

Questions to ask your lawyer

What parts of the process of buying a house will you take care of?

How much will it cost for you to do this legal work?

How much are the disbursements likely to cost?

(Disbursements are expenses your lawyer pays on your behalf which you must pay back)

What might change the amount of money I owe?

What do I need to do before the closing date?



Dial-A-Law offers free tape-recorded legal information on over 130 specific topics.

Your call is free from anywhere in BC using a touch-tone phone 24-hours a day. You can call from a dial phone between 8:30 a.m. and 4:30 p.m., Monday to Friday. In the Lower Mainland call 687-4680. In other areas of BC call toll-free 1-800-565-5297. Dial-A-Law is a free service of the BC Branch of the Canadian Bar Association and the Law Foundation of British Columbia.

This pamphlet has been prepared by:



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The Law Society is the governing body of the legal profession and is responsible for the admission, conduct and discipline of all lawyers in B.C.



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The Canadian Bar Association is a nation-wide organization devoted to promoting the interests of the legal profession, advocating law reform and providing legal services to the public.

LAWYERS & CLIENTS



When you see a lawyer about buying a home

Your lawyer protects your interests.

BEFORE YOU SIGN AN OFFER TO PURCHASE A HOUSE.

Your lawyer can advise you on the words to include in your offer to purchase a house. For instance, you may want:

- Escape clauses that will allow you to cancel your offer if you find out the house is not what you thought it was, if you cannot get a large enough mortgage to finance the purchase, if you cannot sell your current home, or if there are other reasons you should not go through with the purchase.
- A guarantee that the property conforms to municipal by-laws, zoning regulations, and housing standards.
- A clause that lists exactly what you are expecting to buy.
- A clause about who will pay insurance on the house between the time your offer is accepted and the closing date.



Your lawyer can also give you a good idea of exactly how much it will cost to buy the house. The price in the offer does not include the land registry fee, property purchase tax, or your lawyer's fees, nor does it include the money you may have to pay the person selling the house (the vendor) to cover things such as the furnace oil already in the tank or the utility bills and municipal taxes that the vendor has already paid.

AFTER THE VENDOR ACCEPTS YOUR OFFER TO PURCHASE.

Your lawyer's job is to make sure that, on the closing date, you really own the house, you paid the right amount for it, and all the paperwork is correct.

Among other things, your lawyer will:

- Check that the person selling you the house has a right to sell the house and that no one else has a claim to it (mortgage holders, unpaid contractors, tenants and the spouse of the person selling the house may all have rights to the house).
- If you are getting a mortgage, check an existing survey of the property or arrange for a new survey to be done in order to make sure that the property is accurately described in the sale documents and in the mortgage.
- Contact the municipality or regional district to make sure that all taxes have been paid.
- Contact the water utility office to find out if they are owed any money.

- Talk to you about any special restrictions on the property (for example, others may have a right to use your property to get to their property or for hydro or telephone lines; there may be municipal regulations concerning swimming pools or septic tanks and special environmental and conservation rules).
- Prepare and check mortgage documents and tell you what the mortgage says you must do.
- Talk to you about the ways you can own the property if you are buying it with someone else and explain the difference between joint tenants and tenants in common.
- Check the statement of adjustments, which shows the exact amount that you will have to pay the person selling the house on the closing date.
- Explain the purpose of all documents that you have to sign.
- Do a last check at the Land Title Office on the closing date, before money and keys change hands.



A client's view:

I was in a panic about the closing date.

We were selling our house, buying a house, and moving all on the same day. I was frantic about the packing, the cleaning, the movers, the keys, the timing. Our lawyer explained why some of the legal paperwork had to be done all on the same day and gave us suggestions about organizing our move. I couldn't believe it would work, but it did.

A lawyer's view:

My best advice? When you start looking for a house, speak to a lawyer. Some people don't realize that an offer to purchase is a contract once it's accepted. You can't just change your mind.

When you sign an offer, you are saying that you will buy the house for a certain price on certain conditions. A lawyer is the best person to help you set the right conditions and protect your interests.