

EM3 – The Electronic Monday Morning Meeting
Legal News and Information for Realtors and Mortgage Specialists
Volume 14 - Friday, August 2, 2002

Brought to you by:

LECLAIR THIBEAULT

Barristers and Solicitors

<http://www.calgarylaw.com>

Ph. 403 245 3500

=====
TABLE OF CONTENTS
=====

- * Introduction and Announcements
 - Summer Schedule of EM3
 - Clickable Links in Archives
 - New Sections to FAQs on Website
 - Staff Member Announcement
 - New Office Open House
- * Realtor/Broker Quick Helpers
 - Interim Financing on Assumption Deals
- * Land Titles Watch
- * Final Messages

=====
INTRODUCTION & ANNOUCEMENTS
=====

1. Summer Schedule of EM3

A number of people have been asking where their delivery of EM3 was during the summer months. Over the summer months we delivered EM3 a little more rarely because of staff holidays , etc. so that we could concentrate the proper resources to transactions.

Now that it is over, we will be slowly returning to our standard schedule of delivery so that you can get the information you need

2. Clickable Links in Archives

Over the next week or so we are going to adjusting our Newsletter Archives so that all of the links in the PDF documents can be clicked on. This will make our information even more accessible as you will now be able to access referenced web pages right from an archived file.

You will see the changes in the next week as the appropriate changes are incorporated into each section.

3. New Sections to FAQs on WebSite

We are continually asked by real estate professionals to provide information to clients in relation to real estate transactions.

In response to these requests, we are currently adding new Frequently Asked Question (FAQ) sections to our website.

Where we have previously had only 1 page of FAQs we have now added three separate pages with answers on Home Buying, Home Selling and Mortgages. Each of these sections will soon be accessible via a drop down menu at the bottom of each and every page.

To see a sample of the new drop down menus click through to the following page:

http://www.calgarylaw.com/Articles_RealEstate.html

Please feel free to refer your clients to the website for free information that will help you service your clients better.

4. New Staff Member

We have welcomed Darlie McRae to our office as a real estate paralegal. Darlie has a number of years of experience and has been involved in all aspects of real estate conveyancing. We are elated to have her join our team and expect that you will find her work absolutely top notch.

5. New Office Open House

We have been letting you know that we will be doing an open house to ring in our new offices. We are now more formally established and will be holding it sometime in September. We will let you know the formal date as it approaches and will deliver invites to all of our real estate friends.

Please remember that our new address is:

200, 1333 – 8th Street SW
Calgary, Alberta
T2R 1M6

Our phone and fax numbers will remain:

Ph. 403 245 3500
Fax. 403 245 3357

Phone us at 245 3500 and ask for Christie if you would like new cards sent to you.

=====

REALTOR/BROKER QUICK HELPERS

=====

This week's hints deal with only a few of the issues relating to interim financing. Over the next few weeks we are going to introduce you to various issues and a practical solution that has been crafted by the lawyers of Alberta with particular reference to the Western Torrens Protocol.

Because of the complexity of this issue we have decided to break it up so that you can understand the option better.

1. Interim Financing on Assumption Purchases

We are often faced with issues relating to interim financing where a client has a purchase and a sale closing close together. It seems that most people recognize that there is a need for interim financing anytime when a sale of a clients' house occurs less than seven days BEFORE their purchase.

This is an important point to emphasize because a sale rarely happens before a purchase because your clients have to live somewhere in the interim. The typical case is that a sale happens AFTER, or near the same time as the purchase which makes interim funding clearly necessary (you can check out Volume 6 – April 12, 2002, <http://www.calgarylaw.com/News/2002Apr12.pdf> which discusses interim funding).

What we have seen more recently is that the issue of interim financing is not being dealt with where clients are purchasing by way of cash or assumption of a mortgage. The problem is that the clients' bank is not receptive to providing interim financing in these cases because they don't have a stake in the mortgage.

In a recent situation, we had a client who was purchasing a home by way of assumption on the 29th of the month and their sale was closing 2 days later. The Realtor involved thought that interim financing would not be a problem and so the issue wasn't addressed. By the time the client got around to arranging for interim financing it turned out that they were unable to obtain because no banks were willing to do it. They were ultimately forced to obtain private lending at a significant cost.

Because of this problem, you have to ensure that you discuss the issue of interim financing any time that you have a timing question. This is absolutely vital in assumption situations given the current mood of banks. If you deal with the issue up front you may even be able to negotiate that the seller accepts late payment of funds via an assignment of sale proceeds.

Over the next few weeks we are going to outline to you a few options that can help deal with the issue of interim financing in certain situations. These options are not always available so you should be careful in any event.

=====
LAND TITLES WATCH!
=====

As of Friday, 4:00 p.m. Land Titles was registering documents submitted on August 1, 2002, meaning that registration is 4 full business days!

=====
FINAL MESSAGES
=====

The changes to our website with respect to our new FAQ sections is exciting because it is really one small way in which we can help you as a real estate professional. The more you can help your client the greater value you are to your client.

Please let us know your thoughts on the format and any suggestions you might have or questions you might want addressed.

Have a Great Week Buying and Selling
Same Time Next Week

Ron Thibeault and Bill LeClair
Barristers & Solicitors
Your Source for Information You and Your Clients Need

DISCLAIMER

The information provided is for general reference only. Prior to taking any actions, you should seek the advice of a lawyer to ensure that the steps you take to protect your client are sufficient.
