

THE BAYLEY *BH* HAY TEAM



CLOSING
YOUR SALE



Hallmark Chay Realty, Brokerage

*Sales Representative

Each Office Independently Owned and Operated

Neil Bayley-Hay^{*}

Direct: **705-722-5400**

FOREWARD AND ACKNOWLEDGEMENTS

This guide has been prepared to introduce you to the process of home ownership.

I have attempted to be as accurate as possible using all data current at the time of development. Please note that different programs and legislation affecting various aspects of real estate change frequently.

In light of that, the reader should always verify any information regarding any concerns that he or she may have with an appropriate source, be it Realtor, lawyer, financial institution or government agency.

Here's to Your Wealth Through Real Estate,

Neil

Thank you to Re/Max Atlantic Canada for the extensive knowledge base they have provided from which I could draw. Without that, along with my years in real estate and the expertise of my team, this would not have been possible.

Making Your Move Easy

CLOSING YOUR SALE



1. Overview
2. The Lawyer
3. Surveys and Inspections
4. The Title Search
5. Taxes and Liens
6. Finalizing the Mortgage
7. Signing on the Dotted Line

Making Your Move Easy

CLOSING YOUR SALE

Overview

It's a day filled with nervous anticipation. This is the day on which all of the legal and financial promises in the offer are met. It's the day when you get the keys and begin a new phase in your life. Your RE/MAX agent and your lawyer will give you all of the details on steps and timings. All of the small details will be taken care of ahead of time, so in most cases it will be just a day of waiting by the phone.

Also, remember that this is a hectic day for the seller, too! Very often it's moving day and they're trying to gather all of their belongings to leave as the purchaser is trying to move in.

In brief, here's what takes place before the actual closing day:

1. A copy of the offer will have been forwarded to the office of your lawyer. Your lawyer will have reviewed the conditions of the sale. You will have made your lawyer aware of how you, and any co-buyers, will be registered on the title of the property.
2. All of the conditions in the offer to purchase must be satisfied by the closing date. If one of the conditions in your offer was a house inspection, it should have been completed by the closing date, and you should be satisfied with the report.
3. All of your financing details will have been finalized and ready to fall into place on the closing date.
4. If the seller did not have an up-to-date land survey, you'll have had one done. Your lender will insist on it.
5. Your lawyer will search the title of the property to ensure that you can purchase the home without any legal problems. Your lawyer will also make sure that tax payments have all been made and there are no liens on the home or the personal property the seller has agreed to sell you as part of the deal.
6. You'll want to make sure that you've contacted all of the utility, cable, and phone companies to ensure an easy transition of service and billing.
7. Your lawyer will prepare a statement of adjustment. This confirms the selling price, adjustments, and the balance (less the deposit you provided with the offer). Your lending institution will draw up a certified cheque for your lawyer to hold in trust.



Making Your Move Easy

CLOSING YOUR SALE

8. Additional settlement charges will have to be paid:

- Your lawyer's fee and disbursements
- Condo and co-op fees (Remember to ensure there is an adequate Reserve fund in place and that the condominium has a proper Technical Audit and Reserve Fund Study completed by competent professionals.)
- Tax and utility adjustments; if they have been pre-paid, you'll have to pay the seller for the portion of the service you assume
- Land transfer tax; based on the price of the home, this fee ranges from 0.5% to 4% of the selling price

9. You'll want to make sure your homeowner's insurance policy will be in place to cover your new home and property once the deal is closed. Your lawyer will need a copy of the policy before closing.



Making Your Move Easy

CLOSING YOUR SALE

The Lawyer

A lawyer is there to represent your interest, and to process the documentation required. The legal aspects differ from province to province. We can recommend a lawyer to advise you on the steps to be taken before the keys to your new home are presented to you.

Surveys and Inspections

Surveys

The survey is a diagram of the location of the home on the lot, as prepared by a certified land surveyor. You must ensure that the seller has an accurate, up-to-date survey so that your lawyer can make the proper municipal zoning inquiries. If no survey exists, or the survey is not accurate and up-to-date, this should be the subject of negotiations and should form part of your offer.

