

November 29th

Membership Meeting

6:00 - 9:00 pm

CT Basement Systems

@ Dr. Energy Savers

Location -

**28 Progress Ave,
Seymour, CT 06483**

**Check Events page of CAHI
Web Site for details and for
registration!**

Presidents Message Continued:


If you step back and observe for a period of time it will become clear that cutting prices within our industry does not create more inspections, does not in most cases increase the amount of inspections that may be steered in your direction by past customers or realtors but simply puts less in your pocket for time spent.

Before possibly heading down the cost cutting rabbit hole observe that the world around you in almost all cases has raised their prices to survive. In cutting your prices you have dug a deeper hole that likely will take longer to recover from. Step back and evaluate your day to day expenses, rise up from the couch and get out and market yourself, pick up the phone and have conversations.....make some lemonade!

Best,

A handwritten signature in black ink, appearing to be 'Dan Kristiansen', with a long horizontal line extending to the right.

Dan Kristiansen
President



**ATTENTION CT HOME
INSPECTORS. THE STATE OF CT
HAS REVISED THE HOME
INSPECTOR SOP. IT WOULD BE
A GOOD IDEA TO REVIEW THE
NEW CHANGES. YOU CAN
ACCESS THE SOP VIA CT DCP
WEBSITE.**

Find What Fuels Your Fire: Vince Cardone's Lessons and Challenges of Starting a Home Inspection Business



By **Alyssa Cink**
(<https://www.inspectorproinsurance.com/author/acink/>)

November 1, 2023

Last

Updated September
28, 2023



In our Inspector Spotlight series, we take a closer look at individual inspectors making an impact on the inspection industry.

Vince Cardone has always believed in giving 100 percent to everything he loves.

That's why, when Cardone's son committed to a college in Florida, the New York contractor and his wife agreed to follow him.

That was the family plan. But what would he do for work? That plan needed another plan, he realized.

During his time as a contractor, Cardone had performed elements of home inspections for banks and lenders. Whether an evaluation of the plumbing system or a full-fledged home inspection, Cardone worked with pre-foreclosure or post-real-estate-owned (REO) homes. With his background in the home improvement trade, his wife suggested a home inspection business. And just like that, Florida's **Residential Inspection LLC** (<http://www.residentialinspectionfla.com/>) went underway.



In preparation for the big move, Cardone spent almost a year creating and executing his business plan. He studied online with American Home Inspectors Training (**AHIT** (<https://www.ahit.com/>)) and passed his test. He researched the local home inspection market, moved from New York to Florida, and finished the startup process there. Finally, in February of 2017, the business went live.

But the work was far from over. Becoming a Florida home inspector would introduce no shortage of challenges—and with those challenges of starting a business, learning curves that shaped the family man and entrepreneur he is today. We interviewed Cardone to share his story and the business lessons he's learned from being a home inspector.

Lesson #1: Be Receptive to Change

Florida and New York are very different states. While it's one thing to *know* this, it's another thing to *experience* it.

One of Cardone's first challenges in starting a home inspection business was learning the "Florida way" of homes and buildings, he said.

"The challenges that we had were not knowing the topography...not having winters and falls, and not knowing how materials in Florida age differently than they do in New York. ... [Also,] there's a lot of systems in Florida that aren't in the Northeast," he explained. "The mechanics of a home and building sciences of a home are vastly different."

At first, he wasn't thrilled about the change. Learning the nuances of his new state meant he needed more time to research, write reports, and get comfortable explaining things to clients. He didn't want anyone to question his confidence or expertise just because he was new to Florida. Cardone knew, however, that every new experience requires adjustment. Rather than dwelling, he jumped all-in and learned to welcome it.

"Anytime you start a new business or a new job, no matter where you are or what you do, you're always going to come across things that you may not have experienced before," Cardone said. "So I had to learn the Florida way. ... When you look back, it was the best thing for me."

Receptiveness to change isn't limited to your first year in the business, he added. On the contrary, change is crucial to an inspector's growth every step of their career. So whether it's a new, time-saving software or an ancillary service you can add, don't object to change outright, Cardone advised.

Lesson #2: Embrace a Barrier-Free Work Ethic

Jumping all-in remained a pattern in setting up and running his home inspection business. As a single-income household moving several states away and supporting their son's education, the family's livelihood banked on a successful home inspection business. It was a lot of pressure.

