For Home Buyers who prefer caring attention to detail, I am a results-focused Real Estate agent whose purpose is to give you an enjoyable, stress free real estate transaction.

I continually strives to maintain the highest standards of professional performance, setting new benchmarks in customer service in the Winnipeg Real Estate Market.

Visit Linda online @ www.lindavandenbroek.com
Testimonials

Your commitment & enthusiasm are first rate!!! You were there to answer questions along with the process. We will continue to recommend you to people. Thanks again for everything. We are very happy repeat customers.

The Stansell Family

I could not be more pleased about the service I received from you. I would recommend you to absolutely anyone. I couldn’t have bought or sold without you. You are a fantastic agent. Thanks

Kim Babij

You made us feel comfortable from the very start of our search for a new home. It was nice to not feel any pressure in buying a house in today’s market due to the fact that we felt you had our best interest in mind and would not push us into making a purchase we would regret. We did not feel like clients of yours, we were left with the impression that a friend did us a huge favor.

Ray Carriere & Kyra Baker

After working with you three times now, we can’t imagine working with anyone else. We trust and respect you and we always have a lot of laughs together which is a plus!!

Dave & Susan Moeller

We appreciate your positive, cheerful outgoing disposition. Your professional & knowledgeable information together with the way you present yourself & your company will continue to keep you successful. Your presentation is awesome.

Rudy & Helen Funk

You are unstoppable! Constantly on the go which makes a world of difference. We can’t believe how “quick & painless” the selling of our house was……………… a million thanks!!!

Lou & Debbie Carpon

You are very kind, punctual & honest. We felt confident that we were dealing with a person that really cared. The professionalism & courtesy you showed us made our first home buying experience even more positive.

Jonathan Green
About Linda van den Broek

An Experience to Remember

I will put my passion, energy and enthusiasm to work for you. I will make your move a complete success, and an experience to remember. My clients mean the world to me, and anything I can do to make your purchase easier, is well worth my effort. I put myself in your shoes to ensure you are making a sound decision. I will take the necessary steps so you never have to settle when it comes to something as important as your home.

It’s The Only Law You’ll Need to Know

When it comes to real estate, Linda’s Law is the only one you need to know in order to achieve success. It’s the professional philosophy of never ever quitting until I’ve helped you reach your goals and it drives me to always give my best efforts with every single client. Whether you are buying or selling your home, my energy and passion always come shining through to make the entire process a fun enjoyable experience. I have 16 years plus of local market knowledge and experience to draw from.

So when you’re ready to make your next move in this growing market, put the law on your side and give me a call.
Mission Statement

I believe that success is created one client at a time. I strive to obtain 100% satisfaction from each and every client. I will provide you honest, quality service, incorporating up to date marketing strategies, innovative, effective negotiating and in-depth market knowledge.
COMPARISON SHOPPING

Here is a questionnaire that I have prepared in order to help explain my operation and methods used to help you successfully find a property. You may decide to ask these questions of other agents as well.

It's important to have an agent with the education, experience and know how to anticipate challenges, avoid them or be able to handle them quickly in a professional manner should they occur.

It's important that your Real Estate Agent has the ability to focus on managing the constant flow of new inventory while also processing exceptional negotiating skills in order to obtain the best price and ideal terms for you.

<table>
<thead>
<tr>
<th>Questions</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How do you operate to maximize efficiency and streamline the Real Estate process?</td>
<td>My Administrative assistant will process every detail of your Transaction. I focus on working with buyers to search the market for potential sellers.</td>
</tr>
<tr>
<td>2. Do you have a list of references to call?</td>
<td>Absolutely. Please call them!</td>
</tr>
<tr>
<td>3. Do you have access to automated computer systems which monitor new property listings as they enter the market?</td>
<td>MLXchange has the ability to automatically search for listings and send them via email as matches are found.</td>
</tr>
<tr>
<td>4. Do you have a personal website to post all of your available listings?</td>
<td>Yes, <a href="http://www.lindavandenbroek.com">www.lindavandenbroek.com</a></td>
</tr>
<tr>
<td>5. Do you regularly attend training programs and technical update seminars?</td>
<td>Yes, through Remax International &amp; The Winnipeg Real Estate Board.</td>
</tr>
</tbody>
</table>
WHY USE ME?

Buying a home can be a complicated and stressful undertaking. Getting an expert will help you save time, money and aggravation. Here are just a few of the many benefits of working with me.

Looking out for your best interests.
When I act on your behalf during the purchase process, you create an Agency relationship and become a client. Realtors always owe their clients full fiduciary duties such as loyalty, obedience, confidentiality, accountability, duty of care and full disclosure of all pertinent facts.

I take this responsibility to the next level ensuring you are fully protected.

