

## SELLING RESIDENTIAL REAL ESTATE

Congratulations!! You've signed a firm and binding agreement for the sale of your home and all conditions have been waived. There's still lots to be done, but this is where your legal professional comes in to guide you along the path to a successful closing day. This article will provide you with the information you need about our role as legal counsel and your responsibilities in the closing process.



### Your Responsibilities

Once the deal is in place, you will need to attend to several further matters to ensure a smooth and successful closing process. Here's what you can expect will be required of you:

1. Make sure you have provided your lawyer with a copy of the Agreement of Purchase and Sale, together with all related documents (waivers, copy of survey etc.)
2. Other documents your lawyer will need from you include: your Deed and all closing documents you received from your lawyer upon the purchase of your home; information on all current mortgages registered on title; and, any unpaid tax bills. You must also advise us how the property is heated.
3. If you have any outstanding mortgages/lines of credit registered against your home, you should speak with your mortgage company about what fees or penalties will be applicable to discharge the mortgage. If your mortgage is "portable", you may be able to transfer the mortgage to a new house without a penalty.
4. Contact your Insurance Agent and arrange to have fire insurance coverage cancelled effective the day of closing.
5. Contact the hydro and gas utilities for the municipality in which your home is located to arrange for a final meter reading. Arrange to have final billings forwarded to your new address.
6. Let your lawyer know immediately if you know of any legal executions outstanding against you.



**The Agreement of Purchase and Sale governs the transaction.**

## Closing

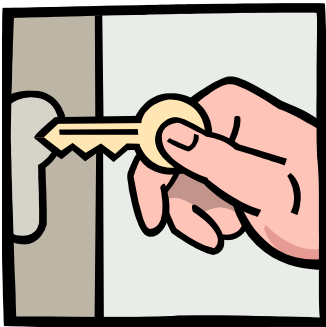
During the time between signing the Agreement and the closing date, the lawyer's role is to prepare the closing documents, arrange for the discharge of outstanding encumbrances and respond to any title enquiries made by the purchaser's lawyer. If your lawyer become aware of anything that might be of a concern to you these should be discussed with you at the earliest opportunity.

Just prior to the closing date, your lawyer will contact you to make an appointment to sign the closing documents. At this time, your lawyer will also be in a position to advise you of all closing adjustments and the amount of the sale proceeds that will be available to you after closing.

At this time, you will also need to leave with your lawyer one key to your home which will be delivered to the purchasers on closing.

On the closing date itself, your lawyer will arrange to meet with the lawyers for the purchasers at a mutually agreeable time to exchange documents, cheques and keys. You will be required to vacate the property as early as possible on the closing date because once the new Deed is registered, the purchasers are the legal owners of the property.

Anything that is affixed to the property (light fixtures etc.) are considered part of the property and must be left for the purchasers unless arrangements have been made to the contrary in the Agreement of Purchase and Sale.



**The keys are delivered to the purchasers on closing**

ensure that the mortgage discharge is registered when it is received from your mortgage company.

## Costs

Legal fees for most residential sale transactions vary depending upon the complexity of the transaction. We will be happy to provide you with our quote in advance of doing any work on your behalf. In addition, you will be responsible for:

- Real Estate Commission - this will be arranged between you and your agent at the time you list your property for sale.



**There's still lots to do before moving day!**

Please note that closing times cannot be arranged in advance and as a precaution you should not expect to receive your cheque before 5:00 p.m. on the closing day. Your lawyer cannot assume responsibility for lost interest on late deposits so this is something you may need to discuss with your financial institution in advance.

Following closing, your lawyer will arrange for the payout of your mortgage and will deliver the balance of the real estate commission to your agent. Your lawyer will also follow up to

- Mortgage Discharge fees (and penalties!). Please consult your mortgage company well in advance to ascertain.
- Out-of-pocket disbursements, which we pay on your behalf. You can expect these disbursements to be in the range of \$100 - \$200. Please note that these costs will be the same, regardless of the lawyer you choose.
- G.S.T./H.S.T. - applicable on legal fees and disbursements.

These costs are approximations and are subject to change without notice.

Let us help you make your next move an enjoyable one. Call us today!

