

Opening Doors:

Resources for buying and
selling a home



About this booklet.....

***This booklet is intended to make the home purchase and sale process more enjoyable and understandable. Our objective was and remains to fulfill the old adage
“Knowledge is the key to success”.***

TAKING THE PLUNGE

You've taken a few weekends off to drive around and look for a new home for your family – but how do you begin to determine what you can afford?? In your search, a host of other questions confront you –

- How do I find out if there's anything wrong with a house I pick?
- I have my down payment saved – how much more do I need?
- What should I look for in a home?
- Is HST included in the purchase price?

FIRST THINGS FIRST

There will be a number of professionals advising you on the investment process for your new family home – all with one single purpose – to work together to help you choose your investment wisely, and protect it for the future.

The **first** professional you will encounter is your **real estate agent**. The other two members of your investment team will be your **mortgage lender** and **lawyer**.

Understanding the resources that each has to offer will enable you to make the most of their expertise and make an otherwise intimidating process enjoyable.

TAKING THE FIRST STEP – BEFORE YOU LOOK

Your quest is not the first – many have gone before and many will come after – **BUT** your search is unique to you – so before you start, identify your priorities on a “*needs*” list. Do you need to be on a bus route or near schools for your young family? Try to keep this list separate from your “*wish*” list. Identifying your needs before falling in love with a home will provide your real estate professional with the necessary tools to help you to assess (*before you look*) how many of your needs will be met by a prospective home.

Now are you ready? Almost – before starting to look, find out what you can afford. Begin your shopping with a pre-approved mortgage under your belt from your mortgage lender – it will speed up your offer process, and establish your price range within which you should be looking. Ask your financial institution or real estate agent about the pre-approval process if you are unsure.

CHOOSING A REAL ESTATE PROFESSIONAL

Using the services of an expert in any field is worthwhile. Real estate agency practice has undergone changes in Nova Scotia. The agent that you, as a buyer, deal with is presumed to be **your** agent, with your sole interests at heart. Under agency law, your agent may have obligations to the seller. There may be circumstances in which an agent has a dual role, that is, in practice, an obligation to advance the interests of more than one party. These relationships will be fully discussed with you by the real estate professional you decide will work for you. Take the time to understand them.

The real estate agent you choose is a professional providing you with a personal service. You must feel confident in that service and that your best interests are being served. Ask your friends and neighbours for references or attend a home-buying seminar offered by your local real estate office. Once you have found an agent that you feel comfortable with, allow that agent to work exclusively for you.

FINDING A HOME

You **think** you've found the home that best suits your family – now what?

Now you begin the formal process of entering into a legal contract by preparing an offer to the seller on a standard form of Agreement of Purchase and Sale approved by your real estate association. Your real estate agent will advise you as to the standard clauses that are contained in that agreement, and advise you of the particular clauses to be added to the standard form that best suit the inquiries you want to carry out on the property before being legally bound to complete the transaction. For example:-

- If the property is serviced with a well you will want to conduct a water test to ensure it meets all health standards;

- You will likely wish to have a building inspection conducted to have those “objective” professional eyes assess the structural soundness of your prospective new home;
- Your mortgage lender will want an opportunity to ensure the home supports your purchase price – and you will want time to finalize your financial affairs;
- You may want to review a **Property Condition Disclosure Statement**, completed by the seller. Your agent will explain more fully this document which contains general information which the seller knows about their home from their period of ownership. It is important for a buyer to verify the information set out in this form, as it only relates to the particularly knowledge of the seller, and is not warranted to be complete or absolute.

Until you are satisfied that your inquiries are complete, the contract is “conditional”.

TIME IS OF THE ESSENCE

Your Agreement of Purchase and Sale will set out many time frames: time to get your financing, time for a building inspection or water tests and time for a lawyer review. These times will be identified by a number of days, starting from the date the seller accepts your offer. Make a point of marking these condition dates so they don't go by unnoticed. Usually if a date goes by without notification to the contrary from the purchaser the seller is entitled to presume that the inquiry has been completed satisfactorily.