Negotiation expertise.
Your agent’s most important function is to negotiate on your behalf. When you buy your home, you want the best negotiator on your side. My job is to facilitate this by negotiating your offer, offering advice and perspective and, if needed, acting as a mediator between you and the seller or their representative. My expertise is your best weapon in getting the best buy possible.

I work tirelessly until the job of finding your home is done.

My access to properties is not just limited to the MLS system. I leave no stone unturned when searching the market for you. I will contact our past clients, For Sale by Owners, unlisted properties, Exclusively listed homes and even flyer entire neighborhoods to find your home. Hundreds of satisfied customers are a testament that this system works.

Professional experience.

I bring to the table all of my knowledge, training and negotiation skills and will explain exactly what you can expect from the purchase process.

From Start to Finish- Moving Day and Beyond!

I will guide you through all aspects of your purchase from start to finish. My expertise extends beyond just the purchase and future sale of your home as I am part of a network of professionals ranging from contractors to moving companies to accountants, bankers and lawyers. If you have a question or needs in future, we can probably help you! Even years after your transaction. My “Open Phone Line” policy is there to help you.
Children's Miracle Network

I make a donation to the Winnipeg Children's Miracle Network for every home I sell and I am one of their top individual donators in Winnipeg and have been since 2003. Re/Max proudly sponsors the Children's Miracle Network every year. Children's Miracle Network hospitals treat 17 million children for every disease and injury imaginable. Children's Miracle Network hospitals impact the lives of more children than any other children's organization in the world. The Children's Miracle Network provides assistance by raising funds for children's hospitals and foundations across Canada.
WHY USE AN AGENT?

Excerpt taken from the brochure “Working with a Real Estate Agent”

Realtors work within a legal relationship called agency. The agency relationship exists between you, the principal, and your Agent, the company under which the individual salesperson who is representing you is licensed. The essence of the agency relationship is that the Agent has the authority to represent the principal in dealings with others.

Agents and their salespeople are legally obligated to protect and promote the interests of their principals as they would their own. Specifically, the Agent has the following duties:

- **Undivided loyalty.** The Agent must protect the principal’s negotiating position at all times, and disclose all known facts which may affect or influence the principal’s decision.

- **To obey all lawful instructions** of the principal.

- Has an obligation to **keep the confidences** of the principal.

- **To exercise reasonable care and skill** in performing all assigned duties.

- **To account for all money and property** placed in the Agent’s hands while acting for the principal.

You can expect competent service from your Agent, knowing that the company is bound by ethics and the law to be honest and thorough in representing a property listed for sale. Both buyer and seller can be represented by their own Agents in a single transaction.

**How Agents are Compensated**

In most cases properties offered for sale by members of the real estate industry have a commission or fee for service that the seller has agreed to pay the listing agent.

The Listing Agent traditionally shares this commission/fee with the Cooperating Agent. This commission/fee may vary. Some cases may exist where a seller requires the Agent’s fee (or portion thereof) to be paid by the Buyer. As this may be a significant impact in your purchase, I will keep you informed on such cases.

As a Represented Buyer, you should have a clearly defined representation agreement with your Buyer Agent. My Buyer Agency Agreement clearly states that I represent your best interests, how much our portion of fees will be, and how that fee will be paid. I’d be happy to explain this in more detail at any time.
MUTUAL AGREEMENT

You have my promise to:

- I will give you 110% and commit all my resources to your home search.
- Match your specific needs to available inventory enabling you to swiftly find the home that meets your needs.
- Commit my time and experience to find exactly what you want.
- Search the Multiple Listing System for property inventory while also searching properties that are exclusively listed or owned by my past clientele.
- Supply all information necessary for you to make informed decisions, including strategies on negotiation, information relating to closing and legal aspects of the transaction.
- Provide the most up-to-date technology available including email updates, full access to information on properties selected by you, all with the goal of maintaining contact with you in order to keep you informed.
- Skillfully negotiate on your behalf; ensuring the Contract of Purchase and Sale is prepared covering your best interests.
- Make recommendations or suggestions regarding trades who will assist in building inspection, insurance, financing, and legal.
- Process all the paperwork, ensuring all documents are sent to your solicitor in a timely fashion.
- Keep in contact with you well after the sale completes through regular value-added newsletters, client appreciation events. Committing to be your ‘Realtor for life’ and providing any assistance you require at anytime.

In return, I ask:

For your 100% loyalty

Tell me what you like/dislike about homes we look at.

Let me know if your plans change.

Tell me if you want to look at a home listed with another broker, builder, or for sale by owner.

Tell me if you feel the need to talk to another agent.

Work with me until I find you the right home.

