



Are homes in south Reno really sinking, or are homeowners there getting a very expensive geology lesson?

Clay station

Sinking homes in South Reno?

Some South Reno residents find themselves

upwards of \$10,000 in the hole to fix what looks like sinking homes—but is actually a very expensive geology lesson.

South Reno housing developments sit on what was once irrigated pasture land that would see annual flooding in the spring. Over 150 years, that deposited massive amounts of expansive clay and fine silt onto the valley floor. This clay swells when soaked with water and shrinks in hotter, drier seasons.

The result? Seriously wonky floors and uneven furniture that gives the appearance of a sinking house—and the reality of a reduced value.

I spoke with an employee of a local construction and repair company, who requested anonymity, but has worked extensively with affected homeowners in Damonte Ranch, Double Diamond, Southeast Meadows and the general Southwest Reno area. He said foundational disfigurement tends to appear three to seven years after a resident moves in, and because there are so many variables in housing development, it may be a problem without any real solution.

In any new development, according to the construction source: “You have a lot of people seeing one piece of the problem. The hydrologist looks at water rights. The engineer looks at drainage. It’s very hard to step back and see the whole picture.”

Because the dirt is moved in large volumes and developmental paces vary, neighborhoods are affected in pockets—three homes could need repair on one street while the remaining homes might be fine.

The source explained that the soils are very difficult to identify during construction process, because “when a bulldozer is moving 5,000 yards of dirt, it’s going to mix with other dirt.”

Angela Fuss, a planning Manager with the city’s Community Development Department, said before any new housing is approved, “contractors must submit plans, which include things like sewer design, water design, structural designs, soil testing, and so on,”

—but clarified that the city itself does not run the tests

to see if the submitted data is accurate. However, she stressed, “All of the engineers involved in development have a responsibility, and are putting their legal license on the line when they stamp those plans.”

The other sticking point is that insurance companies will not cover this damage. Homeowners’ insurance policies are event-driven (e.g. an earthquake) and exclude subsidence (natural ground movement).

Jason W. Peak, an attorney with Laxalt & Nomura who has represented homeowners, general contractors and subcontractors, says both homeowners and builders tend to have a subsidence exclusion clause in their insurance policy—and many don’t even know it.

Peak added that, in his experience, soil engineers are rarely at fault. In fact, sometimes the homeowners are to blame.

“Engineers and builders can do everything they should have done ... and then a homeowner will landscape the backyard and over-water planters next to their house, and all that goes underneath the foundation,” he said.

Additionally, these foundational disfigurements can be seen as a mere cosmetic problem from a legal standpoint—though the sources said they have seen some safety issues, like doors and windows that can’t open.

Outside of preventative landscaping choices, “There’s no way for homebuyers to tell [if their home is built on this clay] outside of a really good home inspection,” said the anonymous source. But that tactic excludes buyers who snap up foreclosed houses, which are purchased as-is, without structural disclosures. (Even in scenarios where full disclosure is mandated, that’s only if there’s a known problem.)

While some homeowners swallow the cost as a casualty of buying a home, others are angry and are taking developers to district court—resulting in suits that can go on for years.

“In these types of lawsuits, everything is examined,” Fuss said. “Did they anticipate those clays would expand? Was there any proposal to mitigate the concerns? There’s a wide swathe of things that could cause homes to have these problems.”

Peak said builders usually put warnings in an informational packet given to buyers, but that doesn’t mean they’ll read it. “They bought the house for the schools, not the soil they’re on.”

Finding your Dream Home Starts Here!



Samuel Olson CRS

S.0177508

The Olson Group, Team Lead
RE/MAX Realty Affiliates
Sam@OlsonRealEstateGroup.com

Eric Medgyesi ABR

S.0180505

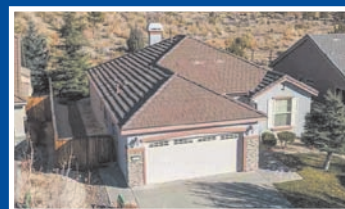
The Olson Group
RE/MAX Realty Affiliates
Eric@OlsonRealEstateGroup.com

FEATURED LISTING

AVAILABLE JAN. 24



**10646 Foxberry Park Drive
Reno, NV 89521 • \$489,900**



**9019 Cabin Creek Trail
Reno, NV 89523 • \$440,000**



**9434 Autumn Leaf Way
Reno, NV 89506 • \$350,000**



**3461 Ridgecrest Drive
Reno, NV 89512 • \$379,000**



**3903 & 3907 Village Drive
Carson City, NV 89701 • \$405,000**



**OLSON
GROUP**
RENO — REAL ESTATE — TAHOE

775.327.9935

RE/MAX Realty Affiliates
10795 Double R Blvd
Reno, Nevada 89521
search.olsonrealestategroup.com

This communication is not meant to solicit another broker's business.
Each Office Independently Owned and Operated.

