

lawyer's office before you move in.

When can I move in?

Three things are necessary before the buyer can move in:

- ◆ Cash (at least the difference between the full purchase price and the amount of the buyer's mortgage.)
- ◆ All documents signed by the buyer; and,
- ◆ (If there is a mortgage,) the buyer's fire insurance must be in place.

Note however that the money, although paid to the lawyer, may not always be released to the seller until registrations are complete.

What if there are problems?

If problems arise, you should contact your lawyer as soon as possible. This is part of the reason why money is not released to the seller right away.

Words, words, words?

Some of the important words you will encounter are:

- ◆ **Possession or Closing** - This is the day the keys are exchanged for cash and the buyer can move in.
- ◆ **Mortgage** - This is your promise that the lender can take your property if you don't pay. It is given in exchange for a **loan**. It is broadly called **security**, which can include other rights given to the lender to help them collect.

- ◆ **Survey Certificate** - There are many kinds of certificates done by Surveyors. The most common is properly called a **Building Location Certificate** and shows whether any buildings extend over the property line.
- ◆ **Encroachment** - This is what it is called when a building is over the line.
- ◆ **Torrens Title** - This is the type of land ownership that is predominant in Manitoba. Virtually everything you need to know about ownership of the property is contained in one document.
- ◆ **Deed** - This is the older kind of ownership common in most of the world. You need to account for all deeds back to the first owner.
- ◆ **Title Insurance** - This is used primarily in jurisdictions where there are deeds as opposed to titles. If there is a missing deed there is always the possibility someone might show up with the missing deed and an alternate line of owners. In Manitoba, title insurance is used primarily to insure against survey problems which might affect value.
- ◆ **Adjustments** - If the seller has not paid his taxes for the year, you will have to pay them. Your lawyer will hold back the vendor's share out of the purchase price and you will pay using some of the vendor's money and some of your own. If the vendor has paid, you have to pay him back for your share, which will be added to the price.
- ◆ **Interest** - Because many lenders won't allow mortgage money to be used until the title is in your name and because this takes a few days for Land Titles to complete, you must pay interest to the seller from the possession date until the vendor has all of their money. You don't pay interest on your mortgage until the mortgage money is used.

Buying A Home



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