"Time is of the Essence" Deadlines

Financing of: _____

Water test by: _____

Building Inspection by: _____

Insurance: _____

Lawyer Approval: _____

Other: _____

YOU AND YOUR REAL ESTATE LAWYER

If the legal process has already begun you may ask “where is my lawyer”? Your lawyer is available to both you and your real estate agent at all stages of the process just described. Your agent, your lawyer and your mortgage lender will work together with you to ensure your concerns are addressed in the purchase process. Your lawyer’s role is to ensure that you are aware of your legal rights and obligations set out in the Agreement of Purchase and Sale, and to take you through the process of completing your purchase on the “closing date” – moving in day – hopefully without any “moving day blues”.

YOUR LAWYER’S ROLE – AT THE OUTSET

- If you contacted your lawyer before signing your Agreement of Purchase and Sale, your lawyer will respond to any specific concerns you may have, review generally the costs you will incur in closing the transaction, and provide an overview of the process of purchasing to ensure that any inquiries you wish to make are provided for as “conditions of your agreement”.
- If contacted during or after the agreement process your lawyer will review your Agreement of Purchase and Sale to ensure you are aware of all your rights and responsibilities contained in your contract. This review is now a standard clause in the agreement.
- Once all your inquiries have been made in accordance with your agreement, your lawyer will start with the legal inquiries to be made on your behalf.

YOUR LAWYER HAS TWO CLIENTS

You may not be aware that your mortgage company requires your lawyer to look after its interests as well as yours. Your mortgage company has given you a “commitment” to loan you money on certain terms, one of which is to give them security for the repayment of the loan by placing a mortgage against your new home.

At the time ownership of the property is transferred to you, the mortgage will be executed. The signing of the mortgage transfers the legal title of the property to the mortgage company. As a result, the mortgage company is concerned about receiving a good title to the property and requires your lawyer to certify the title to them. You, of course, will retain rights over the property such as the exclusive right to live in the property and occupy it as your home, provided only that you make the mortgage payments, and otherwise comply with your mortgage agreement. Once you have paid back the entire mortgage loan to the mortgage company, you will receive the legal title of the property back.

As a result of having two clients, your lawyer has the obligation of full disclosure to you and your mortgage company of all information pertaining to the purchase transaction. This duality will be explained more fully by our lawyer in your initial interview.

YOUR NEW HOME HAS “ROOTS”

One of your lawyer’s functions is to ensure that you obtain clear title to your new home. The Province of Nova Scotia has enacted new legislation and acquired new technology to modernize our 250 year old Registry system. The *Land Registration Act* introduced a new electronic property registry that identifies properties by parcel number and changes the way transactions involving real estate occur in Nova Scotia.

Before the new system, every time a parcel of land changed hands, a historic 40 year search of title was required to be carried out because our registry system had no means to track the interests to a specific parcel of land. With the new system, there is a means of tracking all the interests in one parcel register, and once in the new system, this historic search need never be done again. Once registered, every parcel of land will have a unique identifying number (Property identification or PID) and will also have a “parcel register” in which all the active characteristics of ownership and interests are to be reflected.

The government “assurance” that arises on registration in the new system for the core of ownership interests, is based on a lawyer’s opinion. Under the new system, titles that are based on squatters’ rights can attract the same guarantee as traditional titles, if evidence of occupation is sufficient to support certification by a lawyer. So, ask your property lawyer to advise you as to the status of the property you have bought – whether it is registered in yet the new system, and what the characteristics are on your new “parcel register”.

THOSE NICKELS AND DIMES

Often once you’ve managed to negotiate the agreement for your new home (and maybe not quite for **exactly** the price you would have liked) you feel as if hundreds of hands are reaching into your pockets at the same time to see how empty they really are. Unanticipated expenses can be an overwhelming setback to an otherwise positive experience. Your real estate lawyer will review all the expenses relating to the closing of our purchase. A very rough rule of thumb is that your closing day expenses will be approximately 3 ½ to 4% of your purchase price. These must be paid on the closing date and are in addition to your down payment.

