

For Sale- 4 Bedrooms - 2 Bathrooms and a Ghost
Do I have to mention the last part?
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You are ready to put the sign on the lawn! You have a pristine Victorian home in the Village. It is amazing how little you had to pay for it. Visions of amazing profit dance in your head. There is only one problem though, that pesky ghost in the attic who keeps complaining about some unfortunate incident so long ago. Why won't Casper just get a life and get over it! More important at the moment is do you have to disclose the fact that you have a ghostly houseguest to a prospective buyer? It might not help your sale.

Indiana law defines a "*psychologically affected property*" as real estate or a dwelling for sale, rent or lease to which one or more of the following apply:

- (1) That an occupant of the property was afflicted with or died from a disease related to the human immunodeficiency virus (HIV).
- (2) That an individual died on the property.
- (3) That the property was the site of:
 - (A) a felony under IC 35;
 - (B) criminal gang activity;
 - (C) the discharge of a firearm involving a law enforcement officer while engaged in the officer's official duties; or
 - (D) the illegal manufacture or distribution of a controlled substance.

Are you required to disclose why Casper is hanging around? The answer is "no", unless you are asked. You are not required to disclose any knowledge of a psychologically affected property in a real estate transaction. However, if you are asked, you may refuse to respond, but you must not intentionally misrepresent a fact concerning a psychologically affected property in response to a direct inquiry from a transferee.

So tell Casper to stay put in the attic and remember what they say in the army now, "*don't ask, don't tell*".

This article is for informational purposes only and not to be relied upon as a legal opinion. If you have a question, you should discuss it with an attorney who will advise you on how the law applies to your particular facts.