

SPADAFORA & MURPHY LLP

PURCHASING GUIDE

Website: www.pssmlaw.com

Direct Line: (905) | **Fax:** (905)

Address: 209 Speers Road, Suite 9, Oakville, ON L6K 3T5

Purchasing Manual

Congratulations on your new property purchase! We are happy to be part of this exciting process with you. Thank you for choosing Spadafora & Murphy LLP.

Overview

This guide will provide helpful information and checklists for the purchase of your new property. Even if you are an experienced property owner, it is a good idea to review the guide to make sure you aren't missing anything.

Initial Steps

So you have signed the papers, you have a deal- but what do you do now? Here let us help.

Documents

- Make sure your lawyer has all of the deal paperwork (this includes all amendments, waivers, notices etc.). Provide your agent with your lawyer's contact information, send the paperwork yourself, or if you don't have an agent, ask your lawyer if there are any other documents required to make sure you have a firm deal.
- Provide your lawyer with the contact information for your financing, and make sure your lender has your lawyer's information.

Names & Contact Information

- Provide your lawyer with the full legal name(s) of everyone who will be on title to the property and their birthdate(s).
 - **Tip: anyone who is on the mortgage must also has to be on title to the property and vice versa****
 - **Tip: the name going on title to the property must match the name on the ID you will be providing to the lawyer, if it is different for any reason let your lawyer know ahead of time****
 - **Tip: if the property is going to be a matrimonial home your spouse may need to sign certain documents, even if they are not going to be on title****
 - Provide your lawyer with your email address and any phone number where they can reach you. Remember you may be disconnecting certain phones or email services, so make sure your lawyer has a way to reach you, especially on closing day.
 - If any information about your mortgage or financing changes, notify your lawyer so that it can be followed up on if nothing has been received.
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Before you move

Utilities

- Call your local utilities to get an account set up. This is not something your lawyer can do for you. We notify the tax department on your behalf but most utility and service companies need to speak to you directly in order to set up your account to ensure your services are working on closing day.

****Tip:** some providers charge fees to re-establish the account if you have not notified them prior to moving day. A good time frame is to make sure it is completed 10-20 days before closing**

****Tip:** if your property has oil, propane or other non-natural gas supplier make sure your lawyer knows**

****Tip:** Here are the local numbers, not all may apply to your property or there may be additional contacts**

SUPPLIER	PHONE NUMBER	WEBSITE
Burlington Hydro	905-332-1851 ext. 600	www.burlingtonhydro.com
Enbridge Gas	1-888-492-5100	www.endbridge.com
Horizon Utilities (Hamilton)	905-522-9200	www.horizonutilities.com
Milton Hydro	905-876-4611	www.miltonhydro.com
Oakville Hydro	905-825-9400	www.oakvillehydro.com
Reliance Energy	1-877-267-7902	www.reliancecomfort.com
Union Gas	1-888-774-3111	www.uniongas.com

Rental Agreements

Some properties have rental equipment such as hot water tanks, air conditioners, or furnaces, they should be listed in the agreement, but not all are. We complete a title check to make sure that no unlisted items have been registered against the property; however, you should note that not all rental equipment is registered against the property.

- If you don't already have the contact information from the seller or your agent ask your lawyer to get the information from the seller for you.
- Contact the provider and find out what they require for you to take over the agreement.
- If documents need to be signed you can ask that they be forwarded to your lawyer and signed during your closing appointment.

Taxes

We notify the tax department of the closing date of the property and provide them with your details. We also check to ensure that there are no unpaid taxes owing against your property. There will be an adjustment made on the Statement of Adjustments between you and the seller so that you are only responsible for the days of the year that you own the property.

- Some jurisdictions have different payment plans for instance 4, 10 or 12 payments throughout the year. If you are paying your taxes yourself and want to set up a pre-authorized withdrawal this usually needs to be done before October 31st of the preceding year. Check with your tax official to verify the plans and times available for paying your taxes.
****Tip: failing to pay your taxes on time can result in a lien against your property. The tax department should send you a notice shortly after your move, if they do not make sure to follow up with them to ensure you do not miss a required payment date.****
****Tip: you may be eligible for a tax credit on your personal taxes, make sure you check the eligibility requirements before filing your personal income tax for the fiscal year in which you moved****
- If you have purchased a new property there is a chance that the realty taxes have not yet been assessed, this can happen some time after closing. Note: unless your agreement states otherwise, you are responsible from the date of closing forward-exception-if there was an occupancy period you are *usually* responsible from the date of occupancy and forward.

