

TALES FROM THE TRENCHES™

BY BARRY C. MCGUIRE

A REAL PROPERTY REPORT WITH MUNICIPAL COMPLIANCE DOESN'T PROVE A SUITE IS LEGAL.

Are you looking to buy a property with a secondary suite? Ideally, you want to buy properties with legal secondary suites.

Here's some background. A Real Property Report (RPR) is a two dimensional drawing prepared by a professional land surveyor according to their manual of surveying practice. The current, standard Alberta Real Estate Association contract used by all MLS realtors requires the seller to provide the buyer with a current RPR and written evidence of municipal compliance (city bylaws and permits). So, if you are a buyer and you and your realtor use the standard form contract, you are expecting to see an RPR as described above.

Let's say you are a very careful investor and instead of just getting the RPR as part of closing documentation, you make it a condition of contract that the seller supply the RPR and compliance for your review, say, 10 days prior to closing.

The seller provides a nice, relatively new, legible RPR and it has either a nice compliance stamp or a letter from the municipality confirming compliance or non-conformance. That meets the seller's obligations under the contract and you are a happy camper thinking you now have proof of a legal secondary suite.

But wait! On a closer examination of the RPR and compliance you notice there is no reference to, or evidence of, that secondary suite. That's because *the surveyor only makes his/her RPR drawing of the outside of any buildings* or improvements. S/he doesn't go into the house and look in the basement to see if there is a secondary suite.

So, when the RPR is sent off to the municipality for a compliance application, all the clerks see is what the surveyor drew. Like the surveyor, they also have no idea that there is a secondary suite and so the compliance notation doesn't take into account—and certainly does not legalize—the existence of that secondary suite.

For more information on legal vs. illegal suites in Edmonton, check out [my previous blog post](#).

Lessons Learned:

1. Don't get caught thinking that an RPR and compliance that meets the seller's contractual obligations is also proof of the legality of a secondary suite.

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2. The only proof of a legal secondary suite is a combination of properly issued permits and final inspections found in the City file.
3. To check the City file you need an authorization signed by the seller allowing the City to give you information/search the file. Your realtor can help you get this authorizing form.
4. Be aware that the City of Edmonton has been actively cracking down on illegal suites lately. Your best bet is to either buy properties with legal suites or to make sure that it would be possible and reasonable to make the suite legal.

**FOR ALL YOUR ALBERTA REAL ESTATE LEGAL NEEDS,
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