



Fonds d'indemnisation du courtage immobilier

The buyer of a house sold without legal warranty files a compensation request

The mission of the Fonds d'indemnisation du courtage immobilier is to provide compensation to victims of fraud, dishonest transactions or misappropriation of funds by a real estate broker or agent. When the Fund pays compensation, it can then take action against the broker or agent involved to recover the amount of compensation paid.

In a small municipality in the Lanaudière region, a buyer purchased, for a very low price, a house sold without legal warranty. After a few months, the residents developed health problems caused by rot and mildew in the walls.

The buyer then learned from a neighbor that the house had once been used to grow marijuana. He also noticed that the roof was not leaktight and that water was coming in through the foundations.

Following these discoveries, the buyer decided to have the house completely rebuilt. He then filed a claim with the Fonds d'indemnisation, stating that the real estate agent with the brokerage contract (the listing agent) hid the fact that the house had been used as an hydroponics greenhouse to grow marijuana, and that his own agent would have misled him as to the consequences of purchasing a house without a legal warranty.

However, the buyer had no concrete proof that the listing agent knew that the house might have been used as an hydroponics greenhouse, nor that his agent might have voluntarily misled him in connection with the warranty. Moreover, the damages claimed were related to mildew issues and potential causes were too great to be linked directly to a potential hydroponics greenhouse.

The Fonds d'indemnisation therefore had to reject this claim.

Further information is available on the Fonds d'indemnisation's Web site at www.indemnisation.org.

You can also contact the Fonds d'indemnisation at **450 676-4800** or **1 800 440-5110**.