

Before you buy

A house or a condo is a big investment. Your real estate agent knows the housing market and has a duty to work for you. However, your agent is not a lawyer and cannot protect your legal interests. Your lawyer can advise you on these questions:

- Are there any liens or outside claims from unpaid debts for past work? Any outstanding judgments or municipal work orders? Have utilities been paid?
- Did the builder have the necessary building permits and work orders for any work done?
- Does the property comply with all by-laws? For example, is the fence height legal? Is the parking area allowed by zoning? How will any easement and rights of way effect or limit my use of the property?
- Are there any special zoning or other rules or restrictions that apply to this property? For example, is it in a heritage district? Can I put in a clothesline? Is an above-ground swimming pool allowed? Is the sump pump discharging according to local regulations?
- Does the property have asbestos, UFFI, lead paint? If yes, what can I do about it?
- Is the current owner leaving behind appliances? The garden shed? The light fixtures? The curtains and blinds? Does the owner need to fix anything before the sale closes?
- Can I rent out the basement? Can I have a tenant?
- What does the condo's status certificate tell me to expect?
- What do the mortgage papers from the bank mean? Can I pay off, refinance, or sell early without paying a penalty? Will my interest rate change? When?
- I am buying the property with someone else. What does it mean to be "tenants in common" or "joint tenants"?
- Is the title free and clear? Is the survey acceptable? Should I get title insurance?
- What cost should I expect (for example, adjustments, land transfer taxes, mortgage, property taxes, CMHC insurance).

It is worth getting legal advice to make sure you know the right answers to these and other questions. Speak to a lawyer before you sign anything, including an offer to purchase. Protect your interests.

Written by: The Canadian Bar Association