Keep me in mind if you know of anyone requiring Real Estate assistance.
TWO QUESTIONS EVERY BUYER SHOULD ASK

QUESTION #1: As a Buyer, what can a Real Estate Agent do for me that I can’t do myself? I have internet access so I can look at properties anytime and make appointments with the Listing Agents directly.

Realtors are full time professionals and provide much, much more than just MLS information. On average, consumers participate in 1 Real Estate transaction even 5-7 Years. I handle hundreds of transactions in the same time period and am ably trained to handle every contingency- not just the smooth transactions but also the challenging ones where my experience will prove to be invaluable to you. I keep my tools ‘sharp’ and my contacts ready just through my day-to-day business.

My primary job is to counsel clients on all aspects of Real Estate- including area trends, government programs, zoning and bylaw issues, home warranty programs, financing options and more. I know the language of Contracts and process the documents ensuring they get to the right people at the right time. Most importantly, as your Agent I am trained to negotiate strongly on your behalf.

Also, I can make suggestions on necessary professions essential to your purchasing decision such as home inspectors, solicitors, contractors, insurance firms and moving companies based on the recent experiences our customers have received in all areas. In other words, I take the guesswork out of such services so you don’t need to randomly pick names out of the phonebook or from the internet- my past customers make recommendations for you based on their own satisfaction!

Here’s a little known fact: www.mls.ca is a Canada-wide provider of MLS information, not the actual MLS system. As such, information must be sent from the Winnipeg Real Estate Board Multiple Listing Service to the provider and the time delay is generally 3-4 days. This is the very reason why hot properties on mls.ca or Realty Link are usually always sold by the time you read about them. As an Agents I obtain the information first not only by the Real-Time MLS system but also through valuable relationships with other Agents and homeowners forged over the years.

Arranging appointments directly through the Listing Agent is a time consuming effort. I will not only provide valuable unbiased information but will also efficiently arrange mass viewings during specified blocks of time, maximizing your time investment. You will not need to juggle a schedule of sporadic viewings from one day to the next. Utilizing lockbox technology, I can provide access for you without the need of the Listing Agent being present.

Going through the Listing Agent may prove costly as well. The listing Agent clearly has a contractual relationship with their Seller and is not obligated to provide monetary bonuses to prospective Buyers. The Listing Agent’s job is to obtain the highest price for their seller. Buyer have a better experience having their own Agent looking out for their best interests and negotiating on their behalf, working to obtain the lowest price for the Buyer.
QUESTION #2: Why should I commit to one Real Estate Agent? Doesn’t it make sense to have numerous Agents out there working for me?

Real Estate Agents who are members of the Winnipeg Real Estate Board all have access to the same information through the MLS system. Having a handful of agents searching for you will generally result in many agents providing you with the same information.

Who would you pick if 6 agents sent you information on the same candidate home? With today’s technology, you could receive emails from a couple, telephone calls from others and a visit from another.

As a code of conduct and common professional business practice, ethical, professional Realtors will choose not work with a buyer if they know that that buyer is actively working with other agents. Knowing that they could potentially endanger the position of a fellow colleague is often more than a professional Realtor will tolerate.

It makes most sense to fully commit to one Realtor. You should select that person based on their track record, market knowledge and customer satisfaction level. It’s even better if that Realtor was recommended to you by a friend or family member.

You will experience much better service from a loyal Real Estate professional. In return for expert service and advice, you should be prepared to be dedicated to that Realtor.

As a Professional Realtors, I give my customers 110% effort. In return, I only expect 100% commitment and loyalty.

My business has been built on referrals and recommendations, and my Number one priority is for you to become a loyal and satisfied customer!
THE MULTIPLE LISTINGS SERVICE

The most powerful home shopping tool available, the Multiple Listing Service connects Buyers and Sellers every minute of every day and provides vital statistics on every available property.

As a member of the Winnipeg Real Estate Board, I have access to thousands of properties listed for sale. Last year, over 5,000 properties were listed for sale on the system.

I can obtain information and show you any property listed on the MLS service.

If you see an ad in the paper or a sign in a yard, call me for more information. If you want to see it, I will show it to you. I know the questions to ask and can research in advance to make sure the property is suitable for you.

www.mls.ca is the consumer site where every property is posted on the World Wide Web. It should be noted that the information in mls.ca is generally 2-3 days old as it takes this long for the website provider to process the information given to them by the Winnipeg Real Estate Board.

The Multiple Listing System also benefits you historically. For any property, I can search historical archives in order to give you an accurate evaluation of value by comparing Current listings, properties that have recently Sold and also properties that were on the market but were not successful in a sale (‘Withdrawn’ or ‘Expired’ listings). I have the ability to show digital photographs of the interiors of comparable homes so you can view their level of updating or renovations. The System is so powerful that Certified Bank Appraisers use the MLS System in order to substantiate values for lenders and Corporate organizations.

