Non Registered Basement Apartments

Basement apartments are common in many of our markets — but not all of them are legal or registered with the municipality. As real estate professionals, our job is to protect our clients' interests while staying compliant with the law and maintaining our professional standards.

- How We Navigate Representation with Integrity and Compliance

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How We Handle It:

1. **Identify the Status Early**
   During listing or when showing a property, ask the right questions:

   - “Is the basement apartment registered with the municipality?”
   - “Can you provide documentation or permits for the second suite?”

2. **Disclosure is Key**

   - If you’re listing the property: **you must disclose** if the basement apartment is not legal or not registered — even if it’s currently tenanted.
   - Use language like:
     “Basement apartment currently tenanted. Seller does not warrant retrofit or legal status.”

3. **Represent, Don’t Certify**

   - You are not a building inspector or a by-law officer.
   - Don’t guess or guarantee the legal status — always encourage the buyer to verify zoning and compliance directly with the local municipality.

4. **Document Everything**

   - Add notes to your file (email confirmations, MLS remarks, status disclosure, etc.).
   - If the seller is unsure, put that in writing.

5. **Protecting Buyers**

   - Advise buyer clients to do their own due diligence.

- Recommend speaking to a lawyer or the municipality before closing.

6. **Working with Tenanted Units**

   - If the basement is rented, understand tenant rights under the Residential Tenancies Act (RTA).
   - Illegal unit or not, a buyer cannot evict a tenant without proper notice or valid reason.

Agent Note:

We’re not here to pass judgment or enforce the law — but we do need to **represent our clients with full transparency and professional care**. If we hide or ignore the legal status of a basement apartment, we’re putting our clients — and ourselves — at risk.