"When we came from New York to Florida, keep in mind we knew nobody down here. I knew nobody. And so, I really didn't have an option to fail," Cardone said. "The moment I talk, you automatically know I'm not from the South. And so I had to overcome not being a local person, being new to the state without knowing anybody. I really had to go all-in and have a plan of attack in place to get our business off the ground with a no-failure option, because we put everything we had into making this business go."

Ultimately, his circumstances drove him to seize opportunities wherever he could find them. He refers to this as a barrier-free work ethic, and he attributes this mindset to his success.

"When you start a business, if you want to succeed, you have to give up certain aspects of your time to make it work. ... Every obstacle that you throw your way, especially as a startup, is going to be something that's going to prevent you from growing faster," he expanded. "This is what I go by, and people know this. I don't create barriers for myself. What I mean by that is, I'm not one to be afraid to work on Saturdays and Sundays. I'm not one to say 'no.' If I have to drive an extra 20 minutes, I drive the extra 20 minutes. ... I don't create barriers for myself. And in turn, my phone doesn't stop ringing."

Lesson #3: Seek Ways to Get Involved



From the time he started growing accustomed to the “Florida way,” Cardone knew learning was one barrier he could not afford. Education, he also learned, comes in many shapes and forms. One such form of education he encourages when setting up a home inspection business: active involvement in the community.

Cardone joined the International Association of Certified Home Inspectors (**InterNACHI** (<https://www.nachi.org/>)) before moving to Florida, and then joined the Florida Association of Building Inspectors (**FABI** (<https://fabi.org/>)). He also engages with multiple boards of **realtors** (<https://www.inspectorproinsurance.com/business/faqs-for-realtor-and-home-inspector-teams-part-1/>) in his area, participates in multiple committees, and takes steps to give back to his community.

“I’m personally involved in three boards of realtors and two or three different community organizations where we feed families. We give back to schools and donations. I do fundraisers [to support] a strong, driven community,” Cardone said.

He’s found that the additional learning from his community engagement pays off in every aspect of a successful home inspection business. The more diverse his involvement is, the better he communicates, the more he learns, and the better service he can provide.

“I can hold a conversation with anybody when it comes to discussing the report with them. And that comes from the knowledge and the continuing education, InterNACHI, [and] FABI. The more I know, the better report I can deliver, the better inspection I can produce, and then that gives me, of course, more business,” he said.

Lesson #4: Commit for the Long Haul

Cardone’s experience, however, comes with a warning.

“Simply joining an association does not equal business. In my case, other people weren’t...getting the ROI by just joining, because they weren’t applying themselves to the associations,” he advised.

To maximize your return from community involvement, the key is to apply yourself. Be an active participant. Become a recognizable name and face. In doing so, you’ll demonstrate your commitment to the trade and portray yourself as a reliable member of the community. In Cardone’s case, it’s helped him stay top of mind when realtors need local referrals.

“By being involved, my name and my brand went across the different boards of realtors. I have become part of their conversation when they’re looking to refer somebody in the local marketplace. I know that I’m never going to get every job. But I just want to be part of that conversation. I want to have a shot at it, and that’s all you can ask for,” he said.

Furthermore, get involved with the long haul in mind, Cardone suggested. Keep your commitments; people remember them for the better.

“Don’t go into something and then walk away right away. Meaning, let’s say you join something like an association. All of a sudden, you’ve got your name in there. And all of a sudden, you’re gone. People recognize that. They want to see somebody who is part of a group, part of an association, part of a

community. That adds a lot of value because it shows that you're there for the long haul. You're there for them," he explained. "If it's something that's going to drive business your way, you cannot do it for the short term. It has to be a continual part of your business to get continuing referrals."

Lesson #5: Plan Ahead

Surprisingly, some new home inspectors don't plan ahead. Beyond earning their licenses, they don't have a vision or end-goal in mind. They don't know how to **differentiate** (<https://www.inspectorproinsurance.com/community/differentiate-your-inspection-business/>) themselves, nor are they familiar with their local home inspection market. This, unfortunately, creates obstacles down the road. These inspectors may lose motivation, run out of steam, stop challenging themselves, experience delayed growth, or all of the above.

Never overlook the power of a good plan, Cardone advised. It makes setting up a home inspection business that much easier in the long run.

