



VIREB

VANCOUVER ISLAND REAL ESTATE BOARD

AN ASSOCIATION OF REALTORS®

Property Disclosure Statement

Buying a home is a significant investment and requires careful evaluation. In 1991, the BC Real Estate Association, the provincial association for REALTORS®, introduced the Property Disclosure Statement (PDS). This document is a detailed form that asks a property seller to disclose any defects to a prospective buyer.

The PDS is not required by law. However, the REALTORS® of BC decided to make the PDS – and its complementary forms the Strata Property Disclosure Statement and the Rural Property Disclosure Statement – available to any client wanting to list a home on the MLS®. The PDS can be legally incorporated into the Contract for Purchase and Sale.

The PDS goes beyond current legal disclosure obligations and itemizes potential problems for prospective buyers, such as buried fuel storage tanks, asbestos insulation, unauthorized rental suites, renovations done without a permit, moisture problems, unregistered easements or encroachments, and whether the home was ever used as a grow-op or drug lab.

The Strata Property Disclosure Statement covers a range of condominium-specific issues such as parking and storage allocations, special assessments, restrictions on age, pets or rentals and building envelope problems.

The Rural Property Disclosure Statement identifies issues related to rural land, such as the quality of well water, septic systems and flooding problems.

In some situations, such as an estate sale, the seller may not have enough information to complete the PDS, and the buyer will need to rely on other sources of information. The PDS is also not a legally binding warranty of the property's condition. It is only a report of what the seller knows about the property.

Although the PDS is never a substitute for a thorough, professional home inspection, it is a great place for buyers to begin their due diligence investigation into any home they are hoping to purchase.