Examples of most expenses **not** included in your closing day costs are:

- Utility hook-ups (power, phone, cable);

- Mortgage Application and Appraisal Fees;
- Fire Insurance;
- Home Building Inspections;
- Water Tests

What follows is a worksheet for your transaction – and a description of the expenses you will incur for your closing.

PURCHASE COST ESTIMATE

PROPERTY: _____

PURCHASE PRICE: _____

Deed Transfer Tax (____%) – Municipality \$ _____

Property Taxes _____ x _____ (months) \$ _____

Oil /Propane \$ _____

Location Certificate \$ _____

Tax Certificate \$ _____

Title Insurance \$ _____

Legal Fees \$ _____

Legal Disbursements/ Electronic Searches \$ _____

Registration of Deed and Mortgage \$ _____

HST on Fees and Disbursements \$ _____

TOTAL CLOSING COSTS \$ _____ (1)

Balance of Down Payment (less deposit) \$ _____ (2)

TOTAL REQUIRED ON CLOSING (1 + 2) \$ _____ (3)

Other costs:

Mortgage Fees \$ _____

Fire Insurance \$ _____

Home Inspection \$ _____

Cable TV, Utilities \$ _____

CLOSING COSTS – PURCHASE

The following is a description of the usual closing day costs associated with the purchase of your property. These will vary depending on the municipality, the financing to be placed on the property and whether the property is heated by fuel or electricity.

1. **Deed Transfer Tax** – Called by some the “Welcome” tax) – Each Municipality has its own transfer tax. You should check with your solicitor for the percentage applicable to your purchase area. The rate is generally 1.5% of the purchase price although there are a few exceptions across the province.
2. **Location Certificate** – This cost will vary as well but it is prudent to budget seven hundred fifty dollars (\$750) plus HST.
3. **Recording of Documents** – \$100.00 for a Deed and \$100.00 for your Mortgage;
4. **Title Search Fee** – Approximately \$35.00 for electronic title sub-searching of the records at the Registry of Deeds;
5. **Legal Fees** – Consult your real estate lawyer to obtain the costs for your particular transaction and assisting you in completing your cost estimate worksheet;
6. **Legal Disbursements/Administration Fee** – including postage, photocopies, courier service, long distance calls and fax – approximately \$85;
7. **HST must be charged on legal fees and disbursements** – at the rate of 15%. Agency type fees (i.e. Registry of Deeds costs) are exempt.

8. **Fuel Oil Adjustment** – based on a standard tank (200 gallons/850 litres to ‘whistle full’) – approximately \$850.00 (inclusive of HST);
9. **Interest Adjustment** – Interest may be deducted from the mortgage cheque to cover the period from the closing date to your first payment date;
10. **Tax Adjustment** – The purchasers must pay their proportionate share of taxes from date of closing to next billing date. Taxes are billed in six month intervals in advance and are due April and September/October of each year. The Purchasers are responsible for any taxes that the Vendor has prepared for the period of time that the Purchasers will own the property.
11. **Tax Advance by Mortgage Company** – If the next tax billing will arrive before enough funds are collected in your tax account at the mortgage company, monies to be set aside for taxes may be deducted from the mortgage cheque.

BEFORE YOU ASK.....

In the course of purchasing your new home, you will have many questions – some questions are asked of us so regularly, we thought we'd answer them before you ask.

If the property taxes are included in the Mortgage, why is there a tax adjustment as a closing cost?

On closing, the property taxes will be adjusted between you as a purchaser and the seller. If you have also arranged to pay your property taxes with your regular mortgage payments, the mortgage company will separate out the tax payment and place it in a special tax account to your credit. The money will accumulate over time so that there will be enough money collected to pay the next tax bill. Remember, taxes are billed twice a year. If your closing date is closer than six months from the next tax bill, there will not be sufficient time to accumulate a sufficient sum in the tax account at the mortgage company for payment of the bill. As a result, mortgage companies may ask for a lump sum of money from you on closing which will ensure they have enough in the tax account to pay the next tax bill. This amount is often referred to as a tax advance or tax holdback.