"You have to just find a way to self-motivate, and you have to have a goal. If you don't have a goal, you have no starting point. And I tell it to people all the time, 'Well, where do you want to go? What do you want to do? How many inspections do you want to do this year?' They're like, 'Well, I don't know.' 'Well then, how are you going to get there? If you don't have a plan, you're never going to get there,'" Cardone explained.

For Cardone, a business plan is not restrictive. On the contrary, he finds it freeing and inspiring. It gives him room to challenge himself. It gives him the numbers to make decisions and continuously evaluate the effectiveness of those decisions. Furthermore, it allows him to keep up with an ever-fluctuating home inspection market.

"I challenge myself: How can I get more market share? How can I get more business? ... What ancillary can I learn or add to my business, that I can [use to] grab market share in case another part of my business goes down?" Cardone said. "You have to have a breadth of services to be able to insulate yourself against changes in the marketplace."

Lesson #6: Fuel Your Fire

You'll face many challenges when starting a home inspection business. Every successful home inspection business owner must overcome them at some point. Ultimately, it all comes down to personal drive.

"When you work for yourself, you have to be driven in some way, and you have to keep yourself from being complacent," he said.

Cardone's fuel is his family. Having endured setbacks after the stock market crash of the early 2000s, Cardone is determined to always look out for his wife and children's long-term wellbeing. That inspiration has stayed with him every day of his home inspection career.

"My wife and my kids, at the end of the day, they're my world," Cardone told us. "We got hurt. We got hurt bad—just like a lot of Americans did back in 2007 and 2008. That was something that I couldn't control. But I promised myself, to this day, and clearly as I'm

talking to you right now, that I will never, ever, ever put my wife and family through that ever again. It keeps me going every day.”

“And so it’s not a matter of the competitors that I have out in the marketplace. It’s fuel from within to prevent what I went through, [that] gives me the fire and the energy that I have right now,” he said.

Like Cardone, find what fuels your inner fire, and pour that fuel onto everything you do. When paired with a receptiveness to change, an all-in work ethic, and a solid business plan, that fire could open exciting doors for your business in any home inspection market.

InspectorPro: An Insurer That Shares Your Vision

At InspectorPro Insurance, our mission is to add fuel to your professional endeavors, too.

That’s why we share stories like these. Whether you’re running or just starting one, a home inspection business introduces challenges. Amid those challenges, we’re here to offer guidance.

If you need some extra inspiration today, or if you have a question about protecting your business against claims, click one of the recommended articles below. Or, scroll down to the very bottom of this page and sign up for our bimonthly newsletter. We introduce new articles every month, each one with resources to support your growing and successful home inspection business. Subscribe to see what’s coming down the pipeline next!





NEIGHBORHOOD SAFETY NETWORK

A PROJECT OF THE U.S. CONSUMER PRODUCT SAFETY COMMISSION

November 3, 2023



It's Time to Change Smoke and Carbon Monoxide Alarm Batteries as Daylight Saving Time Ends

Hi Neighbor!

Daylight Saving Time ends on Sunday, November 5, so remember to **turn your clocks back one hour** and don't forget to **change the batteries in your smoke and carbon monoxide (CO) alarms** as well.

With colder weather and the approaching holidays, home furnaces, fireplaces and other fuel-burning appliances will get more use, making working smoke and CO alarms a necessity.

Use the gained hour this Daylight Saving Time to protect your family:

- Test smoke and CO alarms monthly to make sure they are working. CPSC recommends installing smoke alarms on every level of the home, inside each bedroom and outside sleeping areas. CO alarms should be installed on each level of the home and outside sleeping areas.
- Change the batteries: Batteries should be replaced in alarms at least once each year, unless the alarms have sealed 10-year batteries. Replace the smoke alarm if it is more than 10 years old.
- Make a fire escape plan: Make sure there are two ways out from each room and a clear path to outside from each exit. Once out, stay out of the house.
- Close bedroom doors: During a fire, closed bedroom doors can slow the spread and allow extra moments to get to safety.

Print and Share Poster



Your Next Home Purchase Could Look a Whole Lot Different Because of These Lawsuits

National Association of Realtors and Its MLS Network Face Threats From Class-Action Cases Over Commissions



The standard way homes are purchased in the United States could change dramatically if plaintiffs in two class-action lawsuits prevail. (Getty Images)

By **Ryan Ori**
CoStar News

September 17, 2023 | 11:11 P.M.

