

Dear Client,

We enclose our Memorandum which we would ask you to please take the time to carefully read and ask that you complete and return to our office the attached New Purchasers Information Sheet as soon as possible as it is mandatory that we receive this prior to closing.

Also enclosed is a Client Consent form that we will also require prior to closing. This form is the acknowledgment from all parties that we are acting for them. Please return this back to our office as soon as possible.

We will require your mortgage instructions as soon as possible together with an insurance binder showing the mortgage company as having an interest in the policy.

**Closings usually take place later in the day, between 3-5pm, and you should keep this in mind when making your moving arrangements.

PLEASE NOTE: FAILURE TO PROVIDE OUR OFFICE WITH THE ABOVE NOTED INFORMATION/DOCUMENTS FORTHWITH MAY RESULT IN A DELAY IN CLOSING.

Any documents required can be sent to our office via fax to 1(289)800-9636 or via email to gurevichoffice@gmail.com

With your acquisition of the new property, it would be appropriate that you review the terms of your Last Wills and Testaments. Our firm would be pleased to assist you in the review of your Wills to see if any changes are necessary. If you do not have Last Wills or Powers of Attorney, it would be prudent for you to review this matter with us. Please, contact our office and we will send you a general intake form that would be a starting point for preparing the necessary documents. For completing your purchase with our office, we would like to offer to you a discount of 20% off legal fees on the preparation of your Last Will and Powers of Attorney with us. To be eligible for the discount the Will intake form must be completed within one month of your final closing date and the documents executed no later than three months from the same date.

Sincerely,
Anna Gurevich Law Office

IMPORTANT MEMO TO OUR CLIENTS

(Please Read Thoroughly)

We wish to congratulate you on the purchase of your new home and look forward to work with you throughout this transaction.

We urge you to read this memorandum which provides important information to you regarding your upcoming transaction. We also encourage you to call us with any questions regarding this transaction which you may have.

TITLE INSTRUCTIONS

Please, inform our office upon receipt of this memorandum of the manner in which title is to be taken to the property; that is, how you wish your names to appear on your deed, together with your birth dates and spousal status. It is important that we have a telephone number at which you may be reached during office hours.

TITLE INSURANCE

Traditionally, "title" to your property has been certified by the lawyer, but often, this is subject to qualifications. Title insurance offers more protection, title and legal services, than an individual lawyer can provide. The premium costs are included in the usual disbursements and is not in addition to the usual disbursements. In fact, in many instances, the "title-insured" transaction results in reduced disbursements.

If have an objection to or do not wish to proceed with title insurance, please call us immediately as this will affect the searches which are performed prior to closing and will result in additional disbursements being levied.

UTILITIES

You must also contact the utilities **prior** to closing to confirm arrangements for the reading of the meters, set up accounts, payment options, etc.

PLEASE NOTE: Since most municipalities will not accept correspondence from a solicitor's office due to Privacy Act, We will not be corresponding with these companies on your behalf.

If the closing date is altered for any reason, please ensure that the utilities are advised accordingly.

CONDOMINIUM

If the property you are purchasing is a condominium unit, you will be required to contact the Management Company **immediately** following closing to provide with any information they

require, ascertain when your first commences and to arrange for payment of your monthly common expenses.

FINANCING

If you are arranging any mortgage financing or secured line of credit, please inform us immediately of the name, address and telephone number of the proposed lender.

Please also ensure that the lender(s) is/are aware that we are acting on your behalf and request that mortgage instructions be sent to our office in ample time, at least 10 business days before closing. If you make changes to your original mortgage commitment, please inform our immediately. Also, if there is a change in your closing date, you must notify the mortgagee forthwith. For the purposes of registering your mortgage, we will require at the time you attend to sign the documents for identification for each person named in the mortgage including any guarantor(s). This may be in the form of a driver's licence or social insurance card.

There may be several hundred dollars deducted from the mortgage funds for realty tax hold backs, interest adjustment, application fees, and/or mortgage broker fees. Please check carefully with your mortgage broker or bank representative in order to avoid any surprises an closing.

For high ratio mortgages, there is a high ratio mortgage insurance that will be added to your up front costs, unless you make special arrangements with your bank or mortgage lender to add this insurance to the principal of your mortgage. There will also be an 8% provincial sales tax on the insurance premium which cannot be added to the mortgage and is deducted from your advance on closing.

PLEASE NOTE: If you are working with a mortgage broker and there are conditions on your mortgage that need to be met, it is the broker's responsibility and not the solicitors to ensure that same are met prior to your closing date. The mortgage company will not provide us with your mortgage funds until all conditions are met. In this regard we would ask that you work closely with your broker to ensure that any conditions are met in order to avoid any delay in receiving your mortgage funds.

ADJUSTMENTS

Your Agreement of Purchase and Sale states that the balance of the purchase price will be paid by cash or certified cheque, subject to adjustments. On a resale home, adjustments consists of items already prepaid by the seller that benefit the purchaser after the closing date which are prorated and a credit is given to the seller as an adjustment on closing. Some examples of adjustments are for prepared realty taxes, condominium maintenance fees and fuel oil or propane. It is very difficult to know until shortly before closing how much these adjustments will be, although they are often hundreds of dollars and can exceed, on occasion, \$1,000.00.

