

Smooth Moves

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This flyer is intended to provide general information only, not legal advice.

**Questions?
Contact us.**

The Notary Group

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When do I get my keys?

Buying a new home? Wondering when you should be booking your movers? When you get your keys?

Your keys should be delivered to you on the possession date and time set in your Contract of Purchase and Sale. But there are certain things that can cause delays in this timing, so the dates you set in your Contract are very important.

Here are some important things to think about before you sign your Contract.

Getting your dates organized

There are three important dates you need to work out with your **REALTOR®** before you sign your contract:

- **Completion Date:** this is the date the Land Title Office receives the transfer documents and money is tendered to the Seller
- **Adjustment Date:** the Seller pays the utilities, insurance and other expenses for the property up to the Adjustment Date; from this date, you are responsible for the care and costs for the house
- **Possession Date:** this is the date you get to move in; there is a specific time and date set in your contract for this

It is best if your completion and possession dates are not the same.

Completion first, then possession

So why don't you want your completion and possession dates be the same day? Because too many people believe in the "no money, no keys" philosophy.

Standard contracts say that the title documents have to be lodged for registration in the Land Title Office *by 4:00 pm on Completion Date*. In a perfect world, documents might make it to the Land Title Office before 4:00, but that is only one of many steps that happen on the completion date.

Even though we use electronic registration in BC, title change doesn't happen automatically or quickly. You should *always* expect completion to happen at the end of the day, not at the beginning of the day.

Here's what the process looks like:

- signed documents are delivered electronically to the Land Title Office
- the Land Title Office issues a receipt
- the notary waits an hour after that receipt is issued, then does a final search to make sure that the documents were properly received, and that no other competing claims or charges have been filed for that property
- depending on who your lender is, the notary may have to wait until they receive this receipt from the Land Title Office before they can order your mortgage funds – it may take the lender several hours after this to deliver mortgage funds to the notary
- if the final search shows no problems, then the purchase funds are released to the Seller's notary – but delivery of the funds is not instantaneous – it might take several hours, or even a few days for the Seller's notary to receive the funds, depending on where they are, or which bank they use
- once the funds have been released to the Seller's notary, the **REALTORS®** is notified, and will help you with the possession of your new home

Registration first, then money transfers, then keys. Your **REALTOR®** can help you work out when these dates should be.

I've signed my documents – why does completion take so long?

There are something like 40-60 steps in any conveyancing process, and anywhere from 20 to 40 legal documents to sign, depending on what you are buying, and the type of mortgage you might be using.

Your notary will coordinate this conveyancing process for you, but many of the steps involve things which are out of the notary's control.

Here are some of the things which could delay the completion process (and potentially result in extra costs for you):

- if your identification doesn't match, or doesn't reflect your full legal name
- if you haven't got all the money you need to complete the transaction
- if you are in a "chain" - you are selling your property, and the people buying your property are waiting for their property to sell – some chains can be 5-10 properties long, and like dominoes, if one transaction fails, the others are delayed or jeopardized
- if you have not arranged appropriate insurance for the new place, your lender will not fund your mortgage
- some lenders require a special registration procedure to be followed – this special procedure takes more time – it could even be an extra day before your mortgage is funded, even though you have signed all of your paperwork and everything is otherwise ready to go
- if the Land Title Office is closed, or inaccessible
- the people selling the property might not have signed everything they need to sign
- if you are not in town the week before closing to sign the legal documents
- if you are buying the property for someone else (using a Power of Attorney, perhaps), or using funds from another person (a gift from your parents)

So if you set your possession date for noon on October 25th, and your completion date is also set for October 25th, if the completion process doesn't finish by noon (for any of the reasons set out above), and money hasn't been released to the Seller's notary, you could find yourself sitting on the lawn with your movers, or paying for overnight storage fees simply because the seller refuses to release keys.

No money, no keys?

So if there are delays, and the completion doesn't happen exactly when you expect (or hope) it will, you might be faced with the prospect of not getting the keys when you expected to get them. The "no money, no keys" scenario happens far less frequently when the possession date happens after the possession date.

If you find yourself in a "no money, no keys" situation, your notary will discuss the situation with you, and explain what your options are. Depending on what is causing the delay, it may be a simple fix, a complicated fix, or something that stops the transaction entirely. Your notary will also give you an idea of what it will cost you to get the problem fixed.

Questions? Ask us!

The Notary Group has offices throughout the Okanagan. Please check our website at www.thenotarygroup.ca for information on branch locations and phone numbers, or you can e-mail us at info@thenotarygroup.ca for more information.