The decades-old way homes are sold could change dramatically if plaintiffs in two class-action lawsuits prevail, potentially putting multiple listing services out of business and erasing billions of dollars in future broker commissions.

That is the worst-case scenario for the National Association of Realtors and its members' regional databases of home listings throughout North America.

The organization faces the threat of extinction, or at least major changes to the way its members do business, because of two federal lawsuits scheduled to play out in Midwest courtrooms, industry professionals say.

The lawsuits allege that the longstanding process by which residences are sold is anticompetitive because sellers are required to list their properties on an MLS and agree ahead of time to provide commissions at a predetermined rate — typically 6% of the sale price — to be split among buyer and seller agents, with few realistic options to avoid or significantly reduce the amount of those fees.

Plaintiffs argue that the longstanding system provides little flexibility to adjust agent compensation based on the complexity of a deal or other factors.

Although the cases have received relatively little attention from homeowners, and even some rank-and-file Realtors, their outcomes could bring a seismic shift in home transactions.

A market-moving judgment in either case also could have broader implications for the economy, while directly affecting online home marketplaces such as Redfin, Zillow, Trulia and Realtor.com that post MLS-listed properties and collect portions of broker commissions on deals for which they provide sales leads.

With potential damages in the tens of billions of dollars, the cases could have devastating effects on the NAR as well as every multiple listing service, Realtor association, brokerage and franchise, according to Rob Hahn, a longtime MLS consultant.

“Depending on the size of damages, every one of them could go bankrupt,” Hahn, founder of Las Vegas-based 7DS Associates, told CoStar News. “It’s huge, and most people simply aren’t talking about it. Few people are sounding the alarm, I think, because they don’t want to freak people out.”

Hahn, a strategic consultant to MLS operators since 2009, is now focused on running Decentre Labs, an auction-based MLS in Las Vegas that he expects to become a future model for home sales.

Plaintiffs in the two federal cases allege that the process by which most U.S. homes are sold — through the MLS databases with brokers splitting a commission — artificially drives up home prices.



The National Association of Realtors' headquarters is located on Michigan Avenue in Chicago. (CoStar)

Plaintiffs in the lawsuits accuse the NAR and residential brokerages of perpetuating a longtime system designed to guarantee a hefty commission split among buyer and seller brokers, regardless of the time or complexity involved in a particular sale. In supporting that system, and discouraging deviation from the formula, the NAR is costing consumers billions of dollars in fees collectively each year, lawyers allege in the lawsuits.

The NAR says the MLS model best serves consumers because it brings together motivated buyers and sellers in a streamlined process. The arrangement, in which sellers pay the commission, also prevents buyers from needing to come up with big out-of-pocket payments to their brokers.

The NAR “vehemently disagrees with the assertion that the current system is anticompetitive,” the organization’s vice president of public relations and communication strategy, Mantill Williams, said in an email to CoStar News. He added that the NAR is “confident we will prevail in all cases because our rules are pro-consumer and pro-competitive.”

“The U.S. model of local broker cooperation has long been — and is still — viewed as the best value for consumers around the world,” Williams said. “Local broker marketplaces provide sellers equal access to the largest possible pool of potential buyers and create the greatest number of housing options for buyers in one place without hidden or extra costs.

“Sellers making offers of compensation to buyer brokers also gives first-time, low/middle-income and all homebuyers a better shot at affording a home and professional representation,” Williams said.

Even if there were to be a devastating verdict, a major player from the residential or commercial real estate technology sector probably would step in to provide an MLS replacement to offer consistency in the industry, Hahn conceded.

Another MLS and Realtor association consultant, Jack Miller, is less convinced that the worst-case scenario will play out for the NAR. Miller, president and CEO of Ladera Ranch, California-based T3 Sixty, said in an email to CoStar News that the lawsuits “have significant implications for the practices in buyer brokerage in the industry.”

But Miller added: “The plaintiffs’ attorneys, while desirous of achieving a good settlement from the court cases, would be working against their own interests to produce a settlement so large that it is unpayable by the industry. It is far more likely that settlements will be reached that are attainable by the industry, and that industry practices will adjust.”