What is a location certificate and why should I consider getting a new one?

A location certificate is one type of survey product prepared by a Nova Scotia Land Surveyor. Sometimes it is incorrectly referred to as a plot plan or survey. It is a diagram showing the location of the house on the land in relation to the boundaries of the land as described in your deed. A lawyer cannot give you any information as to whether the home you purchased is on the land that the owner is selling to you. The reason for this is that your lawyer can only search records at the Land Registration Office which do not relate to survey. The deed which relates to the property you are buying makes no

reference to any buildings on the land. This is the job of a surveyor. A surveyor visits the property to make sure the house you have contracted to purchase is wholly within the boundaries of the seller's land, to make sure no one else's home is located on the land you are purchasing and to show location of driveways, fences and other physical features which relate to the extent of ownership of the property.

Purchasers should be cautioned that the surveyor **is not** guaranteeing the length of the boundaries or exactly where they are located. If the purchaser wants that information, a boundary survey should be conducted. However, the cost of a boundary survey is often much greater than the cost of a location certificate.

The mortgage company may require the purchaser to obtain a location certificate because the mortgage company is loaning the money based on the value of land **and** building. The mortgage company is therefore as anxious as you are to make sure the home you are buying is on the land described in the deed which you will receive from the seller.

If you rely on a location certificate prepared by a surveyor for someone other than yourself, (for example, a previous owner) you will have no recourse against that surveyor if a mistake is discovered at a later date. If the location certificate is not a recent one, it may not reflect changes which may have been made to the property or to a neighbouring property since it was prepared.

Therefore, it is always advisable to obtain a new location certificate, certified to you, as minimum protection. Your lawyer can assist in arranging for a surveyor to attend the property to prepare the location certificate.

TITLE INSURANCE

An alternative to securing a location certificate would be to consider a title insurance policy. Title insurance will insure over the possibility of someone else claiming a legal interest in your property. It can compensate against pre-existing municipal work orders, frauds and forgeries which can affect the legal ownership of the property.

Mortgage lenders require an up-to-date survey of the property as a condition of the mortgage, or in the alternative, if there is no location certificate, they will accept a title insurance policy in lieu of a location certificate.

To purchase a title insurance policy, ask your lawyer. The cost of the policy is a one-time premium and the policy protects your investment for as long as you own the property. The cost of the policy varies based on the purchase price of your property. Ask, too, if there are any lawyer fees involved or if the cost is simply a disbursement.

WHAT ABOUT HST?

The standard form of Agreement of Purchase and Sale provides options as to whether Harmonized Sales Tax is added to the purchase price or not. HST is payable on new houses and substantially renovated houses and in some other situations. If no HST is payable, the seller will provide you with a declaration to that effect on the closing date. HST is calculated at the rate of 15% of the purchase price before applicable rebates (new housing). If your purchase price includes HST and if you are assigning any applicable rebate to the builder, identify that portion of the purchase price that consists of HST in your agreement. If you are buying a home that has obviously been lived in and used, you need not be concerned about HST as an additional amount to be paid, but it may be prudent to declare your intent, namely, that the price offered includes any HST that may be payable in connection with the transaction.

WHAT ARE RESTRICTIVE COVENANTS AND HOW WILL THEY AFFECT MY OWNERSHIP?

Restrictive covenants, often called building restrictions, are conditions which attach to the property you are buying. Many subdivisions contain restrictive covenants which are a method of land use control. When a large tract of land is about to be subdivided for residential subdivision, the developer usually wants to ensure that the character of a subdivision is defined. The company will usually develop a scheme placing certain common restrictions on the use of the lots to ensure homogeneity of construction and hopefully preserve future value.

For example, a restrictive covenant may provide that:

- You can't raise hogs, cattle or sheep on your property;
- The buildings constructed on the lots must be a minimum size; or
- The property may only be used as a single family residence and not for the purpose of any business or trade.

