

SAMPLE RETAINER LETTER

(To use the following sample retainer letter, highlight and copy all areas that you wish to include in your own retainer letter, and paste the selected text into your own word processing document.)

[Date]

[Addressee]

Re:

We acknowledge, with thanks, receipt of your instructions and we will be pleased to act on your behalf.

Your file has been assigned to [insert name]. If you are calling our office with information or if you have any questions as the transaction progresses, please contact him/her. The undersigned will supervise the file and will deal with any unusual difficulties that may be encountered. If you have any questions that our clerk is unable to answer, please contact the undersigned.

If your property will be used as a rental property, kindly advise us immediately.

We confirm that the fees we will be charging in this matter are as follows:

Purchase \$[insert amount]

The above fees have been quoted to you on the understanding that we will not encounter unusual difficulties in the completion of the transaction or extensions of the closing date. In the event that unexpected difficulties or extensions arise as a result of matters beyond our control, we reserve the right to increase our fees to reflect any additional time expended by the undersigned, our clerk and other staff in the completion of the transaction.

In addition to the above fees, you will be billed for disbursements paid by us on your behalf in the course of completing the transaction. In most cases, disbursements will range between \$[insert amount] to \$[insert amount]. If we incur additional disbursements after closing, we will submit a supplementary account to you after closing. You will also be required to pay Land Transfer Tax to the Province of Ontario on closing. Based on your purchase price, the Land Transfer Tax payable on closing will be \$[insert amount]. In addition, you will be responsible for closing adjustments.

If you have not already done so, please contact [insert name] to advise him/her how you wish to take title to the property. Please note that you may not use initials of given names in Land Registry documents. We will require the full name and birth date of each person who will be taking title to the property.

If it is your intention that there be two owners of the property, please advise whether you wish the owners to hold as “joint tenants” or as “tenants in common.” Where title is held as “joint tenants” and one of the owners dies, the other automatically becomes the sole owner of the property. This is the manner of holding title most commonly used by spouses. However, where title is held as “tenants in common” and one of the owners dies, the deceased owner’s interest passes to his/her beneficiary under his/her will or, if there is no will, to his/her heirs in accordance with the law.

Please provide us with particulars of your first mortgage lender (if any), and proposed insurance coverage for the property, at your earliest convenience.

Historically, written opinions confirming that purchasers have acquired a good and marketable title (subject only to matters first discussed and accepted) have been given by Ontario lawyers. There are now two alternatives to our written opinion, TitlePLUS[®] title insurance or other title insurance. You should consider and discuss them with us as soon as possible. We enclose a booklet called “Working with a Lawyer when you buy a Home.” It sets out and compares the options now available to home buyers and contains other useful information to help you understand the legal aspects involved in the purchase of your home.

Please read the booklet and then call us with any questions you have. On our part, we will let you know whether we believe that TitlePLUS title insurance or other title insurance should be used in your purchase transaction.

It is important to understand that neither TitlePLUS title insurance nor other title insurance is mandatory. If you choose to use either TitlePLUS title insurance or other title insurance, the insurance premium to cover both you and [insert bank name] will be approximately \$[insert premium amount]. In many cases, this premium cost may be offset by disbursement savings. We will be more than pleased to discuss with you the fees and disbursements associated with each of the options outlined above.

The TitlePLUS program was developed by Lawyers’ Professional Indemnity Company (LAWPRO[®]), a Canadian insurance company and subsidiary of the Law Society of Upper Canada. No lawyer is permitted to receive any direct or indirect compensation for recommending TitlePLUS title insurance or other title insurance.

Kindly contact us at your very earliest convenience so that we can obtain instructions as to how to proceed with your purchase transaction. If you have any questions, please feel free to contact us.

Yours very truly,