The Players

Defendants in the cases are the NAR and residential brokerages HomeServices of America, RE/MAX, Keller Williams Realty and Anywhere Real Estate.

Anywhere, formerly known as Realogy, is the first defendant to emerge with a potential settlement in the case. It is the parent company of several residential brokerage brands, including Coldwell Banker, Century 21 and Better Homes and Gardens.

The NAR says it is America’s largest trade organization, with more than 1.5 million members throughout the country. Members oversee hundreds of MLS systems and set industry standards, with the NAR providing guidelines on how homes should be listed and sold.

That includes requiring member agents to post available properties and prohibiting so-called pocket listings, or listings not available to the average homebuyer.

There are about 560 MLS systems in the United States and about 40 more in Canada, according to the NAR.

“Without the National Association of Realtors and its guidelines for the local [MLS] broker marketplaces, information on homes would be inaccurate, unreliable and scattered across real estate sites, disadvantaging buyers and sellers,” Williams said in the email. “Buyers and sellers likely would have less choice among brokerages, services and commissions, hurting the average consumer. It would remove a central database for consumers to access, leading to a few players dominating the market.”

The Chicago-based NAR is trying to preserve its longstanding compensation model for agents in the wake of a sudden leadership change in late August. President Kenny Parcell resigned following a New York Times report that accused him of sexual harassment and fostering a toxic workplace. Parcell denied the allegations to RISMedia, which first reported his resignation.

The Cases

One case, set to begin Oct. 16 in U.S. District Court in Kansas City, Missouri, could bring multibillion-dollar damages against the NAR and hundreds of MLS members. The other, potentially headed to trial in a U.S. District Court in Chicago in 2024, could lead to more than \$40 billion in damages in the worst-case scenario for the NAR and MLS systems.

A ruling anywhere near that amount could put the NAR out of business, leading to massive changes in how homes are bought and sold and potentially pushing thousands of agents out of the business, some industry professionals predict.



A class-action lawsuit against the National Association of Realtors is expected to go to trial at the Charles Evans Whittaker U.S. Courthouse in Kansas City, Missouri, next month. (CoStar)

The *Burnett v. NAR* lawsuit in Missouri and *Moehrl v. NAR* in Illinois are similar antitrust cases filed by home sellers who allege they were forced to pay inflated broker fees. Sellers pay commissions at closing based on the sale price.

The lawsuits seek to disentangle commissions paid to buyer and seller brokers, arguing that each side should be allowed to negotiate its own fee structure.

“These are big, complex antitrust cases, and the defendants are treating them as if they have significant implications for how they do business,” Northwestern University law professor James Speta said in an interview.

The NAR argues that the existing 6% model encourages cooperation between agents, creating an effective marketplace for sales.

HomeServices and RE/MAX declined to comment. Keller Williams did not respond to requests for comment from CoStar News.

Including likely appeals, the lawsuits could take years to fully play out without major settlements.

Earlier this month, Anywhere agreed to an \$83.5 million settlement of its part in the two major lawsuits, real estate industry news publication Inman reported. The settlement still must be approved by both courts, and it's yet to be seen whether resolving those cases would protect the company from additional cases that could arise in other parts of the country not currently affected by the two class-action suits.

“We are pleased that Anywhere has reached a nationwide settlement with the plaintiffs in the Burnett and Moerhl lawsuits,” Anywhere said in a statement emailed to CoStar News. “The path to obtain final approval and implement the settlement is a long one, and Anywhere has taken the first important step toward a resolution that not only releases the company but also our affiliated agents and franchisees. We believe the settlement will remove future uncertainty with respect to the upcoming trial, potential additional claims, and legal expense, enabling Anywhere to focus on and continue delivering what’s next for agents and franchisees.”

The exact terms of the settlement will remain confidential until the plaintiffs file a motion for approval, Inman reported.

Williams said in an email that the “NAR’s commitment to defend ourselves in court remains unchanged” by the proposed Anywhere settlement. “We look forward to arguing our case,” he added.

Widespread Use

Nearly 97% of the country’s multiple listing services are owned or operated by one or more local Realtor association, according to the lawsuit in Chicago. An MLS listing contains details on broker commissions agreed to at the time a property is listed, typically at or close to the 6% standard. Those listing agreements are not visible to consumers.

Williams said, “It is a pure myth that there is a standard commission used throughout the industry.”