The developer often reserves the right to waive alter or modify the restrictive covenants.

Once restrictive covenants are put in place by a developer, they attach to the property or "run with the land". If a restrictive covenant is breached by an owner, the remaining owners of the subdivision have the right to enforce the restrictive covenant. Although there may be similar municipal by-laws which also protect the owners, the restrictive covenants are private as between subdivision owners and can only be enforced by them.

Under the standard Agreement of Purchase and Sale, you cannot object to the existence of these restrictive covenants unless they **materially affect your enjoyment of the property**. Your lawyer will provide you with any restrictive covenants from the title sub-search, or if you are buying a new subdivision your agent will likely have a copy of the restrictive covenants that will be created with your

purchase. Take time to review them to ensure you are satisfied that they will not unreasonably restrict your use of the property.

WHAT HAPPENS ON THE CLOSING DATE?

This is not intended to be a reference to the day on which you close all your bank accounts, (although it may feel like it) - rather, this is the day on which you pay for the property and take possession of it. Your lawyer will calculate the approximate amount you will need as soon as possible after you sign the agreement. The exact amount is available shortly before closing. The money required on closing day must be paid by bank draft made payable to your lawyer's firm "in trust". The mortgage company will send your mortgage funds directly to your lawyer, and so on the closing day, your lawyer will have all the funds required to purchase your property on your behalf. The cheque to pay the seller will be made by your lawyer to the seller's lawyer once you have signed the mortgage and other closing documents. Your lawyer will write the cheques for payment of other closing expenses such as: deed transfer tax, recording of the deed and mortgage at the Land Registration Office and all other closing costs. Your lawyer records your Deed and the Mortgage at the Land Registration Office after the closing and will report in due course to both you and your mortgage company. You will receive your original deed back from your lawyer once the Land Registration Office has accepted it for registration and a permanent record entered in the parcel register.

AND SO WITH KEYS IN HAND....

The movers have arrived, the power is connected and you have your keys in hand.

WELCOME HOME!!!!!!

SELLING YOUR HOME BEFORE YOU BUY

The selling process will entail unique considerations for you:

- Should I sell before I buy?
- What if I am left homeless?
- What if I have two houses?
- What will my house sell for?
- How quickly will I sell?
- When should I put my house up for sale?
- Is the property migrated?

GATHER YOUR INFO

Before meeting with your real estate agent gather together all the important data regarding your home:

- A copy of your deed;
- A copy of your most recent mortgage statement;
- A copy of your location certificate or plot plan (prepared by a surveyor);
- Your property tax information;
- Your heating costs data;
- Particulars of any lease agreements (furnace, hot water heaters)

This information will assist your agent in completing the information required on your listing agreement and forms the basis of the

information which your real estate lawyer will require once a sale has been successfully negotiated.

BEFORE YOU SIGN

The agreement that you sign with your real estate agent's company is the "listing agreement". This is the first contract you will enter into in the selling process. The second will be the agreement of purchase and sale discussed more fully in the purchase segment of this brochure. One aspect of your decision to sell will be the price which you anticipate your home will achieve in the market place. Market conditions at times can vary as quickly as the tides, and may not bear a close resemblance to your personal assessment of value. Try to avoid specific expectations until discussing value with your real estate professional.

The listing agreement provides the authority to your real estate agent's company, to market your property for sale and will set out the specific particulars of your home. Ensure your agent is aware of any continuing obligations that will remain with the property (for example, hot water lease and furnace lease). Also ensure your agent is aware of any fixtures you intend to take with you. For example, if your dining room light fixture was a wedding present from your in-laws, you may not be able to part with it. The law states that anything that is attached to the property is a fixture and will be presumed to be included with the property unless it is specifically excluded. Removing featured fixtures may impact on the attractiveness of the home to prospective purchasers – so keep your exclusion list as short as possible.

Although you want to put your best foot forward to both your agent and prospective purchasers – full disclosure is a must. Ensure your agent is fully informed about the good and bad aspects of your property, so that your agent can properly advise you in the marketing of your home.

