

Mold sends homeowners packing

Charging shoddy workmanship followed by indifference, some sue homebuilder.

By **Alicia Robinson**

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NEWPORT COAST — After abandoning a home in Corona del Mar to escape mold problems, major league sports agent Leigh Steinberg and his family experienced unwelcome deja vu when their custom-built home in Newport Coast apparently couldn't withstand heavy rains in 2004 and 2005.



This and other Ocean Heights subdivision homes are in the process of being rebuilt due to severe rain damage and mold. Owners are suing the builders for the the cost of the poor construction.

Water came into the living room, garage and elsewhere in the house, Steinberg said, and his mold problems threatened to begin again.

More than a dozen of his neighbors living in \$4-million to \$5-million homes with ocean views tell similar tales, and they said the builder, U.K.-based Taylor Woodrow, has only made limited efforts to repair the damage.

Now Steinberg is the lead plaintiff in a lawsuit filed in June 2005 in Orange County Superior Court asking the builder for at least \$10 million to fix "improper design, construction and/or installation" of the homes.

After having the home inspected, Steinberg said, "It became clear that to ever fix the house, every window will have to be replaced, the walls will have to be taken down to the studs and, in essence, the house will have to be completely rebuilt."

According to the homeowners, the problems started in late 2004, when 100-year rains hit Orange County. They attribute the problems to improper drainage, faulty waterproofing and poor-quality materials.

Heidi Ambe and her husband paid \$3.55 million for their home, which was built in 2001. When the water invaded, Ambe said, toxic mold grew inside the walls and her 18-month-old daughter became ill, appeared listless and was covered in a head-to-toe rash.

Taylor Woodrow officials initially said they would take care of it, but once they realized how big the problem was, Ambe said, "They rescinded our offer and said, 'We're sorry — you're going to

have to sue us.' " The family moved out of the house in April 2005 and is now renting a place in Newport Beach.

To pay for a temporary home and reconstruction of their Newport Coast house, Ambe said she and her husband have been working extra hours.

"My poor husband — he's a plastic surgeon — he's having to do five surgeries a day ... where typically it would be three," she said.

Taylor Woodrow spokeswoman Arianna Barrios at the builder's regional headquarters in Irvine would say only that the company does not comment on ongoing litigation.

Other building and real estate experts said in their experience, cases like those Ambe and Steinberg describe are rare, though they added they are not familiar with the Newport Coast suit.

Several years ago, a few mold cases took on high profiles, which led some homeowners to panic even though mold has been around a long time, said Julie Center, spokeswoman for the Building Industry Assn. of Southern California.

Now, claims are rare because builders take steps to prevent mold, she said.

"Homebuilders for the most part want the first opportunity to fix problems without going to court," Center said.

In some cases, attorneys push homeowners to litigate, said real estate broker Kent McNaughton, who sells homes in Newport Coast. Under state law, builders are responsible for defects in their homes for 10 years; some lawyers will encourage clients to check their properties for defects before the end of that period, he said, encouraging a lawsuit if a significant defect is found.

"I find it very rare that you would find a quality builder like Taylor Woodrow that you would have a construction defect of that magnitude," he said.

But the homeowners say the builder is shirking responsibility. Some are living with parts of their homes sealed off by plastic, and a few who were unable to wait have begun rebuilding.

"The mold testing and reports speak for themselves as far as the extensive amount of toxic mold in the homes," said Steven Roseman, an attorney representing 12 of the 16 litigating homeowners.

The most galling aspect of the story for the homeowners is that Taylor Woodrow built two homes for less fortunate families on the "Extreme Makeover: Home Edition" TV show, and in one case the company was remodeling a mold-infested home for a family with a sick child.

On the show, a Taylor Woodrow executive becomes tearful as he is praised by the family and the show's host.

And yet, Steinberg said, the company refused to help him and his neighbors.