Plaintiffs in the Chicago case, though, say listings with below-standard commissions are likely to languish, giving consumers little leeway to renegotiate the rates at which agents are compensated.



Chicago's Everett M. Dirksen U.S. Courthouse is slated to host the trial of a second class-action lawsuit against the National Association of Realtors next year. (CoStar)

One expert witness for the plaintiffs, New York University economics professor Nicholas Economides, said buyer brokers are used in 87% of U.S. home sales, compared with 5% to 20% in three comparison markets: Australia, the Netherlands and the United Kingdom, according to court filings. In those countries, agent commissions also are typically lower than those seen in the United States, he said.

If not for the MLS system in place, commissions likely would fall, Economides argued.

The NAR disputes his methodology and says his estimated \$13.7 billion in damages is arbitrary. Because treble damages — effectively triple the settled amount — are applicable in this case, that figure could amount to \$41.1 billion.

Another plaintiff witness, Harvard Law School professor and antitrust expert Einer Elhauge, argues that buyer brokers would be used far less frequently if consumers were given the option. Instead, buyers would use online marketplaces such as Zillow to find homes, he said in the filings.

Elhauge noted that other industries, such as travel and stock trading, have dropped or significantly lowered

commissions as consumers have adopted online platforms, while residential real estate commissions have not come down.

The NAR said it provides updates on the court cases to members.

"The industry is becoming much more aware of these lawsuits, but it is still evident that they are not on the radar of a significant number of volunteer leaders, association and MLS executives, agents and brokers in the industry," Miller said in his email. "We have heard the refrain that results from these lawsuits are years away; the recent Anywhere settlement is a cutting rejoinder to this argument, demonstrating that change could happen a lot faster than some have relied on.

"Many will not pay attention to possible changes in the buyer brokerage business until it is forced on them via a settlement with conditions, and at that point, they will be behind those that have prepared," Miller said.

The Law

Establishing damages is likely to be one of the biggest challenges for the plaintiffs, according to Northwestern's Speta.

"In a world without these rules, how much would they actually have paid?" he asked.

In the Missouri case, the plaintiffs already have one early advantage. That court has ruled the case can proceed on a per se basis, meaning the alleged actions are so likely to have been anticompetitive that they're treated differently in court, Speta said.

"It's a very important ruling that creates much more significant risk for the National Association of Realtors," Speta said. "It makes the plaintiffs' chances of winning the case significantly higher.

"It's not over for the defendants, but as of now, the court has said the case can proceed under the per se theory. It's troublesome for the defendants," he said.

The key distinction could make moot the NAR's position that the cooperation between buyer and seller brokers benefits the consumer, Speta continued.

"In a per se case, the defendant can't win by saying there are really good reasons for doing this," Speta said. "The consequence of a per se case is that the agreement is illegal."

The Future

Homes.com, owned by CoStar News parent CoStar Group, would not be directly affected by the ongoing lawsuits because its revenue comes from advertising fees rather than commissions.

It's unclear how much effect MLS verdicts could have on commercial real estate, where broker commissions also are common, but some brokers do business in both sectors.

"If the worst-case scenario [for the NAR] comes to pass, residential will look like commercial real estate," Decentre's Hahn said.

"You'll end up with four to five dominant brokerage firms, the way commercial real estate is dominated by three firms," he said of CBRE, JLL and Cushman & Wakefield. Broker commission structures would be negotiated upfront by sellers, as also seen in commercial deals.

Home sales could shift more to an auction format such as Hahn's Las Vegas-based MLS, he said. The only one of its kind, the MLS sells homes by auction, with buyers paying a premium.

Having a comprehensive list of properties is so vital that, if the MLS network were to collapse, a large company likely would step in to replace it with one nationwide database, Hahn said.

One major player would step forward to run a single, national MLS-like database containing every available home, Hahn said. Two candidates are CoStar, which already offers a similar database of commercial buildings used by industry professionals, and online residential marketplace Zillow, he said.

A NAR lawsuit loss could usher in sweeping changes to commissions, with consumers able to negotiate hourly rates, flat fees or other formulas. Buyers could be asked to pay their own brokers, rather than having both commissions funded by the seller at closing.

That would most adversely affect all first-time buyers and increase an already large racial disparity for home ownership, NAR's Williams said in the statement.