At the time you list your property for sale with a real estate company, you will be presented with a form to complete entitled “Property Condition Disclosure Statement”. This is a form that asks you as the seller, to declare the condition of your home – for example:

- Are you aware of any major structural problems, unrepaired damage or leakage, in the foundation?
- Does the property conform to the existing zoning?

Be sure to take care in completing this form, as it will be relied on by purchasers as your representation of the general condition of your property. Limit your responses to what you actually know, to your period of ownership of the property and ensure you declare that you have answered the questions asked to the best of your knowledge and belief. Your agent will review the questions asked to ensure you understand them before responding.

IS YOUR PROPERTY “MIGRATED”?

One of the questions that your realtor will ask you is whether your property has been registered in the Government Land Registration system, which came into effect in Halifax County on December 1, 2004. If you have had no transaction involving your property since that date, chances are it is not registered. If you had a title search conducted when you purchased your property, that information can be used for part of the process. It has to be updated however to ensure nothing new has been filed to affect the title since you bought your property. It is recommended that you speak with your lawyer at the time you first list your property if this has not been done on your behalf, and to ask questions about the cost and time involved. This will ensure there is not delay when you receive an offer which you want to accept for the sale of your property.

Your lawyer will want to know about the access to your property (private/public), whether there is any occupation of any part of your property without your consent (squatters), and will generally describe to you the legal issues and process involved in the migration process. Don't be afraid to ask questions. This is a new system, and as with all new systems, there is a learning curve for all.

AN OFFER HAS ARRIVED

As discussed in the purchase segment, the offer is the first stage in the negotiation of the contract for the sale of your home. Your agent will review in detail with you the particulars of the offer. If it is acceptable to you, your signature on the offer will finalize the contract document. If there is a term you wish to vary in the offer, your real estate professional will prepare a "counter-offer" indicating your acceptance of the terms of the offer except those you have specifically varied. This process continues until both you and the purchaser agree on all terms, and the sale negotiation is concluded.

YOUR LAWYER'S ROLE

The role of your real estate lawyer is somewhat different in the sale process than in the purchase process. In this process, your lawyer has only one client – you – and will be available to you and your agent once you have made the decision to sell. The following are some of your lawyer's responsibilities relating to the sale process:

- Reviewing with you your rights and obligations as set out in the purchase and sale agreement;
- Providing the purchaser's lawyer with information regarding your ownership of your property and deal with any questions the purchaser's lawyer may have with respect to your parcel register;

- Requesting payout information from your mortgage company, verifying your property tax adjustment; oil credits and closing adjustments;
- Preparing the documents necessary to complete the sale on the closing date for your signature.

All in all, your lawyer's role is aimed at ensuring that your interests are protected in the sale transaction.

THE PROCEEDS OF SALE – WHAT AM I LEFT WITH?

It will be useful to estimate the costs of selling your home at the time of your decision to sell, rather than after the sale is negotiated.

Attached is a sale cost estimate worksheet together with an explanation of the costs detailed.

SALE COST ESTIMATE

PROPERTY: _____

SALE PRICE: _____ (1)

Credits:

Prepaid Taxes : \$ _____

Oil \$ _____

Propane \$ _____

Other: \$ _____

TOTAL CREDITS: \$ _____ (2)

Deductions:

Mortgage Payout \$ _____

Mortgage Payout Penalty \$ _____

Mortgage Discharge Fee \$ _____

Real Estate Commission \$ _____

Legal Fees \$ _____

Legal Disbursements/Electronic Searches \$ _____

Registration of Mortgage, Release, etc. \$ _____

HST on Legal Fees and Disbursements \$ _____

Other: \$ _____

TOTAL DEDUCTIONS \$ _____ (3)

NET SALE PROCEEDS (1 + 2 + 3) \$ _____

CLOSING COSTS – SALE

The following are the usual closing costs associated with the sale of a property. The basic costs are as follows:

DEDUCTIONS:

