

Instructions to Purchasers

We hope that the following information and instructions will be of assistance in completing your real estate purchase.

Responsible Lawyer:

Either Peggy E. Golden, B.A., LLB or Rebecca Robinet, B.A. (Hons), J.D. are the lawyers who will be responsible for the transaction. Other non-lawyer staff in the firm that will be working on the file and may contact you are Kathy Carter and Karen Reh. The non-lawyer staff work under the direct supervision of Peggy E. Golden and Rebecca Robinet.

Property Purchased:

It is essential that you advise us of all relevant information concerning your purchase. This would include whether the property is on municipal services, private well or septic system, number of residential units, whether the property is tenanted, whether the property is located on a ravine, waterfront or other significant physical feature. You should also advise if you have specific intentions regarding the future use of the property. If you have any knowledge of any adverse matters concerning the property or title, you must disclose this to me, and the title insurance company. If you are obtaining mortgage financing, please provide us with information regarding your financing.

Good Title:

There are different approaches to assure you of good title. It is up to you and your lawyer to decide which approach is the most appropriate in your situation.

Option 1: Lawyer's opinion on title: Your lawyer will provide you with a Letter of Opinion which states your lawyer's view of whether or not you have good and marketable title to your property. You will be provided with the results of the searches and be informed of any outstanding issues that may affect the title to your property in the future. If there is no up to date survey, any title opinion would be subject to such defects a Plan of Survey would reveal.

Option 2: Title Insurance: Title insurance is an insurance policy that you can buy to protect your investment in your property if there is a problem with title. The title insurance policy protects you against the loss you may suffer because of title related problems or fraud. There is a one-time premium payable, no deductible and legal expenses for restoring title are generally covered. No commission is paid to our law firm from any title insurance company. Title insurance is available from First Canadian Title, Stewart Title, Title Plus and others. Title insurance is not mandatory.

Our staff will discuss with you which option is most appropriate in your circumstances, bearing in mind that some financial institutions insist on title insurance.

Title Registration:

Please contact our office to advise of the names and manner in which the property is to be registered. Birth dates will be required. If more than one person is to be on title, then title may be held as joint tenants (if one party dies the survivor becomes the owner by right of survivorship) or tenants in common (each owns a specified percentage interest which on death would pass through the estate of the deceased owner).

Plan of Survey:

If you are in possession of a Plan of Survey, please deliver same to my office and advise if there have been any changes to the buildings shown on the Plan of Survey. We will make inquiries of the vendor of the availability of a Plan of Survey. If there is no survey available, or if you wish to obtain a new Plan of Survey, please advise my office as soon as possible in order that I may order same. A plan of survey will show the location of all buildings, fences, etc on the property and may disclose any encroachment problems.

Fire Insurance:

You should contact your fire insurance broker/agent well in advance of the closing to request coverage effective on the closing date. If you are obtaining or assuming a Mortgage, the policy must show loss payable to the Mortgagee. The agent should be requested to send a binder to our office. You should discuss the form and amount of coverage in detail with your agent to ensure that the policy is adequate for your protection.

Utilities:

If your home is serviced by Hydro One, E.L.K. Energy, Union Gas, municipal water or another Public Utilities Commission, you should contact the appropriate agencies well in advance of the closing date to advise of your upcoming purchase and to request that the meters be read on the closing date. Deposits may be required to open the accounts. The vendor will be responsible for payment of final utility accounts on closing. If you are assuming the rental of any equipment (such as the hot water tank) you should contact the appropriate agency to assume the rental. You are required to arrange your own telephone service.

Property Taxes:

You are responsible for payment of taxes from the date of the purchase. Taxes will be adjusted on the Statement of Adjustments on closing. This prorates the taxes paid between the purchaser and the vendor. Our office will notify the tax office of your purchase as soon as the transaction has closed.

Closing Procedure:

Prior to the closing date, our office will contact you to arrange an appointment to sign the documents and to obtain the funds required to complete the purchase. Funds that are provided by you to our office are required to be in the form of certified cheque or bank draft payable to Golden Law Office, in Trust. No exceptions will be made to this policy. Normally, the pre-closing appointment takes place a few days prior to the scheduled closing date. If you are unable to attend at my office to sign documents, you must contact my office immediately to make alternative arrangements, which may require the hiring of another lawyer as agent for you to attend to sign the documents. The transaction will be closed either at the Essex Land Registry Office in Windsor or by way of electronic registration at the respective lawyers' offices. This is the time when documents, money and keys are exchanged and the Transfer/Deed and Mortgage registered. It is not necessary for you to attend at the closing. If you should wish to amend the closing date, please notify us immediately as a change in the closing will require a written agreement between you and the vendor (or written confirmation of the amendment between

solicitors). Please note that most transactions close late in the afternoon on the day of closing.

Keys and Possession:

Your Agreement of Purchase and Sale will provide the time the vendor is entitled to retain possession of the premises. The standard form Agreement of Purchase and Sale usually states this time to be 6:00 p.m. on the day of closing. The keys will be turned over to our office at the closing and arrangements will be made for you to pick them up (usually at our office). If you are making arrangements with the vendor to obtain the keys directly, please advise us. Please note that keys are not usually available to be picked up until late on the afternoon of closing.

Purchase Report:

After your purchase has been closed we will send your Transfer/Deed of Land and other title documents, a copy of your title insurance policy or solicitor's letter of opinion and a complete report concerning your purchase transaction.

Expenses:

A Provincial Land Transfer Tax is payable on registration of your Transfer/Deed of Land. The tax is based on the amount of the purchase price. It is \$5.00 per \$1,000 on the first \$55,000 and \$10.00 per \$1,000 on the excess over \$55,000.00. If you are a first time homebuyer there is currently a government program which will entitle you to a refund of the Land Transfer Tax.

Registration of the Transfer/Deed of Land and Charge/Mortgage: \$70.00 per document.

Survey (if required)*;

Tax Certificate: approximately \$66.37;

Building and Work Order Certificate: approximately \$60.00*;

Sheriff's Certificate (11.00 per name searched)

Utility searches (\$15.00 - \$50.00)

Title search costs - cost is dependent on the property - usually range is \$75.00 - \$150.00;

Law Society of Upper Canada real estate transaction levy: \$65.00*;

Title Insurance: Approximately: \$324.00;

Additional disbursements may be incurred depending upon the property being purchased;

HST of 13% is payable on legal fees and all disbursements (except Land Transfer Tax and document registrations);

Legal Fees will depend upon the complexity of the transaction. Please contact my office to discuss the amount of your fees with us and will attempt to give you an estimate.

*not required if title insurance purchased

Identification:

It is a requirement of the Law Society of Upper Canada that we obtain information from you to identify you and to verify your identity. To identify you we are required to obtain basic information such as your name, address, occupation, business address and telephone numbers. To verify your identity we are required to look at original government issued identification that is valid and has not expired: eg. Driver's licence, birth certificate, passport, etc. We are not permitted to use your Ontario Health Card to verify your identity.

Privacy Policy:

Enclosed is a copy of our privacy policy.

Questions:

Should you have any questions at any time during the course of the transaction, please do not hesitate to contact our office. Our staff is experienced and trained in handling real estate transactions and will be pleased to answer any questions with you might have.

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