Inspections

If your new car turns out to be a lemon, not only is it a headache, but it could cost considerable money to set things right. If your dream home turns out to be a nightmare, you could be facing huge expenses — money you may not have after making the biggest single purchase in your life.

Why do people take a mechanic for a test drive before buying a used car, but spend much, much more on a home based only on a quick tour? One reason may be that, until recently, it hasn't been all that easy to find a knowledgeable professional who can make a detailed assessment of each of the systems and components that can go wrong in a house. A carpenter moonlighting as an inspector would probably check all the structural elements but walk right past a deficient furnace or a soon-to-be-leaking basement caused by improper grading.

Professional home inspection, backed by a national association, is an industry that has become increasingly involved in residential real estate transactions over the past few years.

So how do you find a professional home inspector to help you make an informed decision prior to buying? We can make recommendations. You may only buy one house in your lifetime, but we are involved in home purchases every day and come to know who does a competent and professional job. You can ask your prospective home inspector for references from

Making Your Move Easy

CLOSING YOUR SALE

recent clients. Ensure the inspector is a member of a reputable industry association. In addition, ensure the inspector carries errors and omissions insurance. Not only does this give you an extra level of protection in case of future problems, it is also a test for good inspectors. (Those without specialized training either cannot obtain the insurance or can't afford it because the rates are higher for those with lower credentials.) Finally, to avoid the possibility of conflict of interest, avoid any inspector who offers to do necessary repairs, or who is involved in any way in real estate or home repair. Professional home inspectors stick to inspections.

The Title Search

It is the responsibility of your lawyer to conduct a search of title (at the registry office) and also to contact the municipality for taxes, zoning compliance (permits, use, setbacks, pool, fencing, compliance with subdivision agreements, etc.) and public utilities (hydro, gas, etc.) within the time stated in the offer.

Taxes and Liens

Your lawyer will search the title of the property to ensure that you can purchase the home without any legal problems. Your lawyer will also make sure that all tax payments have been made and that there are no liens on the home or the personal property the seller has agreed to sell you as part of the deal.

Finalizing the Mortgage

Once you've found the home you want to purchase, there are some documents you'll probably be asked for in order to finalize your financing. These will include:

1. The real estate listing of the property.
2. A copy of the offer to purchase or the building contract, if this document has been prepared.
3. Documents to confirm employment, income and source of down payment (if not provided at pre-approval).



Making Your Move Easy

CLOSING YOUR SALE

Signing on the Dotted Line

On the Actual Closing Day

Your lawyer pays the seller, registers the home in your name and delivers the deed and keys.

Make sure that you have all of the keys. The side door, garage door, shed, mailbox etc. And don't forget about the garage door opener! If you are purchasing a used home, it might not be a bad idea to change the locks or have them re-keyed after moving in.



Making Your Move Easy

THE BAYLEY-HAY TEAM

Looking For A Great Deal?
www.BestBuysInBarrie.com

Want Top Dollar?
www.PriceMyHomeNow.ca

Neil Bayley-Hay's Sales Representative
BestBuysInBarrie.com



Get Listings in Your Inbox Every Morning

Where are you looking to buy?

Type any City or Address...

RE/MAX Hallmark Chay Realty, Brokerage
www.BestBuysInBarrie.com Connect with Neil At
Direct: **705-722-5400**

Neil Bayley-Hay's Sales Representative
PriceMyHomeNow.com



Thinking of Moving?

Log onto **www.PriceMyHomeNow.ca**

Enter Your Address Here To Get Started (Number, Street, City) Search

3 Easy Steps To Get Your Free Online Home Evaluation

RE/MAX Hallmark Chay Realty, Brokerage
www.BestBuysInBarrie.com Connect with Neil At
Direct: **705-722-5400**

NEIL BAYLEY-HAY*
ZACH BAYLEY-HAY*
MIKE WILKINSON*
FRASER BAYLEY-HAY**
DAWN MACDONALD*



Direct 705-722-5400
www.RealEstateInBarrie.ca