

Due Dilligence & Property Inspection Checklist



Part 1 - Due Dilligence Checklist (Residential Properites)

Before you buy a residential investment property, you should be aware of a range of issues that may affect that property and impose restrictions or obligations on you, if you buy it. This checklist aims to help you identify whether any of these issues will affect you. This checklist is a starting point only and you may need to seek professional advice to complete some of the required due diligence.

Property Address: _____

Asking Price: _____

Property Type: _____

Making the Offer

Due Dilligence	✓	Notes
Have "and/or assigns" in the Purchaser Line		
Requested Vender Take-Back Financing		
All conditional clauses include "at Buyers sole and absolute discretion"		
Clause stating all chattels are in good working order		

Income & Expenses

Due Dilligence	✓	Notes
Income & Expense Breakdown from Seller (Confirm if actual or proforma)		
Confirmed Expenses with Local Utilities		
Quote for Insurance		
Clause stating all chattels are in good working order		
Quote for Property Mgmt/ Review of current contract		
Copy of Current Leases		
Rent Roll from Seller		
Rental equipment expenses (ex. Hot water tank rental)		



Financing & Lawyer

Due Dilligence	✓	Notes
Financing availability confirmed		
Appraisal scheduled		
Lawyer confirmed (check timeline for closing)		
Clause stating all chattels are in good working order		

Property Information

Due Dilligence	✓	Notes
City Zoning (check for compliance)		
Rental Licence (if applicable)		
Property Taxes		
Home Inspection		
Recent Land Survey		
Checked for outstanding building permits with City		
Recent Fire Inspection Certificate (if applicable)		
Recent Electrical Safety Authority Certificate (if applicable)		
Quote(s) for planned renovations (if applicable)		

Additional Notes:

Due Dilligence & Property Inspection Checklist



Part 2 - Initial Property Inspection Checklist (Residential Properites)

Before you buy a residential investment property, you should be aware of a range of issues that may affect that property and impose restrictions or obligations on you, if you buy it. This checklist aims to help you identify whether any of these issues will affect you. This checklist is a starting point only and you may need to seek professional advice to complete some of the required due diligence.

Note: This checklist should not be relied upon as a home inspection report, nor should it be considered a substitute for a home inspection. This list is representative, but not exhaustive.

Property Address: _____

Property Type: _____

Grounds

- ☐ Proper grading drainage away from house
- ☐ No evidence of standing water
- ☐ No leaks from septic tank or leech field
- ☐ Yard, landscaping, trees and walkways in good condition
- ☐ No branches or bushes touching house or overhanging the roof
- ☐ Exterior structures (fences, sheds, decks, retaining walls, detached garages) in good condition, no evidence of termite damage or rotted wood
- ☐ Railings on stairs and decks are adequate and secure
- ☐ Driveways, sidewalks, patios, entrance landings in good condition, and pitched away from structure
- ☐ Downspout drainage directed away from structure

Structure

- ☐ Ridge and fascia board lines appear straight and level
- ☐ Sides of house appear straight, not bowed or sagging
- ☐ Window and doorframes appear square (especially bowed windows)
- ☐ Visible foundation in good condition - appears straight, plumb, with no significant cracks



Exterior Surfaces

- ☐ Adequate clearance between ground and wood siding materials (6" minimum); no wood – to - earth contact
- ☐ Siding: no cracking, curling, loose, rot or decay
- ☐ Masonry veneers: no cracks in joints, no broken, spalling or flaking components
- ☐ Stucco: no large cracks (discuss all stucco cracks with a professional inspector)
- ☐ Vinyl or aluminum siding: no dents, damage, no bowing or loose siding
- ☐ No vines on surface of structure
- ☐ Exterior paint or stain: no flaking or blisters

Roof

- ☐ Composition shingles: no curling, no cupping, no loss of granulation particulate, no broken, damaged or missing shingles, no more than two layers of roofing
- ☐ Wood shingles or shakes: no mold, rot or decay, no cracked/broken/missing shingles, no curling
- ☐ Flat roofs: no obvious patches, no cracks or splits, minimal blisters/"alligatoring" and wrinkles, no silt deposits (indicates improper drainage), sealed tar at flashings
- ☐ Exterior venting for eave areas: vents are clean and not painted over
- ☐ Gutters: no decay or rust, joints sealed, attached securely to structure
- ☐ No vines on surface of structure
- ☐ Chimneys: straight, properly flashed, no evidence of damaged bricks

Attic

- ☐ No stains on underside of roofing, especially around roof penetrations
- ☐ No evidence of decay or damage to structure
- ☐ Sufficient insulation and properly installed insulation
- ☐ Adequate ventilation, clear path into attic for air entering through vents
- ☐ No plumbing, exhaust or appliance vents terminating in attic
- ☐ No open electrical splices



Interior Rooms

- ☐ Floors, walls and ceilings appear straight and plumb and level
- ☐ No stains on floors, walls or ceilings, no significant cracks
- ☐ Flooring materials in good condition
- ☐ Windows and exterior doors operate easily and latch properly, no broken glass
- ☐ Lights and switches operate properly
- ☐ Paint, wall covering, and paneling in good condition
- ☐ Heating/cooling source in each habitable room
- ☐ Adequate number of three pronged electrical outlets in each room
- ☐ Fireplace: no cracking or damaged masonry, no evidence of back-drafting, staining

Kitchen

- ☐ Working exhaust fan that is vented to the exterior of the building
- ☐ Ground Fault Circuit Interrupter ("GFCI") protection for electrical outlets within 6 feet of the sink(s)
- ☐ Dishwasher: drains properly, no leaks
- ☐ No leaks in pipes under sinks
- ☐ Floor in cabinet under sink solid, no stains or decay
- ☐ Water flow in sink adequate
- ☐ Built-in appliances operate properly
- ☐ Cabinets in good condition: doors and drawers operate properly

Bathrooms

- ☐ Working exhaust fan that doesn't terminate in the attic space
- ☐ Adequate flow and pressure at all fixtures
- ☐ Sink, tub and shower drain properly
- ☐ Plumbing and cabinet floor under sink in good condition
- ☐ Toilet operates properly
- ☐ Toilet stable, no rocking, no stains around base
- ☐ Caulking in good condition inside and outside of the tub and shower area
- ☐ Tub or shower tiles secure, wall surface solid



Miscellaneous

- ☐ Smoke and carbon monoxide detectors where required
- ☐ Stairway treads and risers solid
- ☐ Stair handrails where needed and in good condition

Basement

- ☐ No evidence of moisture
- ☐ Exposed foundation; no stains no major cracks
- ☐ Visible structural wood: no sagging, no damage, no decay
- ☐ Visible pipes: no damage, no evidence of leaks
- ☐ Visible wiring: in good condition, no "knob-and-tube" wiring
- ☐ Service panel: adequate capacity
- ☐ Ductwork in good condition
- ☐ No asbestos on heating pipes, water pipes or air ducts
- ☐ Furnace appears to operate well throughout (good air flow)

Additional Notes:

Disclaimer:

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