

Real Estate Guide

When buying or selling a property, numerous questions arise. This guide will help you review the necessary preparations for acquiring a property, a significant milestone in your life journey.

Part 1: The Offer of Purchase

Did you know that you can work with a real estate broker to draft your offer to purchase, but your notary can also draft or review certain clauses for you?

It is essential to define certain elements in your offer to purchase, as they can have significant implications for your transaction. Specifically, you should consider the following:

Property Warranty

The property can be sold with or without a legal warranty. Your legal counsellor will inform you of the consequences of selling with or without this warranty.

Inclusions and Exclusions

Specify items such as furniture that will remain with the seller or transferred to the buyer.

Desired Signing Date for the Deed of Sale

Often, this date coincides with the possession date. However, in certain cases, occupation may occur after the sale.

The seller may also require a deposit toward the sale price. A deposit essentially serves as an advance payment to the seller. It is highly recommended to deposit this amount into your notary's trust account rather than paying the seller directly.

The offer to purchase is also the time to conduct due diligence on the property. This includes analyzing key documents, such as:

Certificate of Location

This document serves as a blueprint of your property and highlights any physical issues such as zoning, encroachment and such.

Condo Documents

These include the declaration of co-ownership, contingency fund, maintenance log, syndicate register, and syndicate insurance.

It's vital to familiarize yourself with the co-ownership rules, such as whether you're allowed to move in with your dog, install a barbecue on your patio, or make renovations as desired.

Inspection Report

Feel free to consult your notary before signing an offer to purchase to discuss conditions related to the property.

Part 2: Useful Information for the Buyer

Are you securing financing from a financial institution or paying in cash?	Yes	No
Have you provided your notary's contact information to your bank so they can share the necessary documents for drafting your mortgage?	Yes	No
Did you know that you need to provide a down payment? The down payment is the difference between the sale price and the amount financed by your bank. Additionally, you must consider your notary's fees and adjustments for taxes and condo fees, if applicable. In cases of unequal down payments between you and your partners, your notary can advise and draft an agreement between the both of you.	Yes	No
Did you know you must meet with your notary twice for a sale transaction? The first appointment is to sign your mortgage agreement and receive a legal explanation of your obligations to your financial institution. And the second appointment is To sign the sale deed and transfer the title from the seller to the buyer. At this meeting, you'll review adjustments, expenses, and possibly meet the seller. A delay is required between these appointments to allow your notary to release your mortgage funds and register the mortgage deed in the land registry.	Yes	No
Do you have all civil status documents, such as marriage, divorce, or death certificates?	Yes	No
Have you checked for city grants available for property purchases?	Yes	No
Are you a Canadian citizen? As of January 1, 2023, a law prevents non-residents from purchasing residential properties.	Yes	No
Have you researched and secured insurance? Valid insurance is required on the day of sale.	Yes	No

Part 2: Useful Information for the Buyer (cont.)

<p>If you plan to rent the property, have you consulted the Administrative Housing Tribunal for relevant information?</p>	<p>Yes</p>	<p>No</p>
<p>Have you consulted a tax advisor or accountant?</p>	<p>Yes</p>	<p>No</p>
<p>Have you verified the certificate of location provided by the seller? It must be less than 10 years old.</p>	<p>Yes</p>	<p>No</p>

Part 3: Useful Information for the Seller

<p>Do you have a certificate of location? Is it less than 10 years old?</p>	<p>Yes</p>	<p>No</p>
<p>Have you made significant changes to the property? (e.g., added a new pool, shed, garage, or extended a deck)</p> <p>If so, your certificate of location likely does not reflect the current state of the property, and you will need a surveyor to create a new one.</p>	<p>Yes</p>	<p>No</p>
<p>For condos: What are your property manager's contact details?</p> <p>Here are the documents to provide to the notary during the sale: a previous deed of sale, a certified copy of the certificate of location, a declaration of co-ownership and any amendments.</p>	<p>Client's Answer</p>	
<p>Do you have a mortgage to repay?</p> <p>Be aware that your notary will charge a fee to obtain the necessary signatures and register the discharge of your mortgage in the land registry.</p>	<p>Yes</p>	<p>No</p>
<p>Do you have copies of residential or commercial leases?</p>	<p>Yes</p>	<p>No</p>
<p>Do you have all civil status documents, such as marriage, divorce, or death certificates?</p>	<p>Yes</p>	<p>No</p>

Part 3: Useful Information for the Seller (cont.)

What is your nationality?

If you are a non-resident, your notary must withhold approximately 51% of the sale price for residential sales and 80% for commercial sales until obtaining clearance certificates from the Canada Revenue Agency.

Client's Answer

Did you know your notary is authorized to transfer the remaining sale balance to you only after the sale deed is published in the land registry without adverse entries?

This often takes 48 hours after signing.

Yes

No