

REAL ESTATE LAWYER

Information Bulletin

Congratulations, you are making a big decision - deciding to buy a home. Purchasing a home is one of the most important decisions you will make in your life.

You have been pre-approved for a mortgage, you have met a terrific real estate agent - then what happens, how do you get from this point until you have your keys and can get into your new home

Once you have found that perfect home with your realtor, you need to choose a lawyer!

1. When and How to Choose a Lawyer?

Choose a lawyer as soon as possible. If you have included a condition in your agreement for the lawyer to review the offer please allow a minimum of 3-4 business days for them to review it and get back to you before you have to firm up the transaction. As soon as you have a firm offer it should be delivered to the lawyers office for them to process. Until they have received the firm offer, they have not been retained to proceed on your behalf. It is your responsibility to make sure they receive the agreement as soon as possible. Most agents will fax or deliver the agreement on your behalf, but it is up to you to follow up that the lawyer has received it.

Some Selection Criteria to consider when choosing a real estate lawyer:

Recommendation

- have any of your friends, family members, co-workers used that lawyer
- what are some of their comments
- ask your real estate agent or mortgage broker for a recommendation to some of the lawyers they have worked with

Compare Price

- Just remember the lowest price is not always the best value.

Check Lawyers Availability

- What are the office hours
- What are the standard appointment times
- Will you be required to attend during the day or be required to take time off work
- Is the lawyer available to speak to
- Does the lawyer have availability on that closing day

Experience (This is the most important criteria)

- How long has the lawyer been in practice
- Choose a lawyer who is a real estate lawyer, not your best friends divorce lawyer.

Please note: A local lawyer specializing in Real Estate Law will know all the legal technicalities of buying and selling a home in the specific region in which you are buying!

2. You have now chosen a lawyer and have given them your agreement of purchase and sale, now what happens next?

- a. Instruct your Financial Institution to forward your mortgage instructions to your lawyer as soon as possible. Follow up about 2-3 weeks before closing to make sure your mortgage instructions have been received by your lawyer. Most law firms have an additional charge should they not receive mortgage instructions more than 2 business days in advance of your closing date.
- b. Prior to closing you must instruct your House Insurance Agent to place fire insurance coverage, "guarantee replacement cost value", on the property effective the closing date, showing loss payable to your mortgage company as first mortgagee. Ask your agent to send a copy of the Binder Letter to our office.

3. What does the lawyer do?

- Reviews the offer
- Determines how you are to take title to the property
- Conduct extensive searches and inquiries related to assuring the purchaser of good title
- Acts as your advisor on title-related issues affecting the home purchase
- Most importantly facilitates the closing process.

4. What are the lawyers duties?

- To perform a Title Search
- Check the deed
- Prepare the mortgage(s) and/or line of credit
- Ensure registration under new home warranty program (new home construction)
- Confirm price and other adjustments on the Statement of Adjustments, requisition correction of any title deficiencies
- Check for liens on Title ie. Construction Liens
- Check for executions against the owners
- Advise you about Title Insurance vs. Solicitor's Opinion on Title

2 -3 days Prior to closing your lawyer will:

Meet with you to review and sign the following documentation:

- Costs on statement of adjustments
- Mortgage financing documents
- All other closing documentation which could include:
 - Direction re:title
 - Acknowledgement
 - Direction to close
 - Assignment of GST rebate
 - Revenue Canada Forms
 - Purchaser's Undertaking
 - Various other solicitors documents, if required

Please note: **You will be required to produce 2 pieces of Identification (ID)**, 1 being a valid piece of photo ID, when you attend at your lawyers office to sign up your purchase documents. The photo ID may be a valid driver's license, valid passport or a landed immigrant card. The Second ID can be a social insurance card or a valid Canadian Bank issued Credit Card. Such documents must be produced and photocopied by the lawyer or a staff member when you attend at their office for your appointment in order for your transaction to be completed.

On the day of closing your lawyer will:

- Update the title search and sheriffs searches
- Obtain and review executed closing documents from the other solicitor as well as obtain the keys for closing from them
- Electronically transfer funds to the other solicitor's trust account
- Upon receipt of all funds and information - the closing will then be completed electronically in their office
- Once the final registration has taken place they will advise you when the keys will be available for pick up at their office or at the builder's site office
- As soon as you have the keys you can move right in!!!

4- 6 weeks after closing:

Your lawyer will send the final report (copies of the documentation you signed prior to closing and copies of the registered documents from closing) to you and to your financial institution.



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