"Or buyers would be forced to go through the most important and complex purchase of their lifetime without the advice and counsel from a trusted professional," Williams said.

A drop in commission to an average of 2% for each broker would immediately push 40% or more of existing Realtors out of the business, with more likely to follow over time, Hahn estimated.

"If you're buying a \$150,000 condo, do you need an agent with 30 years of experience? Probably not," Hahn said. "If there's a complicated estate sale, you don't want to do that with an inexperienced agent. How much expertise should you buy? The consumer can decide.

"Right now, it all costs the same. That doesn't pass the smell test."

Connecticut State Department of Public Health

[CT.gov Home](#) [\(/\)](#) [Department of Public Health](#) [\(/DPH\)](#) Connecticut Department of Public Health stresses lead prevention safety

Press Releases

10/22/2023

Connecticut Department of Public Health stresses lead prevention safety

FOR IMMEDIATE RELEASE: Oct. 22, 2023

CONTACT: Chris Boyle, Director of Communications

(860) 706-9654 – christopher.boyle@ct.gov (<mailto:christopher.boyle@ct.gov>)

HARTFORD, Conn.— Oct. 22 - 28 is National Lead Poisoning Prevention Week. The goal of this awareness campaign is to bring together individuals, organizations, industry, and state, tribal, and local governments to increase lead poisoning prevention awareness in order to reduce childhood exposure to lead.

NLPPW highlights the many ways parents and caretakers can reduce children's exposure to lead in their environment and prevent its serious health effects. The U.S. Department of Housing and Urban Development, the U.S. Environmental Protection Agency, the Centers for Disease Control and Prevention, and other partners work to heighten awareness of lead poisoning, provide resources, and encourage preventive actions during NLPPW and beyond.

"The most common source of exposure to lead is from lead-based paint. Lead paint is most commonly found in older homes built before 1978," said Connecticut Department of Public Health Commissioner Manisha Juthani, MD. "It is estimated that roughly 70% of Connecticut's housing stock was built before 1980. Lead paint becomes dangerous when it cracks, peels, or chips off painted surfaces. Young children are at an increased risk of exposure due to their frequent exploration and hand to mouth behavior. Children absorb lead more easily than adults because they are still growing and developing."

Commissioner Juthani added that the rate of lead poisoned children in Connecticut has declined over the years; however, lead-related health disparities continue to exist. DPH data show that those living in urban communities and low-income families are at an increased risk.

Additionally, Non-Hispanic Black, Non-Hispanic Asian and Hispanic children in Connecticut are at greater risk for lead poisoning than Non-Hispanic White children. *(Note: these groups are 2.6, 2.0, and 2.2 times more likely to be lead poisoned respectively.)*

The Connecticut Department of Public Health is issuing the following prevention reminders for the community:

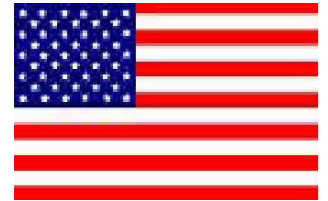
1. The only way to know if a child has been exposed to lead is to have them screened by a medical provider.
 - a. Connecticut mandates universal blood lead screening, and all children are required to be tested annually between the ages of 9 months and 35 months.
 - b. While Connecticut is doing a good job of having children tested at least once before the age of 3, only approximately 60% of children receive two tests before the age of 3.[1](https://ctgovexec-my.sharepoint.com/personal/christopher_boyle_ct_gov/Documents/Documents/Chris%20Boyle's%20Folders/News)
Talk to your child's medical provider about blood lead screening, especially if your young child has not been tested for lead.
2. Parents and caregivers can reduce their child's exposure to lead in the home.
 - a. Using wet cleaning methods (https://portal.ct.gov/-/media/Departments-and-Agencies/DPH/dph/environmental_health/lead/preventlead/Tipsforcleaningleaddustfinalpdf.pdf?la=en&hash=9B2781D0CFC12325B3CAAE3AE8648CE9) to clean dust, washing hands and toys frequently, and restricting children's access to deteriorated paint in older homes can help to prevent lead poisoning. Find out more at www.ct.gov/PreventLead (<http://www.ct.gov/PreventLead>) or www.ct.gov/Plomo (<http://www.ct.gov/Plomo>).

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		They have served as our primary leaders and in other capacities since 1992.		
		Please thank them for their service when you have a chance.		