



Fleury, Comery LLP
Barristers & Solicitors

CLOSING MATTERS - RESIDENTIAL HOUSE SALE

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

Utilities

Prior to the closing date, it is going to be necessary for you to contact the utilities and advise them of the sale of the premises and to arrange for meter readings for the closing date with the final accounts being rendered to you at your new address.

Insurance

It is usually not possible to transfer homeowners' insurance and accordingly, we would suggest that when the transaction is completed, you then advise your fire insurance agent to cancel or transfer any existing policies. In the meantime, we would suggest that you leave the existing insurance coverage in force.

Encumbrances

If there are any mortgages or other encumbrances on your property, please advise us as to the particulars of the same including the names and addresses of the parties involved.

Right of Inspection

Once the Agreement of Purchase and Sale is signed, and in the absence of any term of the Agreement, the purchaser is not entitled to further inspect the home until the closing of the transaction.

Funds on Closing

Generally the closing proceeds are made payable to this office. After closing we will disburse the funds as soon as possible, paying for any real estate commission, mortgage discharges and legal fees from the same. Normally we can pay the net balance remaining to you on the next business day. We require your instructions as to whether you will arrange to pick this balance up or if we should deposit the same to your credit elsewhere.

Keys

Usually the keys to the premises are left with us to be handed over to the lawyer for the purchasers on closing. On occasion, there are alternative arrangements which can be discussed at a later time.

Documents

As discussed, please arrange to deliver to us as soon as possible a copy of your Deed/Transfer (if the same is available), your survey, the last realty tax bill, any interim tax bills and your advice as to the tax payments made. When delivering these documents to our office, please have the same in an envelope clearly marked with your name, address and telephone number. If you have any difficulties as to the availability of these documents, please contact us.

Property Taxes and Carrying Charges

You should note that you are responsible for all of the usual carrying charges for your property up to the closing date. This includes, if appropriate, monthly or instalment payments on account of mortgages and taxes. If such payments result in you paying more than your share of these obligations, then an appropriate adjustment will be made on the Statement of Adjustments. With regard to property taxes, we would suggest that the same continue to be paid on or before their due dates. Obviously you should not forward postdated cheques to the Municipality for payments due after the closing date. In the event that you have already forwarded such postdated cheques, we would suggest that you enquire at the Municipality as to retrieving those cheques not required or if you are not successful in that regard, you should arrange with your bank to stop payment on those postdated cheques after the closing date since it will not be possible to give you credit for those payments on closing.

Fleury, Comery LLP

215 Morrish Road, Suite 104, Scarborough, ON, M1C 1E9

Tel: 416-282-5754 | Website: www.fleurcom.on.ca | Fax: 416-282-9906

Tenants

If your premises are wholly or partly tenant occupied, please advise as to the arrangements being made with the tenants and as to whether the tenant has made any prepayments, especially the last month's rent in advance as a security deposit.

Harmonized Sales Tax ("HST")

The sale Agreement provides that if the transaction is subject to HST, then the same is included in the purchase price. This means that if HST is payable on this transaction, then the amount of the HST is to be calculated, deducted from the purchase price payable to you and paid to Canada Revenue Agency. Generally residential premises which have been used and occupied prior to being sold are considered as exempt from the payment of HST unless there has been substantial renovations to the same or part of the premises have been used as part of a business enterprise. We will presume that this transaction is the sale of exempt premises and will prepare the necessary documentation for signature in that regard; however, if you feel that this transaction may not be exempt, contact us.

Non-Resident Status

The sale Agreement provides that at the time of closing all vendors will be residents of Canada. We presume that there will be no difficulty in that regard; however, if any vendor intends taking up residence outside of Canada prior to closing, please contact us.

Real Estate Commission

The sale Agreement provides a Direction to our office to pay the balance of the real estate commission, plus HST, from the sale proceeds. We are enquiring of the real estate agent as to the amount payable in that regard; however, if you have any other instructions concerning any arrangements as to the payment of the real estate commission, please advise.

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 received and how the same were disbursed. Since usually there are minor items to be attended to after closing, you should not expect our final report until at least one month after closing; however, if you do require any particular information in the meantime, please do not hesitate to contact us. Please

provide us with your new address and telephone number in due course.

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

©FLEURY, COMERY
#32closmattershousesale.memo
May 2016