



Fleury, Comery LLP
Barristers & Solicitors

CLOSING MATTERS - RESIDENTIAL HOUSE PURCHASE

The following are matters which should be considered by a purchaser. Note that these matters are of a general nature and are not inclusive of all items which might concern your individual transaction.

Adjustments and Closing Costs

In order to register the Deed, we will have to pay certain Registry Office charges and the Land Transfer Tax. Further, there will be adjustments with the vendor concerning items either prepaid or unpaid. All of these fees, taxes and adjustments have to be paid in cash on closing. Accordingly, please contact us in good time prior to closing in order that we can discuss these additional amounts with you.

Land Transfer Tax

Generally, a land transfer tax is paid to the Province at the time of registering your Transfer/Deed. This tax is calculated as a percentage of the purchase price; however, there are allowances if you are a first time house purchaser of a new home. Please advise as to whether you fit into this exempt category in order that we can prepare the material necessary to claim this exemption.

Mortgage

In the event that you contemplate paying part of the balance due on closing by way of new mortgage financing, please advise us as to this circumstance as soon as possible. Please note that often a mortgage company will use your solicitors and this works as a considerable saving to you. Accordingly, you should speak to the mortgage company as to these arrangements in good time prior to closing.

Utilities

Prior to the closing date, it is going to be necessary for you to contact the utilities (water, electric, gas, telephone and cable where appropriate) to advise them of your purchase and to arrange for new contracts to be opened as at the closing date in your name. When contacting the utilities, we would strongly suggest that you enquire of them as to whether there are any appliances on the premises which are leased since although we do generally enquire in that regard, often this information will only be divulged in conjunction with an application for a new service contract.

Insurance

It will not be possible to transfer the vendor's insurance to you. Accordingly, you should contact your insurance agent to arrange for an Insurance Binder for Homeowners Insurance concerning these premises. If there is mortgage financing involved, then the interest of that mortgagee will have to be shown on the Insurance Policy. We have to have proof of this insurance available before closing in order to satisfy the requirements of any mortgagee.

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Right of Inspection

Ordinarily the vendor is not required to allow you to inspect the premises again prior to closing; however, generally most vendors will co-operate in that regard provided mutually convenient arrangements are made through the real estate agents. We would suggest that, if possible, you do inspect the premises just prior to closing to ensure that the premises are in the same condition as when you entered into the Agreement of Purchase and Sale. If you have any difficulties in that regard, please contact this office.

Keys

Usually the keys for the property will be handed over to us on closing; however, you may have difficulty in picking up these keys from our office on the closing day. Accordingly, we would suggest that you speak to the agent as to the possibility of the agent or a neighbour keeping one key for the premises which can be delivered to you after there is confirmation that the transaction has closed.

Tenants and Physical Aspects

Although the Agreement of Purchase and Sale should indicate if there are any tenants presently occupying the property, we strongly suggest that you tell us if there are tenants now on the property or if there are other physical aspects of the property which have to be confirmed prior to closing since you should note that there is no legal way of confirming that there will be vacant possession or other special arrangements unless separate arrangements are made with you concerning the same.

Harmonized Sales Tax ("HST")

The Agreement of Purchase and Sale will provide whether the purchase price includes HST. If there are any special circumstances concerning this property and the payment of HST, please advise us as soon as possible.

Residency Status

Under the laws of Ontario, if you are not a resident of Ontario, there may be additional charges concerning Land Transfer Tax on the type of property involved. Accordingly, if you are not now

a resident of Ontario, please advise us in order that we can discuss these circumstances with you.

Final Report

Our Final Report to you will be forwarded as soon as possible after closing and will include a full statement as to all monies paid on your behalf. Since there usually are minor items to be attended to after closing, you should not expect our Final Report for at least one month; however, if you do require any particular information in the meantime, please do not hesitate to contact us. Unless otherwise instructed by you, we will be corresponding with you at your new address.

Change of Address

In addition to notifying utility suppliers, you may wish to notify the following as to your change of address:

- Ministry of Transportation and Communication concerning your driver's license and car license
- Post Office for change of address forms
- Your bank
- Government of Canada concerning CPP/OAS/Family Allowance
- Your various insurance agents (automobile, life, disability benefits)
- Various community and fraternal organizations

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