On the purchase of a new home, the builder usually passes on many of their costs as adjustments to be paid on closing. Some examples of these costs are: installation of water and hydro meters, boulevard tree planting, Ontario New Home Warranty Program fees, subdivision damage deposits, driveway paving, extras and prepaid taxes. On new homes, adjustments tend to be on an average in the range of \$2,000.00 to \$3,000.00. Please, consult with the builder's sale

representative for advice on which items will be paid for on closing as an adjustment and the estimated amount of the adjustments to be paid by you on closing.

In view of the above, we suggest that you keep a substantial amount of additional money available to cover your closing adjustments.

INSURANCE

It will be necessary for you to arrange fire (theft and liability) insurance coverage on the premises and have the interest of any mortgage companies noted thereon. This fire insurance coverage should be effective as of the date of closing and should cover the house, your personal belongings, and personal liability.

PLEASE NOTE we will require prior to closing a **BINDER LETTER** or a copy of the **POLICY** showing all mortgages together with other vital information from your insurance agent and coverage must be for **full replacement value** and **must be indicated on the binder provided to our office by your agent**.

We wish to stress that it is your responsibility to ensure that we are in receipt of such a BINDER LETTER or POLICY. **Without this we will not be able to complete the transaction.**

PROPERTY TAXES

Immediately following completion of your purchase transaction, it would be advisable for you to contact the Tax Department to ensure that they are aware that you are the new owners and to ensure that you receive all tax bills following closing. It would be advisable to enquire at this time as to when your tax instalment due dates are in order that you may attend to payment of the taxes and avoid any penalties which could be applicable.

LAND TRANSFER TAX

Land transfer tax is paid to the Provincial Government and is calculated on the purchase price of your home. The amount of land transfer tax will be collected from you at the time of closing, in addition to our legal fees and disbursements (including any title insurance premium) and will be remitted to the Government of your behalf on closing.

If you have never owned a home anywhere in the world, please advise us **IMMEDIATELY** in order to discuss exemption from land transfer tax to a maximum of \$4,000.00.

NEW HOME CONSTRUCTION

If you are purchasing a newly constructed home, there are a couple of extra things, you as a Purchaser are responsible for. You **must** arrange through the sales or construction site office for an Ontario New Home Warranty Program ("ONHWP") inspection prior to your closing date. One of your closing costs to the builder will be to pay for your house to be enrolled under the Ontario New Home Warranty Program. The builder's representative will supply you with a copy of the

CERTIFICATE OF COMPLETION AND POSSESSION at the time you do your inspection and we **must** receive this Certificate and any schedules such as the pre-delivery inspection report prior to closing. Most mortgage companies are now insisting on reviewing this Certificate prior to advancing funds and it is imperative that you communicate this to the builder in order that they make the necessary arrangements to provide you with a copy at the time of your inspection. In addition, your mortgage company may also require that an inspector employed by them inspect the home prior to closing.

RESERVING AN ELEVATOR TIME FOR HIGH RISE CONDOMINIUMS

If you are purchasing a condominium which is not a town house unit, you may be required to reserve an elevator. We would suggest that you speak with your realtor to find out the procedure for this as this shou

City *Postal Code*
Home: _____ Work: _____ Cell: _____

Email Address(es) _____

Have you been physically present in Canada for 183 days out of 12 month period prior to the closing date of your purchase? Yes No

Are you a Canadian Citizen or a "permanent resident of Canada"? Yes No

Are you acting as a trustee, nominee or in similar capacity for all or portion of the beneficial interest in the purchasing property? Yes No

(2) Full Name (To appear on Title): _____
Male Female

Date of Birth: / / Spouses Name: _____
dd mmm yyyy

Marital Status: _____, Married Single Separated
Divorced Widowed
Common-Law number of years living together _____

Place of Employment: _____ Position: _____

Current Address: _____
Street Address *Apt/Unit*

City *Postal Code*

Work Address: _____
Street Address *Apt/Unit*

City *Postal Code*

Home: _____ Work: _____ Cell: _____

Email Address(es) _____

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Are you acting as a trustee, nominee or in similar capacity for all or portion of the beneficial interest in the purchasing property? Yes No

Title Information: Sole Owner Joint Tenants Tenants In Common

Are you a **First Time Home Buyer?** Yes No

Mortgagee (Lender) Information:

Please ensure the mortgage lender is aware we are acting on your behalf and instructions are sent to our office at least 10 business days prior to closing

Lender Name: _____

Mortgage Broker: _____

Address: _____

Address: _____

Tel. Number: _____

Tel. Number _____

Fax. Number: _____

Fax. Number: _____

Will there be Bridge Financing? Yes No

Home Owners Insurance Information:

Please ensure your agent faxes a binder letter to our office prior to closing

Insurance Agent _____ Policy No.: _____
Name:

CompanyName: _____

Company Address: _____

Tel. No: _____ Fax.No: _____

CLIENT ACKNOWLEDGMENT

We/I, _____ hereby confirm that:

Anna Gurevich has been asked to act *for* both or all parties involved in our purchase/sale transaction;

b) No information received, in connection with the matter, from one can be treated confidential so far as *of* the others are concerned; and

That if a conflict develops, which cannot be resolved, Anna Gurevich cannot continue to act for both or all parties and may have to withdraw completely.

Dated at _____ this ____ day of, _____ 20
(City)

Client Name

Client Signature

Client Name

Client Signature