A FREE BUYER'S RESOURCE

The Closing *Checklist*

What your real estate lawyer *actually* checks before you own a home in Ontario.

Explained simply — the way I'd tell a friend.

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What’s inside this guide

Skim it now, then come back to the checklists when your closing date gets close.

Read this first

First — congratulations. If you're reading this, you're either about to buy a home in Ontario or you want to understand what really happens when you do. Most buyers don't. They sign where they're told, pay their lawyer, get the keys, and never actually learn what they paid for.

This guide fixes that. I'm going to walk you through exactly what happens behind the scenes at closing — what your lawyer is checking, what can go wrong, and what to ask — in simple words, the way I'd explain it to a friend sitting across from me, not in legal jargon.

> **HOW TO USE THIS GUIDE**
> Read it once now so nothing surprises you. Then keep it. Pull it back out when you're a week from your closing date and run through the checklists at the end. Every term that sounds complicated is explained in the glossary on the last pages.

> **IMPORTANT**
> I'm a realtor, not a lawyer. This is general education for Ontario buyers as of 2026 — not legal advice. Laws, fees, and tax rebates change, and every deal is different. Always confirm the specifics with your own real estate lawyer before you act.

IF YOU REMEMBER NOTHING ELSE

The 3 things that matter most

1. The title search is your real protection. Make sure your lawyer does a full one — and actually tells you what they found.
2. Buying a condo? Never skip the Status Certificate review — it can save you from a broke building and thousands in surprise bills.
3. Between mortgage approval and closing day, change nothing financial — no new loans, big purchases, or job changes. It can sink your deal at the last minute.

Part 1 — What “closing” actually means

“Closing” is just the day the home legally becomes yours. Up to that point you have a signed deal (an offer the seller accepted) — but you don't own anything yet. On closing day, three things happen behind the scenes, usually all on the same morning:

- **The money moves.** Your down payment and your mortgage funds are sent to your lawyer, who pays the seller.
- **The title transfers.** Your name is registered as the new legal owner on Ontario's official property record.

- **The keys are released.** Once the money and the registration are done, the seller's side releases the keys to you.

The gap between “offer accepted” and “closing day” is where all the real protection work happens — and almost all of it is done by your lawyer. That's what the rest of this guide is about.

> **IN SIMPLE WORDS**
> Think of buying a home like buying a used car — except the “car” might come with someone else's unpaid loans, illegal modifications, or a stranger who has the right to drive through your driveway. The closing process is the inspection that catches all of that before the keys are in your hand.

Part 2 — What your lawyer actually does at closing

Most buyers pay their lawyer somewhere around $1,500 to $2,500 and have no idea what it covered. Here are the four core jobs they're doing for you.

1. Reviewing your agreement

Your lawyer reads the Agreement of Purchase and Sale (your signed contract) line by line, and makes sure every condition and clause is legally satisfied before you're locked in. They catch problems in the wording while there's still time to fix them.

2. Handling all the money

Every dollar — your deposit, your down payment, your mortgage funds, and the closing adjustments — flows through your lawyer's trust account (a secure, regulated account). They make sure the seller is paid the exact right amount and that nothing goes to the wrong place.

3. Arranging your title insurance

They order a title insurance policy that protects you against certain hidden problems discovered after you already own the home. (More on what this does and doesn't cover in Part 5.)

4. Registering you as the legal owner

This is the moment it becomes officially yours. Your lawyer registers the transfer of title — and your mortgage — on Ontario's Land Registry. Until this is done, you don't own the home, no matter what you've signed or paid.

But the single most important thing your lawyer does isn't on that list. It's the **title search** — and it's worth understanding on its own.

Part 3 — The Title Search (the most important part)

A title search is a full investigation into the property's legal past. Not the paint, not the kitchen — the legal history. Because when you buy a home, you're not just buying the building.

You're buying everything that's legally attached to it. If something is wrong in that history and it's missed, it becomes *your* problem the day you take ownership.

Here are the main things a good lawyer digs into during a title search, and why each one matters to you.

"When you buy a home, you're not just buying the house — you're buying everything that comes with it."

Liens — someone else's debt attached to the home

IN SIMPLE WORDS

A lien is a legal claim someone has registered against the property because they're owed money. Here's the scary part: liens attach to the property, not the person. If they aren't cleared before closing, you can inherit the bill after you own the home.

