

Essential information for buying properties in Canada

Buying property abroad is not necessarily the same as buying in the UK, there is other essential information you need to be aware of both before and during your property purchase.

- It is of paramount importance to seek independent advice from an overseas solicitor.
- You need to ensure that you will have full title to the property on completion and that you have the appropriate documents available for the lender.
- Take appropriate independent legal advice before signing the sales contract or paying a deposit. The bank will require a copy of this document with the relevant application form. However, you are able to sign this contract with the clause "subject to mortgage finance" as the contract, once signed is legally binding.
- You should check with the estate agent and/or your lawyer that you are aware of the costs charged by legal and Government authorities for buying a Canadian property. The lender will also have their own legal costs for assigning the loan, the cost of which they will normally advise you when they issue the mortgage offer. These associated fees/taxes are typically between 10% - 15% of the properties purchase price.
- Be aware that the solicitor and/or notary may be incorporating costs for assigning the mortgage within his charges, you should establish the actual cost before proceeding with a loan application.
- All mortgages should have a suitable life assurance policy assigned to them. It is not mandatory but strongly advisable.
- Properties can be purchased either individually or in joint names.