

Property Stigma

A property stigma is an unfavourable quality in a property or one that makes the property less attractive or unattractive, but that is unrelated to the physical condition or features of the property. Stigmas may include:

- a suicide or death that occurred in the property
- the property was the scene of a major crime
- the address of the property has the wrong numerals
- reports that a property is haunted

What one person finds unacceptable may not be a stigma to another.

Generally speaking, sellers are not legally required to disclose property stigma.

If you are a buyer

When you're shopping for a home, you'll likely talk to your real estate professional about the features you're looking for; you should also discuss the things you want to avoid.

Tell your real estate professional if you are concerned about certain stigma—for example, if it would bother you to find out a suicide has taken place in the property. If there are stigmas that bother you, your real estate professional can ask a seller or the seller's real estate representative direct questions about any existing stigma associated with a property you're interested in.

The seller or the seller's representative is not legally required to answer questions about stigma; however, they can't lie. If they choose to answer your questions about stigma, they must do so honestly.

If the seller refuses to answer your questions, this may raise a red flag. In that case, you can

- proceed with the purchase without an answer to the stigma question
- do your own research:
 - through the Internet (e.g. Googling the address).
 - ask neighbours. Neighbours can be a great source of information. They will almost always know, for example, if a major crime has occurred at the property. If you see them outside when visiting a property, say hi.
- find another home to purchase

Your real estate professional can help you decide how to proceed.

As you start to look at properties, you may wonder what else you can do to help ensure you find the right property.

DO:

- ask about stigmas that concern you
- visit a property for a second showing if you're interested, but still not sure
- ask about specific things you see in the house that you want to ensure are included in the purchase
- ask your real estate professional to search title to ensure there are no identified issues on title, such as builder's liens or building design restrictions