Common types of liens your lawyer looks for:

- **Unpaid property taxes** the previous owner never paid.
- **Construction / contractor liens** — a renovation crew or supplier was never paid for work on the home.
- **Court judgments** registered against the owner (called "executions").
- **Condo fee arrears** — unpaid monthly condo fees (covered more in Part 4).

GOOD NEWS — A 2024 CHANGE THAT PROTECTS YOU

There used to be a common trap called a NOSI (Notice of Security Interest) — a claim companies registered for rented equipment like furnaces, water heaters, and AC units. As of June 6, 2024, Ontario's Homeowner Protection Act banned consumer NOSIs and wiped out existing ones. That's a real win for buyers.

But the equipment itself can still be rented. So your lawyer will also do a PPSA search to check for any rented or financed fixtures, and confirm in your contract who pays to buy them out — you, or the seller. Always make the seller's rental contracts (furnace, AC, water heater, water softener) clear before closing.

★ INSIDER TIP

If any fixture — furnace, AC, water heater, water softener — is rented, ask for BOTH the monthly cost and the buyout cost before you firm up your offer. Rental contracts can be surprisingly expensive to get out of.

Zoning — is the home legally what the listing says it is?

IN SIMPLE WORDS

Zoning is the set of rules for what a property is legally allowed to be used as. A listing can say “duplex” or “legal basement apartment” — but if the city never approved it, it isn't legal, no matter what the seller calls it.

Example: you buy what's advertised as a legal duplex, planning to rent the second unit. After closing you discover the city only ever recognized it as a single-family home. Now the rental income you were counting on is illegal — and fixing it (or losing it) is on you. Your lawyer checks that the property's legal use actually matches what you're being sold.

Easements & rights-of-way — does someone else have rights to your land?

IN SIMPLE WORDS

An easement is a legal right for someone else to use part of your land for a specific purpose — even though you own it. A right-of-way is one common type: the legal right to pass through or across your property.

Who might have these rights? A utility company that needs access to lines running under your yard. A neighbour whose only driveway crosses your land. The city, for a buried sewer. None of this shows up at a showing — but it can limit where you build a fence, a pool, or an addition. Your lawyer finds these in the title.

Work orders, open permits & encroachments

Two more things a careful lawyer checks: **work orders and open permits** (the city has flagged something that must be fixed, or a past renovation was never properly closed off with the city), and **encroachments** (part of a structure — a fence, a deck, a shed — sits over the legal property line, either onto a neighbour's land or from theirs onto yours).

THE BOTTOM LINE ON TITLE SEARCH

Any one of these — a lien, illegal zoning, a hidden easement, an open work order — can cost you tens of thousands of dollars or kill your plans for the home, after you already own it. That $1,500–$2,500 lawyer fee is the only thing standing between you and someone else's problem becoming permanently yours.

Part 4 — The Status Certificate (if you're buying a condo)

If you're buying a condo, townhouse-condo, or anything with monthly condo fees, there's one more critical document: the **Status Certificate.** Skipping a proper review of this is one of the most expensive mistakes a condo buyer can make.

IN SIMPLE WORDS

A Status Certificate is the condo building's financial and legal health report. You're not just buying your unit — you're buying a share of the whole corporation that runs the building. If

> that corporation is broke or in a legal mess, that becomes your problem through higher fees and surprise bills.

What's inside it

Ontario law (Section 76 of the Condominium Act, 1998) requires the certificate to include:

- **The reserve fund** — the building's savings account for big repairs (roof, elevators, parking garage). A healthy reserve means fewer surprise bills for you.
- **Special assessments** — any one-time charge the corporation plans to bill owners for. This can be thousands of dollars, and as the new owner, you can get stuck with it.
- **Whether the unit is in arrears** — does the current owner owe back condo fees?
- **Fee increases** — any planned increase to the monthly fees, and why.
- **Lawsuits & liens** — whether the corporation is being sued or is suing someone (litigation), which can drain the building's money.
- **The rules** — the declaration, by-laws and rules (e.g. pets, rentals, BBQs, renovations) plus the current budget and audited financial statements.

The facts you should know

> **STATUS CERTIFICATE — THE KEY FACTS**
>
> • By law it costs a maximum of $100 (including HST). Some management companies add an online-ordering convenience fee, so you may see roughly $130–$150.
>
> • The condo corporation must deliver it within 10 days of your request and payment.
>
> • Buying a brand-new condo from the builder? You won't get a Status Certificate — you get a disclosure statement instead, which covers similar ground about the planned corporation.
>
> • A certificate is really only current as of its issue date, and is generally treated as “stale” after about 30 days.

