



Quick and Efficient Real Estate Closings

Western Law Societies Conveyancing Project



The Project:

The residential sales market and the technological environment within which realtors, lawyers, and financial institutions provide services to the public are rapidly changing. The Law Societies of Manitoba, Saskatchewan, Alberta and British Columbia have responded to this changing landscape by implementing the Western Law Societies Conveyancing Project.

- speeds up the closing process for sellers and buyers by allowing sale proceeds to be paid out on the date of closing;
- improves residential mortgage services for lenders; and
- ensures that sellers and buyers continue to have access to independent legal advice.

The project reflects the keen interest of the legal profession to adapt the delivery of legal services to meet the changing needs of clients. The improved conveyancing practices for lawyers include new closing procedures that are quick, efficient and safe.



Benefits to Clients

Closing Without Delay

In Manitoba, Saskatchewan and Alberta, lawyers have traditionally postponed the request and release of mortgage funds until after registration of the mortgage, often causing a delay of several weeks. The new conveyancing practices allow transactions to be completed without delay – lawyers will be able to "close the registration gap" and pay out funds when the transfer and mortgage documents are submitted for registration.

Early Receipt of Commissions

By closing the registration gap, sale proceeds will be paid out on the closing date. The payment of sale proceeds to sellers on closing means that realtors will receive their commissions earlier.

Access to Independent Legal Advice

Lawyers provide invaluable advice on the legal issues relating to the conveyance of property and make sure the interests of sellers and buyers are protected. Buyers' interests in buying a home extend beyond those of the lender. Likewise, the impact of a survey defect on buyers' use and enjoyment of their property differs from the lender's concerns about its security. The Torrens system of land registration in Western Canada guarantees title and the prudent use of building location surveys/real property reports on closing has historically resulted in a tight and reliable survey fabric. Independent legal advice about survey issues, such as whether a property is free from encroachments, is critical to buyers being able to make informed decisions about what is likely the largest single investment of their lifetime.

Improved Mortgage Services for Lenders

A lawyer will now be able to issue a short form Solicitor's Opinion to a lender, confirming that in the lawyer's opinion the mortgage can be funded and the funds disbursed. Additionally, the lender no longer needs a building location survey/real property report and can instead rely on the lawyer's advice. This is because the lawyer will be able to issue the Solicitor's Opinion even in the absence of a building location survey/real property report.

Change at No Additional Cost

A lawyer will be able to issue a Solicitor's Opinion to the lender in the absence of a building location survey/real property report and will be able to pay out funds on the closing date all at no additional cost to the lender, seller or buyer. There are no hidden charges because these practice changes will not impact on the lawyer's cost of doing business.

Working Together for Change

Realtors are trained to bring seller and buyer together. Lawyers in Western Canada can now provide a speedier closing process for realtors and their clients. By working together in their clients' best interests, lawyers and realtors can meet the challenge of changing consumer needs.

If you have any questions about the changes, would like to arrange a meeting with project representatives or feel a presentation to your staff would be helpful, please contact Susan Billington, Director of the Western Law Societies Conveyancing Project at (403) 229-4705.

