



What REALTORS[®] Should Know

About Clandestine Synthetic
Drug Labs

This publication is produced in collaboration with the Royal Canadian Mounted Police.
Please note that provinces and territories may have their own rules/requirements with respect to Clandestine Synthetic Drug Labs.
You may wish to seek legal advice or contact your provincial/territorial regulator or real estate association if you have any questions.

Document developed in collaboration with RCMP Federal Policing Prevention Services.

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Introduction

When you think of scientific laboratories making synthetic (human-made) drugs for pharmaceutical use, you probably envision a secure, ventilated and clean workspace with technicians wearing protective glasses, gloves and masks—a lab where ingredients are carefully measured and labeled. In the case of an accredited drug laboratory, you would be right.

Unfortunately, illegal, toxic, and highly dangerous clandestine labs also exist throughout communities across Canada. Also referred to by police as “clan labs,” they can be hidden in the heart of any neighbourhood.



What is a clandestine drug lab?

A clan lab refers to a secret or concealed location where synthetic drugs such as methamphetamine (also referred to as “meth”), MDMA (also referred to as “ecstasy”), and fentanyl are produced, or prepared. Pill presses are also used to transform synthetic drug powder into tablets. These labs operate in total illegality under the *Controlled Drugs and Substances Act*.

They can be very elaborate—or very simple—and can be found in upscale single- and multiple-family dwellings, farms, rural properties, automotive shops or warehouses. Some types of production require very little equipment and external electrical supply. Ingredients can be mixed in pop bottles that can become volatile and explosive.

Most of Canada’s synthetic drug supply is produced domestically with organized crime behind the bulk of production. Many ingredients are available in drug, food supplement and hardware stores. The motives of the operations are simple: to make money—without consideration of the health and safety of drug users or the neighbourhoods they occupy. The presence of these labs leads to increased criminal activity in these communities.



Why REALTORS[®], homeowners, sellers and buyers need to care

Clan labs are synonymous with poisoned air, contaminated walls, contaminated well water and toxic environments. Those living around clan labs—including children—could suffer consequences to their health.

Lab operators put their own lives and the lives of other residents and neighbours at risk. Accidents such as fires, explosions, burns, and electrocution are common.





Are you showing a clandestine drug lab?

The presence of any single indicator may not be a cause for concern. However, a cluster of the following indicators may indicate the property is a clan lab.

FROM OUTSIDE



Odours

Pungent smells such as black licorice, ammonia or vinegar acetic taste/odour could be from solvents used.



Vents

Staining around vents, extreme corrosion and/or unusual coloured vapour emitting from vent.



Security

Extensive security measures or attempts to ensure privacy, including camera setups, several locks on exterior doors, and "beware of dog" signs.



Garbage

Large quantities of chemical containers, bottles, metal drums, fibre (cardboard) barrels.



Landscaping

Burn pits, stained soil, or dead vegetation indicating dumped chemicals or waste.



Windows

Covered, blacked out, or with the curtains always drawn.



Containers

Labels that have been removed or painted over.

FROM INSIDE



Medication

Large amount of empty cold medication containers containing ephedrine and pseudoephedrine.



Stains

Decolourization or red stains on countertops, bathtubs or sinks and toilets due to corrosive chemicals.



Glassware

Laboratory glassware and equipment, including cookware (such as Pyrex) or frying pans with powdery residue and bottles with rubber tubing attached to other chemicals.



Filters

Coffee filters with white pasty substances or shiny white crystals (or reddish-brown substances).



Cat litter

Excessive amounts used to soak up chemical spills.



FROM OUTSIDE

FROM INSIDE



BEHAVIOURAL INDICATORS:



Residents

Either they're only home occasionally and for short periods of time or seem to always be home and never leave the house. They avoid contact with neighbours and only access the residence through the garage to load and unload material.



Behaviour

They appear secretive about their activities and display paranoid or odd behaviours.



Strategic

Garbage is rarely put out or put out in another neighbour's collection or they may wait for the arrival of the garbage truck to bring their garbage to the curb.



Visitors

Arrive during odd hours and for short periods of time.



What do I do if I encounter a clan lab?



Evacuate the premise.



Do not touch or inhale anything.



Do not turn on or off electrical power switches or light switches.



Do not open or move containers.