Finding the Right Home

I will be checking multiple sources to find you the right home. To start, I will be covering:

- MLS Listings
- Exclusives
- Pocket Listings
- Foreclosures
- New Agent listings
- Out of Town Sellers
- FSBO’s (For Sale by owner Properties)
- FSBO Websites

New Product: Pre-Construction
MORTGAGES AND PRE-APPROVAL

Mortgage Pre-Approval

A mortgage pre-approval assists a homebuyer in determining how much money they will be eligible to borrow prior to a formal application for a mortgage loan, based on information they have provided. With a pre-approval, you’ll get a clear sense of how much you can afford, and a particular mortgage rate will be reserved for you. With a locked-in rate, there is no risk of any interest rate increases while you are house hunting. You will also benefit from a lower rate if rates decrease during this time period.

A recent survey by the Canada Mortgage and Housing Corporation (CMHC) reveals that many consumers take advantage of pre-approvals, with 69 per cent having their mortgage pre-approved before buying a home.

HERE ARE THE BENEFITS:

• You look at homes in the correct price range
• Your offer can be confirmed much sooner
• You don’t have to worry about rising interest rates while shopping for a home, as usually the mortgage broker will guarantee the current interest rate for 60 - 90 days.
• You minimize the trauma of wondering whether you qualify
• Because you are a pre-approved, you become a “CASH” buyer in the eyes of the seller, putting you in a greater bargaining position.

Where to get pre-approved

Many banks and financial institutions are competing for your business so it makes sense to shop around for a mortgage. Most lenders will reduce their posted interest rate so don’t be shy about bargaining. Your ability to bargain for a low rate and a flexible mortgage will often depend on how much business you have with the institution. You can contact banks and credit unions directly, or work with a mortgage broker. A broker will help you find a lender and the best mortgage package.

Once you have selected your lender, you will need to provide your financial information. Your lender will want the following:

• Personal Information such as number of dependents and marital status;
• Details of employment, including a letter from your employer verifying your salary;
• Banking and investment information;
• Details of your assets (i.e.- a car, other property):
• Information on loans and other liabilities;
• Permission to do a credit check.

Once your application is complete, you will know how much you can borrow and you will be ready to start searching for a home.
NEW CONSTRUCTION AND INSPECTIONS

New Construction
I can work with most Builders and can obtain all the information you need to make decisions. However in order to represent you I must accompany you to the site on the initial visit.

By allowing me to help you with New Construction, I will provide all the services offered in this package and those offered by the builder as well.

As your agent I will represent you and help you get the most for your money!

Property Inspection

I will always ensure that your sales contract includes a provision that entitles you the right to inspect the mechanical, electrical, Plumbing and structural components of the property.

There are numerous inspection companies that provide services of this type. The inspector will meet you on site to discuss his findings and will give you a written report itemizing any areas of concern. Home inspections typically cost between $250 - $400.

Many physical problems may arise during a house inspection. A prudent Seller will ensure their home can pass scrutiny by doing their own pre-inspection in the following areas:

DAMP OR WET BASEMENT: An Inspector will check the basement walls for powdery white mineral deposits, and see if you are using the basement for storage without concern of dampness. A mildew odor is difficult to eliminate, and will certainly come to the attention of an inspector. The solutions for repair may range from simple venting to a whole new perimeter drainage tile system. Crack sealing could cost $200-$1,000 depending on the severity of cracking and the location. Installation of a sump pump could run up to $1,000, and complete waterproofing $5000-$10,000. If the repair costs are beyond your ability to have tile work done, get several price quotes from reputable firms and be prepared to negotiate them at the time of an offer.

DEFECTIVE PLUMBING: Defective plumbing can manifest itself in two different ways: leaking and clogging. A visual inspection can detect leaking, and an inspector will gauge water pressure by turning on all faucets in the highest bathroom and then flushing the toilet. If you hear the sound of running water, it indicates the pipes are undersized. If water appears dim when first turned on, it may indicate rusting pipes, which can severely affect water quality. If the sinks, tubs and toilets show iron stains, there may be a problem with the well water iron content. A prudent Buyer will always ask for a water quality test done for an property serviced by a well.
ELECTRICAL SYSTEM: Your home should have a minimum of 100 amp service. Wiring should be copper or aluminum. Does the existing panel allow for use of multiple appliances and computers etc. without blowing a breaker? Are there sufficient outlets or is your home full of octopus plugs? This can be a costly item to upgrade, and a major area of concern for most Buyers.

