



Gordon & McLeod Law Office

FOR OUR VALUED CLIENTS

You Purchased a Home! What's Next?

by Toni L. McLeod

The Offer to Purchase has been signed, conditions have been satisfied and/or waived, and your purchase is now a firm deal. Congratulations!

WHAT WE NEED FROM YOU

We are very pleased to be able to assist with your transaction, and have put together a list of information that we will require prior to our meeting to sign the purchase documents:

- 1) **Purchase Agreement** - Make sure that our office has been provided with a copy of the signed Purchase Agreement and all amendments (this is your responsibility if no realtor was involved).
- 2) **Financing** – If you are obtaining any financing, you will need to let your lender know that our office is acting on your behalf and provide them with our contact information. The earlier you can do this the better, as generally **we require mortgage instructions from your lender at least two (2) weeks prior to the**

Closing Date in order to have sufficient time to prepare the documents and get you in for signing.

- 3) **Insurance & Utilities** – Prior to meeting with us, you will need to arrange for home insurance to take effect on the possession date. We will ask you for a copy of this insurance, which is usually referred to as a "Binder Letter" or "Cover Note of Insurance". Your insurance policy must show the bank as the "first loss payee." The insurance company will need the name of your bank, its address, and the amount of the mortgage. **The effective date for insurance coverage is your possession date, and we will require a copy of the Binder Letter in advance of the possession date.**

You will also need to make arrangements directly with your utility providers to have accounts set up for your new home as at the possession date.



- 4) **Photo ID and Description on Title** – please make sure you bring two (2) pieces of ID to our meeting (at least one of which is photo ID).

Regarding the description for the title, we need to know how to show your name(s). For example, do you want "Jane Doe" or "Jane B. Doe" or "Jane Brenda Doe"? If someone else will be on title, provide each person's name. We also need to know how the ownership is to be described if there is more than one owner. You can choose "Joint Tenants", which means if one person dies, ownership automatically passes to any surviving owner(s) (most common for couples). The other option is "Tenants-in-common", which means

one of the owners can sell his or her part interest or leave it to someone other than the other owner. Finally, we will want to know what address to show for the owners.

- 5) **Cash to Close (aka "Down Payment")** – Prior to our meeting, our office will calculate the final cash amount required to close the deal (ie. that amount required to satisfy the remainder of the purchase price (not covered by the deposit or net mortgage proceeds), plus any adjustments for property taxes and our legal fees. **For cash to close funds, we will require a certified cheque or bank draft payable to Gordon & McLeod in Trust.** If we can't yet tell you the exact number when we schedule the appointment, we will either call you back or let you know at the appointment. We will require the full cash to close funds no later than two (2) business days prior to the possession date.

POSSESSION DATE – WHAT TO EXPECT

It is finally here – the day you have been waiting for. Possession day!

In case you are wondering what goes on behind the scenes, after our meeting with you to sign documents, we will have all of the information that we require to request funds from your lender. These funds are advanced on the possession date, and could arrive in our trust account anywhere between 9 a.m. and 12:00 Noon. At that point we receipt the funds, add the cash to close amount that we obtained from you earlier, and the full purchase price amount (including adjustments) is then forwarded to the Seller's solicitor. Once they have received the funds on their end, the Seller's lawyer calls the realtor to release keys (the call you have been waiting for!) and the transfer documents are then sent to the Land Titles office by our office to be registered (NOTE: This is how a 'standard' residential real estate deal works, and there may be some differences for rural or commercial transactions).

TIP: Last minute delays do occasionally happen when banks are involved, and so we recommend that (if you can avoid it), you don't make arrangements to have moving companies or other third parties "on the clock" right at NOON. Although in most cases you will have obtained the keys by then, this might not necessarily happen and so it's always better to leave a cushion timing-wise in case it is necessary.

In terms of our report to you, it normally takes 2-3 weeks for documents to get registered at Land Titles, and so our final report (including copies of all documents that you have signed) will follow by mail a few weeks after you move in. NOTE: If the prior owners had a mortgage, that registration may still show up on the Certificate of Title when it arrives (as these can take a few months to get discharged). Don't panic – this doesn't mean that you are responsible for their mortgage. This registration will be removed, and you will receive a new, final Certificate of Title in the mail.

OTHER INFORMATION WE MAY REQUIRE

Please let us know immediately if any of the following circumstances apply to you:

- 1) If this will be a rental property (ie. not your principal residence);
- 2) If you will be unable to attend at our office to sign the documents in person (NOTE: Mortgage documents must be signed in person, and cannot be a scanned or digital signature – you need to sign in person);
- 3) If only one individual will be going on title and the mortgage, please confirm your marital status; and
- 4) If you are purchasing a condominium, please let us know and we will make arrangements to have the condo documents reviewed (if requested by you). Please note this is an additional cost, and will be added to our invoice as a disbursement.



How We Can Help

We welcome the opportunity to be of assistance with the purchase of your new home.

We offer flat fee services for real estate transactions, which are posted on our website along with details of what is included. When you come in to sign, we will let you know if there are any additional charges (such as title insurance or fees to review condo documents). Our priority is to make sure that you receive value for the services we provide, and to make the transaction as smooth as possible from your perspective. We are here to help, and happy to answer any questions you have along the way.

Contact us today to set up an appointment at 403-646-6111.

FOR MORE INFORMATION

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*The contents of this article is intended to provide a general guide to the subject matter. Legal and financial advice should be sought about your specific circumstances.