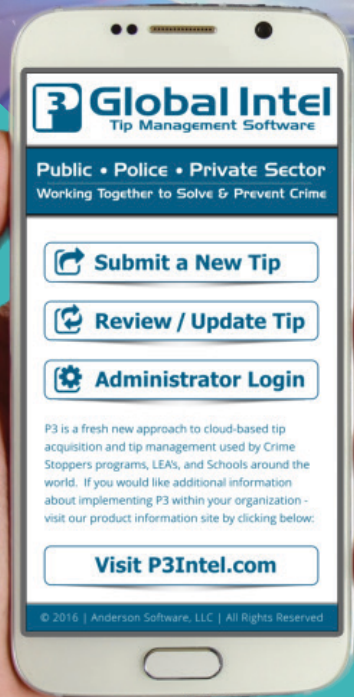
Do not disconnect power or water inside or to the building.



Decontaminate yourself and your clothing and wash your hands and face thoroughly.

**If required, have your local fire department respond to assist with decontamination.*





BE EXTREMELY CAREFUL!

If you suspect the presence of any illegal drug activity in your community, including labs, purchasing, or toxic waste dumping:

- Contact your local police or fire department
- Contact Crime Stoppers (toll free) by dialing **1-800-222-TIPS (8477)** or visiting **www.crimestoppers.ca**
- Download the free **P3 Intel App** available on the App Store and on Google Play to submit a new tip!



What REALTORS® should know about disclosure

If you have any questions about the disclosure requirements in your jurisdiction, it is recommended that you seek legal advice or contact your provincial regulator or real estate association.

INFORMATION FOR LISTING AGENTS

Under the common law, the disclosure obligations of a listing agent are the same as those of the seller. If the seller is required to disclose, so too is the agent. Sellers and listing agents are obligated to disclose a property was a clan lab when:

- there is a material latent defect the vendor knows or ought to know about;
- the buyer asks a specific question or expresses a specific concern;
- the agreement of purchase and sale contains references the property was not used as a clan lab; or
- there is a statutory or regulatory requirement this disclosure be made.

If none of the above criteria apply, there is likely no obligation to disclose the fact the property was a clan lab; however, provincial regulations and codes of ethics may impose a higher obligation of disclosure on a REALTOR®.





INFORMATION FOR BUYER AGENTS

If you're a buyer agent and you know the property in question was used as a clan lab, you have an obligation to disclose that fact. As part of your obligations as a buyer agent, you should take reasonable steps to ensure the property hasn't been used as a clan lab.

A buyer agent should be aware there may be no obligation on the part of sellers to voluntarily disclose the property has been used as a clan lab. The buyer agent should be proactive in protecting the buyer by:

- ensuring the agreement of purchase and sale contains a representation on the part of the sellers that the property has not been used as a clan lab; and
- recommending their buyer get a building inspection;
- specifically asking the listing agent or seller if the property has been used as a clan lab;
- specifically asking whether the sellers have knowledge of any defects—latent or patent.

INFORMATION FOR DUAL AGENTS

If you're representing both the buyer and the seller as a dual agent, you have an agency obligation to disclose all pertinent information to both parties. Before agreeing to represent both the buyer and the seller in a transaction where the property was used as a clan lab, it's important to inform the seller of your obligation as a dual agent to disclose the details of the property to the buyer.





Frequently asked questions



How do I disclose the information?

There is no standard or requirement for disclosure. The disclosure can be made verbally; however, given the nature of the problem with clan labs, REALTORS® are encouraged to act in an extremely cautious manner by having disclosure documented. If a listing agent is going to indicate on the data input sheet the property housed a clan lab, they should first satisfy themselves this disclosure is required by law or regulation and should obtain consent for disclosure from the seller. Any disclosure required by law should be made before any agreement of purchase and sale is signed.



What are the legal consequences of selling a home without disclosing it was once used as a clan lab?

There may be no obligation to disclose the property was a clan lab. That is the first area of inquiry a REALTOR® must undertake. There is, however, always an obligation to disclose material latent defects that are known or should be known by the seller. Both the seller and the listing agent (if they knew or ought to have known) could be liable to the buyer for damages if any repairs are needed to make the property habitable. Remember, the standard of care imposed on agents requires them to confirm information when the circumstances dictate. In some situations, REALTORS® may not be able to simply take the seller's word regarding the status of defects and may need to investigate further.



As a REALTOR®, do I have to take any steps to determine if my client's property has been used as a clan lab?

Yes. As a REALTOR® you have a legal duty to make reasonable efforts to discover the relevant facts about your client's property. REALTORS® are also bound by the REALTOR® Code—a code that symbolizes a commitment to competence, service and professional conduct. According to the REALTOR® Code, a REALTOR® has an obligation to discover facts pertaining to a property that a prudent REALTOR® would discover in order to avoid error or misrepresentation (Article 4: Discovery of Facts). Provincial regulations and regulator codes of ethics may impose additional obligations on a REALTOR®.



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