

GISH LAW OFFICE



Purchaser

Legal Fees, Billing and Related Procedures

Experience shows more difficulties and misunderstandings arise between lawyers and their clients over fees and billings than any other cause. As it is most important you understand how billing will be conducted and your responsibilities in that regard, we urge you to review this information thoroughly. Basic fees are as quoted in the accompanying letter. The assistant assigned to your file should be identified in the letter to you confirming fees and expenses for your file.

Additional Charges

There will be additional charges if the work extends beyond that necessary for a regular purchase. Additional charges might result from the need for encroachment agreements, dower releases, equity agreements or other matters unique to your circumstances. Should such an instance arise you will be notified in writing of any additional charges that may become necessary.

NOTE: Mortgage fees are not included. If a mortgage is being placed, it is an entirely separate legal matter from the purchase.

Disbursements, Expenses and Service Charges

Disbursements are payments made by our office on behalf of a client. Examples are payments to third parties such as the Land Titles Office and municipalities. Expenses include postage, photocopying, long distance toll charges, fax charges and on-line charges. Service Charges are levied for special mail services (certified mail, registered mail, priority post, etc.), contract courier service, wiring funds, and foreign exchange involvement. Disbursements, expenses and service charges are in addition to fees

How to Estimate Expenses

The Purchaser should budget for various expenses they will encounter, in particular Land Titles charges. Apply the following formula to obtain an estimate of expenses:

$$\frac{\text{Purchase Price} + \$200.00}{\$5,000.00}$$

Title Insurance, Real Property Reports and Compliance Certificates are not included in this estimate.

Insurance

Because a purchaser has an insurable interest as soon as the Offer to Purchase is accepted, all purchasers should arrange for fire insurance to become effective prior to the Closing Day.

Real Property Report

Our office recommends all purchasers obtain a Real Property Report and Municipal Compliance Certificate. A Real Property Report is a survey that shows where the buildings on your property are located in relation to the boundary of your property. The Real Property Report must be reviewed by the municipality to ensure the structures on the property comply with municipal by-laws. If the offer has the seller providing the Real

Property Report and Compliance, try to take a look at it – is it accurate? If not, please draw this to our attention at your earliest moment so we can address what steps need to be taken.

Title Insurance

An alternative to a Real Property Report is Title Insurance which is a policy of insurance that can be purchased to protect a buyer against survey-related risks. We tend to use a company called First Canadian Title Insurance. Their web site is firstcanadiantitle.com if you are interested in learning more. Our office simply uses the service when needed, we are not well versed on the pros and cons of choosing whether or not to purchase from them. If you have information on a different company, we are not restricted from using them instead.

Appointments and Funding Requirements

Count on your needing to provide your portion of the purchase price at your appointment to sign documents. My office will contact you to try to arrange an appointment with a lawyer to review documents. The timing of your appointment can be tricky having regard to your closing date, receipt of mortgage instructions, your schedule and our schedule. If you have not heard from us at least two weeks prior to your closing date, contact us, we may be having a hard time getting a hold of you.

At our office appointment we will review how we have calculated the amount required from you. The number will reflect your deposit, the net mortgage proceeds, property tax adjustments, our fees, and estimate expenses. You may call ahead to get that number if you wish, but it is difficult for an assistant to explain those numbers over the phone. Explanations will have to wait for our appointment.

Closing Dates

One of our biggest challenges is getting all of your documents arranged and signed in time to send in to Land Titles to meet your Closing Date. Our schedule is dictated by Land Titles turn-around time which can vary from 3 days to up to 15 business days. Based on when we receive documents, the policies of the mortgage company you are using and the type of transaction you have entered into, it may become necessary to use Title Insurance to

Suggestions or Concerns

We try to make our service exceed your expectations. Just like any other business we strive to ensure our clients are satisfied with the service we provide. Please let us know if you have any suggestions or comments on how we can serve you better. Also, please advise us of any complaints or concerns. Only from your feedback will our service improve. Thank you for your assistance in this regard.

We hope this memo is informative and helpful. Your understanding of our billing procedures allows us to focus attention on your legal matters and to serve you better.