1. **Real Estate Commission** – The deposit placed on the Agreement by the Purchaser is credited towards the real estate commission on closing and the balance is paid from the closing proceeds. HST applies to your real estate commission;
2. **Legal Fees** – Please call us to discuss the legal fees – they will vary slightly depending on the nature of each transaction. HST also applies to legal fees;
3. **Legal Disbursements** – These include postage, photocopies, courier, faxes and HST on those items - they average approximately \$85.00 on a sale transaction;
4. **Title Search** – Fee approximately \$35.00 for electronic title sub-searching of the records at the Registry of Deeds;
5. **Land Registration Office** – If you have a mortgage to pay out, a Release will have be recorded at the Land Registration Office at a cost of \$100.00, and as well there may be a fee charged by your mortgage company for the preparation of the Release;
6. **Mortgage Prepayment Penalty** – Before listing your property, contact your mortgage company and determine what penalty, if any, will apply to your mortgage if it is paid before it matures. Mortgage companies are quite flexible for the most part in trying to keep any penalty to a minimum.

CREDITS:

1. **Prepaid Taxes** – If you (or your mortgage company) have paid the taxes to the municipality in advance, you will receive a reimbursement from the Purchaser for taxes you have paid for the period beyond the closing date.
2. **Fuel Oil/Propane** – The fine print of your Agreement requires the Purchaser to reimburse you for the oil/propane in your tank. Usually, this adjustment is based on a full tank of oil/propane and an oil/propane top off slip is provided by you to your lawyer at the time of closing to verify the adjustment.

BEFORE YOU ASK...

As with the purchase process, the selling process may raise questions for sellers. We thought we'd give you the advantage of the answers to some before you ask:

When does the house have to be vacant?

Some agreements of purchase and sale indicate a specific time of the day for you to provide vacant possession to the purchaser. If your agreement has such a provision, that is your complete answer. Some agreements, however, provide for a specific date and not a time. If you have specific circumstances that require a physical move later on the closing date, make sure that is discussed with your agent at the outset of your transaction. Remember you are not entitled to receive your sale proceeds until you have physically moved out and "vacated" the property.

There is nothing quite as frustrating as the realization a day before closing that your movers are booked for 4:00 p.m. on the closing date and you can't get your sale proceeds to buy your new home until after they have finished. Arranging to be out as early as possible on the closing date is to everyone's benefit.

How can I move out and in on the same day?

Many sellers do not understand how they can be obligated to move out before they are paid their sale proceeds. "After all, how can I move out of my old home unless I have somewhere to move to?"

"I rented a small truck and it is going to take quite a few loads. How do I manage?" Our best advice to all sellers is to plan a move that will enable you to be completely out of your existing house before moving into the new one on the closing date.

There is a "domino" effect on busy closing days. "A" is buying from "B" who is selling to "C" and buying from "D" who is selling to "E" and buying from "F" – all on the same day. Your patience and understanding how your sale fits into this chain reaction will be your most valuable asset on your closing day.

THE MOVERS HAVE GONE

You've said your goodbyes, the house is empty but clean and ready to welcome its new owners, and you're on your way. We wish you all the best.

WHAT ABOUT CONDOMINIUMS?

What if the home that you are buying is a condominium? Ownership of a condominium differs from ownership of a single family home. There are numerous questions that are asked of lawyers and agents alike about the differences between the purchase of a single family home and the purchase of a condominium. It may be helpful to those purchasers considering this type of ownership to understand some of these distinctions.

What am I buying?

Condominiums have been created by an act of the Legislature. The *Condominium Act* allows a person to own and occupy an air space. The condominium unit you are purchasing is described as the air space between the interior surfaces of the actual unit or townhouse.

The best way to describe the form of ownership is to say that you have exclusive ownership of the space within your unit ("air space"), and you have ownership in common with all of the other owners within the condominium building of the structure as a whole and the land on which the structure sits. As you can see, you are not buying land in the traditional sense.

What are "common elements"?