Most condo offers in Ontario are written with a condition that your lawyer reviews the Status Certificate first. That review window is your protection: if the lawyer finds something serious — a drained reserve fund, a looming special assessment, active lawsuits — you can usually walk away without penalty or renegotiate. Never waive this review just to make your offer look stronger.

> **★ INSIDER TIP**
>
> Order the Status Certificate the day your offer is accepted. The condo corporation is allowed to take the full 10 days, and a slow certificate can quietly eat your entire review window.

Part 5 — Title insurance (what it does and doesn't do)

IN SIMPLE WORDS
Title insurance is a one-time policy (you pay once, at closing) that protects your ownership if a hidden problem with the title shows up later. Unlike home insurance, it doesn't cover the building burning down — it covers your legal right to own the place.

It typically helps protect you against things like:

- Title fraud — someone forges documents to “sell” or mortgage your home out from under you.
- Unknown liens or claims that existed before you bought but weren't found.
- Certain survey and boundary issues, and some past work done without permits.

What it generally does NOT cover:

- Known problems you were already told about before closing.
- Environmental issues, or anything physical that's just wear and tear (that's home inspection / home insurance territory).
- Things that happen after you own the home.

It's inexpensive relative to what it protects, which is why nearly every Ontario buyer with a mortgage gets it. Ask your lawyer to explain *exactly* what your specific policy covers.

Part 6 — The money: adjustments & closing costs

The Statement of Adjustments

IN SIMPLE WORDS
The Statement of Adjustments is the final math sheet that makes everything fair on closing day. If the seller already prepaid something past your closing date, you pay them back for your share. If they owe for time they still occupied, you get credited.

Common things that get “adjusted” (split fairly between you and the seller based on the closing date):

- Property taxes — if the seller prepaid the year, you reimburse them for your portion.
- Condo fees — same idea, for the month of closing.
- Utilities and prepaid items like fuel oil or propane left in the tank.

Closing costs to budget for (beyond the down payment)

Plan for these on top of your down payment so nothing catches you off guard:

- **Land Transfer Tax.** A provincial tax due on closing — and if your home is in the City of Toronto, a second municipal land transfer tax on top. First-time buyers can qualify for rebates (provincially, and an additional one in Toronto) — confirm the current amounts with your lawyer.

- **Legal fees + disbursements.** Your lawyer's fee plus the out-of-pocket costs they pay on your behalf (searches, registration, etc.) — typically around $1,500–$2,500 all-in.
- **Title insurance.** A one-time premium, usually a few hundred dollars.
- **Adjustments.** Your share of any prepaid taxes/fees described above.

IN SIMPLE WORDS

A safe rule of thumb in Ontario: set aside roughly 1.5%–4% of the purchase price for closing costs, depending on whether you're a first-time buyer and whether you're buying in Toronto. Your lawyer can give you the exact number well before closing — ask for it early.

★ INSIDER TIP

Ask for your Statement of Adjustments a day or two before closing, not on the day itself — it gives you time to question anything that looks off before the money moves.

Part 7 — Registration: the moment it's yours

On closing day, once the funds have moved, your lawyer registers the transfer of ownership — and your mortgage — on Ontario's electronic Land Registry. **The second that registration is complete, you are the legal owner.** That's when the keys are released to you. Not when you signed the offer. Not when you sent the money. When your name hits the registry.

Your closing checklist — run through this

Use this in the final two weeks before closing. Tick each box as it's handled.

2–3 weeks before closing

- ☐ Confirm your closing date in writing with your lawyer and your lender.
- ☐ Confirm your mortgage is fully approved — no outstanding conditions (don't change jobs, take new loans, or make big purchases now).
- ☐ Give your lawyer everything they've asked for (ID, mortgage details, etc.).
- ☐ If it's a condo: confirm your lawyer has reviewed the Status Certificate and is satisfied.
- ☐ Ask your lawyer for your final closing-cost number and the total amount you'll need to bring.

1 week before closing

- ☐ Arrange your down payment + closing funds (certified cheque / bank draft / wire as your lawyer instructs).
- ☐ Confirm how and when you'll get the keys.
- ☐ Line up home insurance — your lender requires proof of it before they release funds.
- ☐ Set up utilities (hydro, gas, water) to switch into your name on the closing date.
- ☐ Book your final walkthrough of the home (see below).

