

Cannabis Checklist—Residential Real Estate (Seller)

Check off each item as they are completed

Done

Some cannabis-related conversation to have with sellers

- Seller's obligation to disclose material latent defects.
- Explain material latent defects. Material latent defects are not exclusive to damage. They can result when property is suitable for a use communicated by the buyer. For example, the buyer may have an allergy to cannabis.
- Explain that some buyers may simply not like properties where cannabis was consumed or lawfully cultivated. Explain to the seller the option to provide truthful responses or decline to provide a response.
- Have they grown cannabis in their residence?
 - If the answer is no, there is nothing more for you to do.
- If the seller has grown cannabis in their residence:
 - Ask if the sellers grew four or less plants.
 - Ask the sellers how they grew the plants (did they use any enclosures, were there any signs of molds, did they adjust the wiring, was there any water damage?).
 - If there are no material latent defects, then there is no legal requirement to disclose the cultivation of cannabis.
 - If you suspect damage, talk to the sellers and explain their duty, and subsequently your duty, to disclose the damage.
 - If the damage was remediated, undertake reasonable diligence to determine if the remediation was plausible (make a reference to the job aid we have on this issue).