

**EM3 – The Electronic Monday Morning Meeting**  
**Legal News and Information for Realtors and Mortgage Specialists**  
**Volume 10 - Friday, May 10, 2002**

Brought to you by:

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**INTRODUCTION & ANNOUCEMENTS**  
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**1. Adding A Link to Our Site on Yours**

As we develop our site we would like to encourage you to link to our site to help provide your visitors the information they need to help understand what it is you do and how the house closing process works.

If you would like to add a link to our site, please contact us via [pleasehelp@calgarylaw.com](mailto:pleasehelp@calgarylaw.com) and we will send you the code snippet that you can simply drop into your own site.

**2. New Staff Member to Welcome**

We are welcoming the addition of Sue Hebenton to our staff starting on May 13, 2002. Sue has an extremely strong background and work history in real estate and is a great addition to our team.

Please welcome her to our firm when you have a chance to work with her on a file.

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## **REALTOR/BROKER QUICK HELPERS**

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This week's hints deal with the issue of home alarm systems. This problem is ongoing and should be of concern to all real estate professionals.

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### **1. Pulling a Title to Save on Pulling Out Your Hair!**

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Whether you are a Realtor or mortgage professional, one of the areas where there can be no mistake is with respect to who your client is and who has the authority to bind a property. If your client is doing a refinancing, are you totally sure as to what is on the title and has to be discharged to get your bank first charge?

The only way to really confirm this is to actually obtain a fresh copy of the title to determine for yourself whether you are dealing with who you should be and that what needs to be paid out is known right up front.

The issue as it relates to Realtors is as to whom you are dealing with. For example, when you do a listing presentation and are successful you may have to determine whose signature is required in order to give effect to your listing contract. Of particular concern is that if you don't have the right signatures on the listing contract you will not have the right to place a caveat on title to protect your fees if things go awry.

As a mortgage specialist, you aren't immune to potential issues either. One of the issues that crops up continually on refinancings is that there are more charges to payout than was originally anticipated. This then causes problems where there is not enough funds to cover all of the things that are needed.

The simple solution in each of these cases is to ensure that you actually pull a fresh title at the time you first deal with your clients. Don't rely on an old title that your clients present to you as there may have been changes in the last short period. For example, people often transfer title to their spouse to protect them from liability. We have even seen situations where one party wasn't aware of secondary financing that had been added to the title to the home involved.

The cost of obtaining a title is minimal (\$5 - \$10) and should be done on each and every transaction.

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**ASK AWAY!**

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To ask your real estate or corporate question to us please send us an email at [pleasehelp@calgarylaw.com](mailto:pleasehelp@calgarylaw.com) and we will review it for you. We can't answer every question in our newsletter but if you have a short concise question that we think is of a concern for others we will include it. Remember, these questions are for general information only and you should consult your own attorney before acting on information you see here.

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Does GST apply to farmland?  
Mel Morrow

GST is applicable anytime that there is land that has a commercial use. In the case of farmland the answer is that GST does apply. To give you an idea of just how widely this is interpreted GST has been held to apply to lands that were used for illegal drug production as the use of the land was commercial in nature.

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**LAND TITLES WATCH!**

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As of Friday, 4:00 p.m. Land Titles was registering documents submitted on May 7, 2002, meaning that registration is 3 full business days!

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**FINAL MESSAGES**

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We would like to thank everyone for their great comments on EM3 and for your continued feedback. We have received a number of calls relating to different questions that have come to mind based on the information that we are presenting. We think that this is great and that it can only help all of us be better at what we do.

Keep the questions coming.

Have a Great Week Buying and Selling  
Same Time Next Week

Ron Thibeault and Bill LeClair  
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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.

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