

Residential Real Estate Purchases



Whether you are a first time home buyer or an experienced real estate developer, our expertise and personalized service will let you rest easy throughout the purchase process.

Because buying property is usually the single most expensive purchase a person makes in a lifetime, it is important that a lawyer acts on your behalf during the transaction. With so much to do ahead of a move, you can count on your lawyer at Kelly Santini LLP to take care of all the legal steps needed to finalize the purchase or sale of your new home. That's why thousands of people in Ottawa select us every year to make sure their purchase goes smoothly and to ensure their interests are protected.

Buying a Home – Services Performed by your Lawyer

In **closing the transaction**, your lawyer will: make a full search of title; arrange for the satisfaction and discharge of outstanding claims against the property, report any problems to you before closing and receive your instructions; attend to the closing of the transaction, the registration of title documents and a final report to you. Below is a breakdown of the costs associated with a typical real estate purchase and the common disbursements incurred by your lawyer in completing the purchase of your new home:

Title Search	\$150.00-\$180.00
Registration of Deed	\$70.50
Registration of Mortgage	\$70.50
Execution Certificates	\$33.00-\$55.00
Title Insurance	\$250.00-\$350.00
Office Expenses	\$40.00-\$50.00
Land Transfer Tax	<i>Please see below to determine your land transfer tax</i>

Determining Land Transfer Tax

Land Transfer Tax is payable on most residential real estate transactions and is calculated based on the price of the home being purchased. Please note that the **purchaser may be eligible for a Land Transfer Tax rebate up to a maximum amount of \$2,000.00 if they are a first time home buyer**. The following is the formula used to calculate Land Transfer Tax:

Purchase Price	Calculation
\$0.00 - \$55,000	.005 x purchase price
\$55,001 - \$250,000	.01 x purchase price – 275
\$250,001 - \$400,000	.015 x purchase price – 1525
\$400,001 plus	.02 x purchase price – 3525

For example if your purchase price was \$250,000 the Land Transfer Tax calculation would be .01 x \$250,000; minus 275 = \$2,225.00. This amount is due and owing on the closing date of the transaction and is payable to the Ontario Ministry of Finance.

What are Adjustments?

It is common in **Agreements of Purchase and Sale** to provide that the balance of the purchase price be paid on closing "subject to the usual adjustments". Usually adjusted items include property taxes, fuel oil and in the case of Condominiums, common expenses. The Statement of Adjustments is usually prepared by the Vendor's lawyer and contains various minor adjustments to the balance payable on closing. Your lawyer will approve and advise you with

respect to the Statement of Adjustments which is designed to ensure that all on-going expenses are paid by the Vendor up to the closing date so that you, the Purchaser, are liable for expenses only from the closing date forward. After closing, your lawyer will give you a report on title to the property along with a Statement of Adjustments.

What Information will my Lawyer Need to Close my Purchase?

A purchaser will need to provide the following information to his/her lawyer.

- Agreement of Purchase and Sale
- Name of the Mortgage Lender (if applicable)
- Inspection Report
- Photo Identification
- Date of Birth
- Address for Service
- Title
- Property Insurance
- Closing Funds

More real estate FAQs on-line at www.kellysantini.com

The residential real estate section of our Kelly Santini LLP's web site is contains more helpful information for home buyers and sellers. Or drop us an email with your question at inquiries@kellysantini.com.

Offices & Languages

Our services are available from our office in downtown Ottawa or in Nepean and we are proud to offer legal services in both English and French.

If you any additional questions, please contact:

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