When you purchase a condominium you also acquire an interest (or a share) in the common elements and have a right to use certain of those common elements. Common elements in a condominium mean all of the property except the individual units, and therefore includes walkways, driveways, grassy areas, land under the unit and the roof, etc. Each owner may make reasonable use of these common elements subject to any restrictions placed on them by the condominium statute itself and the rules pertaining to usage created by the condominium corporation. Some owners may have exclusive use of those common elements that are specific to the use and enjoyment of their unit (i.e. balcony, patio, etc.)

What is a “condominium corporation”?

A condominium corporation is a company incorporated under the *Condominium Act*. When a purchaser buys a condominium, the purchaser becomes a member of that condominium corporation. The members of the corporation are all of the unit owners. The unit owners control the corporation, and the corporation in turn manages all of the assets of the corporation which basically consist of the land and buildings. A condominium corporation, as with any corporation, is managed by a Board of Directors which the unit owners elect. All of this information is available in the condominium “declaration” and “by-laws”.

What are the differences in the purchase process?

One of the first differences you will note is that the Agreement of Purchase and Sale form is unique to condominiums. There are special clauses in this agreement which will be explained to you by your real estate agent. You will have a fixed amount of time to review the corporate documents of the condominium corporation (“declaration, by-laws, common element rules”) before you are committed to buy the condominium unit. The agreement will include the condominium fee and reference to any exclusive use areas that go along with the unit.

What about insurance?

The type of insurance you will need for your unit differs as well from insurance on a single family dwelling. It will cover insurance for your unit as described in the declaration. The condominium corporation will have a blanket policy on the assets of the corporation. The type of insurance that you will require for your unit is termed a “condominium owners” package. Your insurance agent will be able to explain to you the detailed aspects of this coverage.

What is an “Estoppel Certificate”?

Under the Condominium Agreement of Purchase and Sale form, the seller agrees to supply to you a document termed an “Estoppel Certificate”. This is a document which clarifies for the purchaser the financial and legal status of the corporation. The purpose of this certificate is to give you information which is not readily available by viewing your prospective unit.

Your real estate agent and lawyer will both have further information with regard to the basics of condominium ownership.

WHAT WAS THAT NUMBER AGAIN?

GENERAL CONTACTS

REGIONAL WATER COMMISSION	902-490-4820
NOVA SCOTIA POWER CORPORATION	902-428-6230
RESIDENTIAL TENANCIES BOARD	902-424-5200
ASSESSMENT DEPARTMENT (NOVA SCOTIA)	1-800-380-777
WATER TESTING (QEII HEALTH SCIENCES)	902-473-8466
ATLANTIC NEW HOME WARRANTY PROGRAM	902- 450-9000
EASTLINK	1-888-345-1111
BELL ALIANT	1-888-214-7896
HST	902-424-6300
PROVINCIAL SALES TAX	902-424-6300
HALIFAX REGIONAL MUNICIPALITY GENERAL INQUIRIES	902-490-4000
HALIFAX REGIONAL SCHOOL BOARD	902-464-2000
DEPARTMENT OF THE ENVIRONMENT	902-424-3600
HEALTH CARD INQUIRIES	902-468-9700
CIVIC ADDRESS	902-490-5347
OTHERS:	_____

PERSONAL CONTACTS

Hotel: _____

Real Estate Agent: _____

Mortgage Lender: _____

Insurance Company: _____

New Mailing Address: _____

Other:

Your Property Team:



Ryan P. Brennan

rbrennan@pattersonlaw.ca



Kristin Pike

kpike@pattersonlaw.ca



Julia Maloney

jmaloney@pattersonlaw.ca

Contact Us:

Our Personal Service Centre is conveniently located at 2016 Quinn Street (on the corner of Quinn and Quinpool). To speak to Ryan, Kristin, Julia or any one of the property team regarding the purchase or sale of your home, please call our office at **902-425-5297** or contact listed below:

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vmorrison@pattersonlaw.ca

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Bridgewater Office

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Bridgewater, Nova Scotia
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New Glasgow Office

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PO Box 697
New Glasgow, Nova Scotia
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Tel: 902.752.5090
Fax: 902.755.3545