Insurance

House Insurance

- If you are purchasing a property, which is not a condo, your lender will **require** that proof of insurance (usually called a binder letter) is in effect as of the closing date, whether or not you are moving in on that day. You will need to have your insurance set up prior to closing. Please note your lender must be listed as mortgagee on your insurance. There are very specific names and addresses for each lender so ask your lawyer what your insurance policy needs to show (for example if your lender is TD, your insurance cannot say TD Canada Trust, it would need to say "The Toronto Dominion Bank").
****Tip: Bundling your insurance with the same provider you use for car insurance may get you a discount****

Condominium Insurance

- Although your condo insurance which you pay as part of your condo fees will cover you for specific items, it will not cover you for 3rd party liability, nor other items excluded in the condo documents. Discuss with your lawyer what type of insurance you may need in addition to your condo insurance.

Title Insurance

- Title insurance protects you against fraud on your property and certain other title issues. We generally arrange the title insurance for you as part of the transaction and it is billed as a disbursement on your file at closing time. If there is a specific title insurance company you

would like to use, please notify us as soon as possible so we can make arrangements. Please note some title insurance companies pay what is called an Examining Counsel Fee to your lawyer for reviewing certain things to do with your title, other companies do not. We complete the necessary title search requirements regardless of whether or not a fee is being paid to us by the title insurance company.

Change of Address

Mail

- make sure you notify friends, family and companies or government agencies that send you regular mail of your move.

**** Tip:** Canada Post will forward your mail for a fee, you may want to consider having your mail forwarded for a month or two in case there were people or companies you forgot to notify**

****Tip:** Your address with the government (for Health Cards and Driver's Licenses) can be changed online by visiting www.serviceontario.ca**

Subscription Services

- If you are continuing your subscription at your next address (for instance internet, cable, grocery delivery) make sure you update the specific company and advise them the date of your move.
- If you have an alarm service, lawn service, paid newspaper delivery, make sure you notify these companies of the date of the move and cancel the services, unless they have been specifically referred to in your agreement and are being assumed by the buyer. The same is true for any services you are taking over at your new property, most will want to hear from you before the move, so make sure to line up your necessary services.

Closing procedure for your new property

Prior to day of closing

- Unless special circumstances apply you will likely sign all of your documents at least 3 days before the closing of your property. A meeting will be set up with your lawyer for you to come to the office to sign documents. This needs to be done in person and in front of the lawyer, you cannot sign the documents over the internet and return them. It is also a requirement that your lawyer ID you. You will need to bring two pieces of valid ID to your appointment; one photo and one can be non-photo. Each lender has their own requirements for ID, but generally speaking the following forms of ID are acceptable:

Photo: Passport, Age of Majority card, Driver's Licence, Permanent Resident Card (Health cards are **not** valid ID)

Non-Photo: SIN, bank card or credit card from major bank with your name appearing on the card and the back of it signed. Note: if you are unsure about your ID ask your lawyer prior to your meeting to avoid delays in your transaction.

****Tip:** this is a good time to check your expiry dates on your ID, if they are expired apply for new ID**

****Tip:** if you have a driver's licence which has recently changed, your must also bring along the paper certificate given to you by service Ontario**

****Tip: if you are going to be away at the time the property is closing, please notify us as soon as possible so we can arrange to have your documents signed prior to you being away****

you will also need to bring your closing funds to the meeting with the lawyer. Your closing funds consist of the portion of the purchase price not covered by your mortgage or deposit, your legal fees and disbursements, your Land Transfer Tax, and Title insurance premium. We will let you know ahead of time what this amount is, once we have all the necessary documentation from your lender and the seller's lawyer. You will need to bring a **bank draft or certified cheque** to the meeting. The cheque should be payable to "Spadafora & Murphy LLP, in trust". Please note we cannot accept personal cheques for closing funds. Your lawyer will review all of the numbers with you in your closing meeting.

Day of Closing

- There is no way to know when your transaction will close, it depends on multiple factors, such as the other law firm or the lender you are using. We do our best to get your deal closed as soon as possible and we will notify you by phone or email as soon as your deal has closed.
- Keys. Your lawyer **cannot** release keys to your property until the transaction has officially closed. Unless other arrangements have been made after receiving your notification that your deal is closed you can pick up you can pick up your keys at our office.
****Tip: if you are not picking up your keys on the day of closing let your lawyers office know****
****Tip: try not to book any services, for instance cleaning crews or contractors, for the day of closing, because you will not know when you will have access to the property****

Checklist

Here is a fillable checklist for you to use.

Completed	Task	Notes
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THANK YOU FOR CHOOSING SPADAFORA & MURPHY LLP!