POOR HEATING SYSTEMS: Insufficient insulation and an inadequate or poorly functioning heating system are the most common causes of poor heating. While an adequately clean furnace, without rust on the heat exchanger, usually has life left in it, and inspector will be checking to see if the furnace is over its’ typical life span. A record of regular maintenance will go a long way to making this inspection a successful one. For a forced air system, the heat exchanger will come under close scrutiny since a defective one can emit deadly carbon monoxide into the home. These exchangers must be replaced if damaged, they cannot be repaired.

ROOFING PROBLEMS: Water leakage through the roof can occur for a variety of reasons such as physical deterioration of the asphalt singles (curling or splitting), or mechanical damage from a wind storm. When gutters leak and downspouts allow water to run down and through the exterior walls, this external problem becomes a major internal one.

DAMP ATTIC: Aside from basement dampness, problems with ventilation, insulation and vapor barriers can cause water, moisture, mould and mildew to form in the attic. This can lead to premature wear of the roof, structure and building materials. The cost to fix this damage could easily run over $2500.00.

ROTting WOOD: This can occur in many places (door or window frames, trim, siding, decks and fences). The building Inspector will sometimes probe the wood to see if it is present—especially when the wood has been freshly painted. Water may be responsible for the initial damage, but unattended, it invites insects (termites and carpenter ants) and mould.

MASONRY WORK: Re-bricking can be costly, but left unattended, these repairs can cause problems with water and moisture penetration which in turn could lead to a chimney being clogged by fallen bricks or even a chimney which falls, onto the roof.

ADEQUATE SECURITY FEATURES: More than a purchased security system, an inspector will look for the basic safety features that will protect your home, such as proper locks on windows and patio doors, dead bolts on the doors, and smoke and carbon monoxide detectors on every level. Even though pricing will vary, these components will add to your costs. Before purchasing or installing, you should check with your local experts.

STRUCTURAL & FOUNDATION PROBLEMS: An inspector will certainly investigate the underlying footing and foundation of your home as structural integrity is fundamental to your home.
PROPERTY TRANSFER TAX, MULTIPLE OFFERS

Property transfer tax is a land registration tax payable when an application is made at any Land Title Office in Manitoba to register changes to a certificate of title. “Land” includes any interest in land, including any right, title or estate in it of any tenure, with buildings and houses. The purchaser must file a property transfer tax return at the Land Title Office for each transfer of a registered interest in property (taxable transaction). The tax rate is .05 per cent on the first $50,000 of the fair market value of the property, plus 1 percent on the fair market value over $100,000, plus 1.5 percent on the fair market value over $150,000 plus 2 percent over $200,000.

First Time Home Buyers’ Program

Introduced in 1994, the program is designed to help those homebuyers purchasing a principal residence for the first time. The program exempts qualified home buyers from paying property transfer tax.

To qualify for the First Time Home Buyers’ exemption you must meet all of the criteria. This includes requirements which must be met in the year following the transfer. All requirements are described in the Instruction Guide for Completion of the First Time Home Buyers’.

‘Multiple Offer’ situations

I will inform you if I learn that a multiple off situation exists.
FREQUENTLY ASKED QUESTIONS

The Home Buying process can be complicated and confusing, particularly in regard to what role a Real Estate agent plays. The following are some of the most frequently asked questions that buyers ask or sometimes don’t fully understand.

**What does it cost as a buyer to use an agent?**

The compensation that a sales agent receives typically comes from the seller’s proceeds. In other words, there is no cost for a buyer to use the services of an agent in a traditional agent/buyer relationship.

**Can my agent give me information regarding properties from other companies?**

Absolutely. Your agent has access to every property listed on the Multiple Listing Service (MLS). If you find a property on your own, you should contact your agent and not the property owner or the agent listing the property. Having the address or the MLS number is very helpful and will assist your agent in gathering information regarding the property.

**What type of information will my agent need from me?**

In order to best serve you, an agent requires a “snapshot” of your dream home and any other physical property details that are important to you. For example, number of bedrooms, size, price, location and number of bathrooms are common criteria. Other considerations include the school district, style of home and room sizes.

If you have any questions regarding purchasing a home or any other Real Estate questions, please give me a call. I want your home buying experience to be an easy and enjoyable one and will do everything I can to ensure you find the home that is right for you.

The Services of a Realtor were used by 97% of purchasers
**Source:** Venture Market Research Ltd. Purchaser profile
LEGAL ASPECTS

General Information
It is normal practice that after executing the Contract of Purchase and Sale, your real estate agent will ask for the name of a lawyer to act on your behalf to complete the transaction.

The main function of the Seller’s lawyer is to clear title of any claims against the property not agreed to by the Buyer and also to make certain that all funds due to the Seller are received by the Seller. The primary duties of the lawyer representing the Buyer are to prepare all legal documentation, and ensure that the Buyer obtains title to the property free of all claims except those which have been agreed to by the Buyer.