Final walkthrough (not legal, but do it)

- ☐ The home is in the condition agreed, and any included items (appliances, fixtures) are still there.
- ☐ Anything the seller promised to repair was actually done.
- ☐ The home is empty of the seller's belongings and reasonably clean.
- ☐ Take dated photos in case something is wrong.

Closing day

- ☐ Your lawyer confirms title has been registered in your name.
- ☐ Funds have been exchanged and the deal has "closed."
- ☐ You receive the keys.
- ☐ You get a copy of your closing documents and Statement of Adjustments for your records.

Questions to ask your lawyer

Copy these into a message to your lawyer — good ones will be happy you asked.

- ☐ Did the title search turn up any liens, executions, or unpaid amounts on the property?
- ☐ Are there any easements or rights-of-way I should know about?
- ☐ Are there any open work orders, permits, or bylaw issues registered against it?
- ☐ Does the property's legal zoning match how it's being sold to me (e.g. duplex / legal basement unit)?
- ☐ Are any fixtures (furnace, AC, water heater, water softener) rented or financed — and who pays to buy them out?
- ☐ (Condo) Is the reserve fund healthy, and are there any special assessments or lawsuits I should worry about?
- ☐ Exactly what does my title insurance policy cover — and what doesn't it?
- ☐ What's my final, all-in closing cost, and what total do I need to bring on closing day?

Glossary — in simple words

Every term in this guide that can sound intimidating — in everyday language.

Title — Your legal ownership of the property. “Clear title” means no one else has a claim on it.

Closing — The day ownership legally transfers to you, the money is paid, and you get the keys.

Agreement of Purchase and Sale (APS) — Your signed contract to buy the home. In Ontario it's a binding legal contract, not a casual booking.

Lien — A legal claim registered against a property because money is owed. It sticks to the property, so an uncleared lien can become the new owner's bill.

Execution — A court judgment registered against a person that can attach to property they own.

Encumbrance — Any claim, restriction, or limit on a property — liens, easements, and unpaid taxes are all encumbrances.

Easement — A legal right for someone else to use part of your land for a specific purpose (e.g. utility access).

Right-of-way — A type of easement: the legal right to travel across someone's property.

Encroachment — When a structure (fence, deck, shed) crosses the legal boundary onto another property.

Zoning — The municipal rules for how a property may legally be used (e.g. single-family, duplex, commercial).

Title search — A full investigation of a property's legal history to find liens, easements, and other problems before you buy.

Title insurance — A one-time policy protecting your ownership against hidden title problems and title fraud discovered later.

NOSI (Notice of Security Interest) — A claim companies used to register for rented fixtures. Consumer NOSIs were banned in Ontario as of June 6, 2024.

PPSA search — A search of the Personal Property Security registry your lawyer uses to find rented or financed equipment attached to the home.

Statement of Adjustments — The final math sheet at closing that fairly splits prepaid costs (like taxes and condo fees) between buyer and seller.

Disbursements — Out-of-pocket costs your lawyer pays on your behalf (searches, registration fees) and bills back to you.

Trust account — A secure, regulated account your lawyer uses to hold and move your funds during the transaction.

Land Transfer Tax (LTT) — A tax paid on closing when property changes hands. Toronto buyers pay a municipal LTT on top of the provincial one; first-time buyers may qualify for rebates.

Land Registry — Ontario's official electronic record of who owns each property. Your ownership becomes real when it's registered here.

Status Certificate — A condo corporation's financial and legal health report, required for condo purchases (Section 76, Condominium Act).

Reserve fund — A condo building's savings account for major future repairs. A healthy reserve means fewer surprise bills for owners.

Special assessment — A one-time charge a condo corporation bills owners for, often for major repairs the reserve fund can't cover.

Common expenses — The regular (usually monthly) condo fees that pay to run and maintain the building.

Arrears — Money that is overdue — e.g. condo fees or property taxes the previous owner failed to pay.

Disclosure statement — The document a builder gives buyers of a brand-new condo in place of a Status Certificate, describing the planned corporation.

Final walkthrough — A last visit before closing to confirm the home is in the agreed condition and included items are still there.

You made it through — now you know more than most buyers ever will.

Buying, selling, or just trying to make a smart move in the GTA? Send me your questions — happy to point you in the right direction.

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