

You & The Law

THE DANGERS OF GROW-OP HOMES



***A.S. MATTOO
& ASSOCIATES
LAW OFFICE**

* DENOTES PROFESSIONAL CORPORATION



Amrik S. (Steve) Mattoo
amrik@mattoolaw.com

"So what if someone once grew a few pot plants here?" That house or condo you're eyeing (though somewhat run-down) is very attractively priced, and the agent says it's a steal. But there's a lot more to consider than you may realize.

Buyers, owners, landlords, tenants and lenders are all at significant risk from homes, apartments and commercial buildings used as marijuana growing operations or illegal drug labs. For example, a landlord whose rental property has been used as a grow-op risks having it seized by the government under B.C.'s Civil Forfeiture Act (in effect since 2006).

The grow-op problem is particularly wide-spread in B.C., famous for its "B.C. Bud." It's estimated there are up to 20,000 cannabis grow-op dwellings in the province, some two-thirds in the Lower Mainland alone.

For buyers, a former grow-op house or condo poses serious health and other risks.

There may be residual toxic mould from

the indoor farming operation. Herbicide and pesticides may have been used in producing the plants, and there may be high concentrations of carbon monoxide and carbon dioxide, endangering children and adults breathing the air.

Safety hazards include a 40 times higher risk of fire than in a typical residence. Even after the home is no longer a grow-op, the fire risk is still greater due to faulty re-wiring or connections, short-circuits or potentially explosive gas leaks.

Water and structural damage are other common problems. Critical supports may have been removed to expand the indoor grow space and make it more profitable, making the dwelling structurally unsound. Water and humidity may have damaged floor coverings and appliances.

The repair and restoration costs (including investigation costs and permit fees) to fix and make a former grow-op dwelling safe and fit to live in can soar into the tens or even hundreds of thousands of dollars.

Even after the home has been repaired, it will always have the stigma of being a former grow-op, negatively impacting its resale value. Property Disclosure Statements require sellers to indicate if they're aware that the dwelling has been used as a grow-op or for making illegal drugs.

How can you protect yourself before making a property purchase you might later

regret?

Be wary if the seller refuses to sign a Property Disclosure Statement (sellers don't legally have to). And pay close attention to what's in the statement if the seller does sign. It may only hint at problems in an effort to minimize their seriousness. Also make the statement explicitly a part of your purchase contract.

Look for any signs that the property might once have been a grow-op. Check for the obvious (e.g., a dented front door, possibly from a police boot, or rings left by plant pots) as well as unusual odours and humidity, odd electrical wiring and the like. Ask to see copies of B.C. Hydro bills to ensure they're not unusually high – hydroponic grow-ops use more power than homes normally do. And make it a condition of the deal that the building passes a professional property inspection – an experienced home inspector may notice signs of a grow-op that you might miss.

Also make sure the property qualifies for financing. Getting a mortgage for a former grow-op can be difficult, if not impossible.

If you suspect or encounter any grow-op issues, consult your lawyer immediately.

Written with contribution by A.S. Mattoo & Associates Law Office. This column provides information only and must not be relied on for legal advice. Please contact AMRIK S. (STEVE) MATTOO of A.S. Mattoo & Associates Law Office at (604) 572-6000 for legal advice concerning your particular case.

Lawyer Janice Mucalov, author of this column, writes about legal affairs for several publications. "You and the Law" is a registered trade-mark. © Janice Mucalov.



***A.S. MATTOO
& ASSOCIATES
LAW OFFICE**

* DENOTES PROFESSIONAL CORPORATION

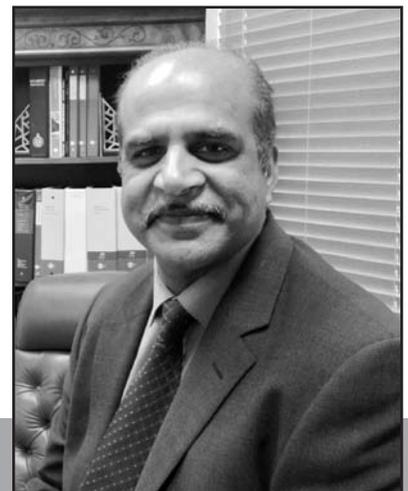
**RESIDENTIAL / COMMERCIAL
REAL ESTATE**

MORTGAGE / REFINANCE

WILLS & ESTATES

CORPORATE & BUSINESS LAW

Amrik S. (Steve) Mattoo
amrik@mattoolaw.com



PH.: 604-572-6000
FAX: 604-572-6001

**#209-8120-128TH ST,
SURREY, BC V3W1R1**

Hours:
Mon-Fri: 9am-5am
www.MattooLaw.com