It is recommended that you contact your lawyer as soon as possible to discuss steps which the lawyer will be taking and those matters, which are left to your responsibility. The lawyer should also be able to provide you with an estimate of legal fees and other costs to allow you to accurately budget for the entire transaction. It is important to keep your lawyer fully informed of all developments concerning the transaction, in an effort to avoid possible problems should they arise.

The Contract of Purchase
The Contract of Purchase and Sale is an extremely important document. Its purpose is to define the contractual obligations of the parties. It is critical that this contract contain all matters important to the parties and that the parties have professional assistance when preparing this document.

The normal method of drafting the contract involves the Buyer preparing the contract and then presenting it to the Seller for acceptance. In most cases the Buyer’s Realtor will prepare the contract and then present it to the Seller’s Realtor and the Seller. If the Seller accepts the contract within the time allowed and without alteration by applying his or her signature to the document, then a binding contract is formed.

In order for the Contract of Purchase of Sale to be enforceable, it must be certain with respect to material points such as: price; legal description of the property; names and signatures of Buyers and Sellers (i.e. all registered owners of the property); and the completion date (the date upon which the purchase funds are to be paid to the Seller and the ownership transferred to the Buyers). What is considered a material point depends upon the circumstances of each transaction.

All Buyers should be aware that it is up to them to investigate what it is that they are buying. Therefore, prior to signing the Contract of Purchase and Sale, Buyers should be made aware of any matters which remain on the title to the property (right of way, easements, etc.) and if this information is not available at that time, then it is recommended that a "subject to" clause be inserted which allows time to obtain this information and receive advice with respect to it.
The payment of the purchase price usually begins with the deposit provided by the Buyer upon creation of the Contract of Purchase and Sale and the balance of the price is, in most cases, paid at the completion date. The deposit is normally held in trust by the Realtor and the balance of the funds required by the Buyer to complete the transaction (including any costs and adjustments) is normally paid to the Buyer’s lawyer in trust just prior to the completion date.

If the Buyer requires a mortgage to complete the purchase, then it is imperative that a “subject to” clause or condition precedent be included in the Contract of Purchase that allows the Buyer sufficient time to receive mortgage approval from a financial institution. The financial institution will require a copy of the Contract of Purchase and Sale and will normally perform an appraisal of the property. If you would like information from some local Mortgage Brokers I have this connection.

It is recommended practice to also include in the Contract of Purchase and Sale a ”subject to” clause that provides the Buyer with an opportunity to have the home inspected by a professional house inspection service.

We must stress the importance of including within the Contract of Purchase and Sale any warranties or representations that you consider to be important or that you wish to rely upon.

Any ”subject to” clauses included in the Contract of Purchase and Sale must be dealt with during the time specified and removed in writing once satisfied. It is normal practice that the Realtors involved in the transaction prepare the amendments to the Contract of Purchase and Sale, which remove these condition precedents. Once all ”subject to” have been removed then the lawyers for the Buyer and Seller prepare the documentation to complete the transaction.

**Our Land Title System**

We are fortunate in Manitoba to have a great land title system. It is based upon the “Torrens System” (originally developed by a person named Robert Torrens in Australia) where registration provides an “indefeasible title” (i.e. conclusive evidence of ownership). The main advantage of the system to some other jurisdictions is that we do not have to worry about historical investigations or past defects in the chain of title. We can rely upon the title information that will he shown at the Land Title Office regarding the property being purchased. Manitoba is divided into several land title districts.
Completion of the Purchase and Sale

The main function of the lawyers involved is to ensure that the parties receive what they bargained for under the purchase and sale contract. The Buyer’s lawyer ensures that the Buyer obtains title to the property free of all charges except those which may have been agreed to by the Buyer, and the Seller’s lawyer is to clear title of any charges against the property that must be removed and to ensure the Seller receives all funds due to the Seller.

The lawyer for the Buyer investigates those matters, which can affect the title to the property (e.g. Land Title Registry and Property Tax Department records). The Buyer’s lawyer then prepares the documentation necessary to transfer ownership of the property and a statement of adjustments, which is provided to the Seller’s lawyer for review and execution by the Seller. If the Buyer is obtaining a mortgage, then in most cases, the Buyer’s lawyer also prepares the mortgage documentation for the financial institution. If this is the case, then the Buyer will be asked by the lawyer to sign a conflict of interest letter which prevents the lawyer from being involved in any subsequent dispute if one occurs between the financial institution and the Buyers.

