

## A property's past could come back to haunt you

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If you live in a city with a hot housing market, any property that's being sold at a reasonable price could catch your eye.

While you may want to jump on offering a bid before it's scooped up, take some time to research the property before doing so since there may be more than meets the eye. Unfortunately, some homes could come with unsightly history that some buyers may not be informed about.

Whether there was a murder, suicide or a marijuana grow-op on the property, Ontario real estate agents and sellers aren't legally obligated to share this information, according to the *Toronto Star*.

The Real Estate Council of Ontario (RECO) requires real estate agents to disclose what they know about a stigmatized property, along with verifying relevant facts about it, but if the seller doesn't inform their real estate agent, then they can't disclose information they don't have.

One Toronto couple unfortunately found out the hard way when their new neighbours informed them about a suicide in the home after they'd bought the property. The neighbourhood knew extensive details about the suicide scene in the basement washroom, which the seller had lied about to buyers when she told them her brother (the original owner) had died of a heart attack. The basement washroom had also been newly renovated.

Upon the discovery, there was no legal options available to the couple since the deal didn't involve any real estate agents.

Across Canada, only Quebec requires property stigma to be disclosed, but the rest of the nation does not.

Studies have shown that situations such as this will affect resale prices, as well as the length of time the property will stay out on the market.

It won't only affect your resale price, but banks and insurers are also hesitant to finance former grow-op homes, according to the *Financial Post*.

The environment required to operate a grow-op can cause mould in walls, which compromises your home's structural integrity. Pesticides and chemicals used in the operation can also contaminate the air if they've seeped into the home's carpet or walls.

Some insurers will require future homeowners to show proof that they've remedied these issues,

but even then, some still won't offer financing or insurance which forces these homeowners to turn to [alternative lenders](#).

Don't let a property's past hurt your future. Ask a property's neighbours to learn more about it. Buyers should always do extensive research about a property before offering a bid.

Keep in mind that unfortunate events aren't the only reason that could [hurt your property's value](#) and be on the lookout for any of these issues while house hunting.

Consider buying a newly built property to avoid this potential issue. If you buy a newly built property, [Rebate4U](#) can help you figure out the paperwork to claim an [HST housing rebate](#). Our priority is to provide our clients with the most professional and quality service in obtaining rebates for their new and renovated homes. We are proud to offer our clients the most personal and attentive service, and we make sure that all of our clients are 100% satisfied.