If there are charges on title to the property which are to be cleared by the Seller’s lawyer, then the Buyer’s lawyer provides the purchase funds to the Seller’s lawyer upon the condition that he or she pay out and discharge these charges from title.

In many cases the financial institutions when providing mortgage instructions request the Buyer’s lawyer to obtain a survey certificate (a drawing prepared by a surveyor showing the distances between the foundation walls and the property lines). In the event that the Seller is unable to provide an existing survey certificate, then this is a cost, which the Buyer must incur. Even if the Buyer is not obtaining a mortgage, it is often a good idea to have a survey certificate, and this should be discussed with your lawyer.

It is the Buyer’s own responsibility to arrange the insurance, establish accounts for utilities and make arrangements for keys. It is recommended that the Buyer discuss in advance with the realtors and the lawyer what matters they should be dealing with prior to the completion date.

NOTICE

The foregoing information is only intended to be of general nature and is not intended to be comprehensive. Each property transaction is unique and obviously it is important that the parties have good communication with their advisors (realtor, lawyer, bankers) in order to ensure they are fully advised.
COSTS INVOLVED WHEN BUYING A HOME

No one likes unwelcome surprises! Keep in mind the "closing costs" in addition to your down payment for that dream home. These various charges can add tip and for the most part they are all legally required payments in Buying a property. These payments include:

- **APPRAISAL FEE:** The money you borrow for your mortgage is usually a percentage of the home’s purchase price, or of the market appraisal - whichever is lower. The lender will use someone on staff or an independent professional to make this appraisal. You are normally responsible for this cost.

- **LAND SURVEY FEE:** A plot plan or survey of the property you want to buy is important to establish exactly where the boundaries are and make sure there are no encroachments such as part of your neighbor’s house or garage, sitting on your land. Your lending institution will want to see such a survey and can let you know what their requirements are.

- **LEGAL FEES:** since a lawyer or notary public is an essential part of your home-buying team, the work provided involves legal fees. Most legal fees include searching the title of a property, arranging a property survey if necessary, and handling other disbursements as required.

- **MORTGAGE INSURANCE AND APPLICATION FEE:** for any high ratio mortgage, which is any mortgage in which 75 per cent or more of the house’s purchase price is covered by the mortgage, the lender requires mortgage insurance.

- **PROPERTY INSURANCE:** this insurance covers the replacement value of your home and its contents. Most mortgage lenders will require proof that you have this insurance before processing a mortgage.

- **HOME INSPECTION:** a professional home inspector knows what to look for and can confirm or add to the information you have gleaned from the sales information or your inspection.

- **PROPERTY TRANSFER TAX:** this provincial tax is payable at the rate of .05 per cent on the first $50,000 of the fair market value of the property, plus 1 percent on the fair market value over $100,000, plus 1.5 percent on the fair market value over $150,000 plus 2 percent over $200,000

- **GST:** GST is payable to some degree on the purchase price on all new homes, although partial rebates are available on the purchase of most homes. A resale residential home is usually exempt from GST.

- **EXTRA CHARGES:** you may also be required to pay the costs of such things as heating oil in the tank, or other costs incurred by the seller, but included with the house, prior to the closing day.

- **HOOK-UPS:** there may be hook-up charges required for appliances and services such as telephone, cable, hydro and other utilities.

- **MOVING COSTS:** don’t forget the basic costs involved in moving from your old place into your new home, particularly if you use a professional moving company.

I can explain further details on closing costs—just remember to add them to your financial plan when saving to buy a home.
GLOSSARY OF TERMS

Adjustment Date: The day from which all calculations of interest, tax adjustments, utility bill adjustments (if applicable) are made to the credit of either the buyer or the seller. This is usually (but not always) the same as the possession date.

Amortization: The number of years it takes to repay the entire amount of the mortgage.

Appraised Value: An estimate of a property’s market value, used by lenders in determining the amount of the mortgage.

Appreciation: The increase in a property’s value over time.

Assessed Value: The value of a property, set by the BC Assessment Authority, and used by the local municipality for the purposes of calculating property tax.

Blended Mortgage Payments: Equal or regular mortgage payments, consisting of both a principal and an interest component.

Buy-down: When the seller reduces the interest rate on a mortgage by paying the difference between the reduced rate and the market rate directly to the lender or to the purchaser.

Closing: The real estate transaction’s completion, when the parties involved agree that all legal and financial obligations have been met and the deed to the property is transferred from the seller to the buyer.

Closing Costs: Expenses in addition to the purchase price for buying and selling a property.

Condominium Common Property or Common Elements: The portions of a condominium development owned in common (shared) by the unit owners, e.g.: pool exercise room, lobby, etc. A condo fee is charged to every unit owner for the use of the common property.

Condominium Ownership: Shared ownership in a condo-titled property. Owners have title (ownership) to individual units and a proportionate share in the common property.

Conventional Mortgage: A first mortgage issued for up to 75 per cent of the property’s appraised value or purchase price, whichever is lower.

Conveyance: The term used to describe the process of transferring the seller’s title to the buyer and indicates all the necessary steps to complete the transfer. A conveyance lawyer is a lawyer (or notary) responsible for the conveyance process (this is normally the buyer’s lawyer).

Counter Offer: An offer made by the seller back to the buyer altering one or several terms and/or conditions of the offer as originally written.
Debt Service Ratio: The percentage of a borrower's income that can be used for housing costs. Gross Debt Service (GDS) Ratio is the amount that a lender will permit a borrower to use from his/her gross income in order to qualify for a loan for housing costs, including mortgage payment and taxes (and condominium fees, when applicable). Total Debt Service (TDS) Ratio is the maximum percentage of a borrower's income that a lender will consider for all debt repayment (other loans and credit cards, etc.) including a mortgage.

Deed: A legal document that conveys (transfers) ownership of a property to a buyer.

Easement: A legal right to use or cross (right-of-way) another person’s land for limited purposes. A common example is a utility company’s right to run wires or lay pipe across a property.

Encroachment: An intrusion onto an adjoining property. Common examples are a neighbour’s fence, storage shed, or overhanging roofline that partially (or even fully) intrudes onto your property.

Equity: The difference between the price for which a property can be sold and the mortgage(s) on the property. Equity is the owner’s stake in the property.

Foreclosure: A legal process by which the lender takes possession and ownership of a property when the borrower doesn’t meet the mortgage obligations.

High Ratio Mortgage: A mortgage that exceeds 75 per cent of the loan-to-value ratio; must be insured by either the Canada Mortgage and Housing Corporation (CMHC) or a private insurer to protect the lender against default by the borrower who has less equity invested in the property.

Land Transfer Tax: Payment to the provincial government for transferring property from the seller to the buyer.

Lien: Any legal claim against a property, filed to ensure payment of a debt.

Mortgage: A contract between a borrower and a lender. The borrower pledges a property as security to guarantee repayment of the mortgage debt.

Mortgage Insurance: Government-backed or private-backed insurance protecting the lender against the borrower’s default on high-ratio (and other types of) mortgages.

Mortgage Prepayment Penalty: Is a fee paid by the borrower to the lender in exchange for being permitted to break a contract (a mortgage agreement), usually three months’ interest, but it can be a higher or it can be the equivalent of the loss of interest to the lender.

Multiple Listing Service MLS: A current & comprehensive listing system for replaying property information to Winnipeg Real Estate Board realtors. This service offers the widest exposure to properties listed for sale.
Open Mortgage: A mortgage that can be prepaid or renegotiated at any time and in any amount, without penalty.

Principal: The mortgage amount initially borrowed or the portion still owing on the mortgage. Interest is calculated on the principal amount.

Property Disclosure Statement: This form enables sellers to disclose known defects. If the seller decides not to complete the form and does not disclose known defects, he or she can still be held liable. The form also serves as a checklist for buyers enabling them to address concerns about the property’s condition on the spot. The Winnipeg Real Estate Association developed this form. Submission of the form is required before any listing is placed on the Winnipeg Real Estate Board’s MLS system.

Rights of Way: Are indicated on title at the Land Title Office; often for use of utilities or city or municipality in order to make repairs to pipes, etc.; no permanent structure may be built on a right of way.

Statements of Adjustments: Closing statements in a real estate transaction which set out the sources of fun which make up the purchase price, adjustments to and from the purchase price. The final amount required from the purchase and the amount due to the seller. Lawyers will prepare a statement for the seller and the buyer.

State of Title Certificate: A copy of the title which lists charges against the property, e.g.: liens, mortgages, rights of way, etc.

"Subject-to" Clause: A statement of a condition to be fulfilled before the contract will become firm and binding; must include a specific deadline for removal.

Title: The legal evidence of ownership in a property.

Title Search: A detailed examination of the ownership documents to ensure there are no liens or other encumbrances on the property, and no questions regarding the seller’s ownership claim.

Utility Taxes: Examples may include water, sewer and garbage (may include recycling levies).

Variable-rate Mortgage: A mortgage for which payments are fixed, but whose interest rate changes in relationship to fluctuating market interest rates. If mortgage rates go up, a larger portion of the payment goes to interest. If rates go down, a larger portion of the payment is applied to the principal.

Vendor Take-Back Mortgage: When sellers use their equity in a property to provide some or all of the mortgage financing in order to sell the property.

Zoning Regulations: Strict guidelines set and enforced by municipal governments regulating how a property may or may not be used.