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A book for dummies, or by dummies?

Errors abound in latest real estate guide

Book seems based on U.S. information

When Benji, my pet Lhasa Apso, came into my life not quite three years ago, I had no idea how to look after a cute but stubbornly independent puppy. I needed all the information I could get on house training, feeding, bathing, veterinary care, grooming and the like, so I happily turned to Puppies for Dummies, and later Dogs for Dummies, as my primary reference guides.

I found them immensely helpful in raising Benji, but things only really began to improve when I finally realized that the dog trains the owner and not the other way around.

After my positive experience with the two canine books, I was looking forward to reading the recently published second edition of Buying and Selling a Home for Canadians for Dummies. I was sorely disappointed.

In my entire career in real estate law, I have never seen a book with so many misleading statements and outright mistakes. Even though it may have almost 400 pages of helpful explanations and tips for buying, selling and financing properties, the average reader won't be able to distinguish the good parts from the mistakes and the garbage making it a dangerous book.

The book was written by a Vancouver realtor and seems to have been based on a similar book written for American readers. As a result, many of the references particularly in the legal area are either wrong or have no relevance to the Ontario real estate scene.

Here are some of the major booboos, with my comments in brackets. Dummies says:

- Land surveys can be registered. (This may be true in some jurisdictions, but not in Ontario.)
- Condominium agreements of purchase and sale "may" have separate standard forms. (In my experience, they always do. Using a freehold offer for a condominium unit is a recipe for disaster.)
- "Interim agreements" of purchase and sale are being used. (Not in this province and not in B.C., where the author lives.)
- Deeds are accompanied by certificates of title. (Not in Ontario.)
- Throughout the book, conditional clauses in real estate agreements are referred to as "subject" or "subject to" clauses. (This terminology is used in British Columbia and the United States, but is never used in Ontario.)
- In a duplex, "the owner typically rents out one of the units." (The author has apparently not heard of non-resident landlords.)
- Assumable mortgages are a viable option for purchasers, and it is common practice for the seller to be discharged from responsibility for payment when a buyer assumes the mortgage. (Both statements are virtually wrong in this province.)
- For rural homes, the book tells buyers to get the well water tested for quality. (There is not a word about a well-driller's certificate to test for quantity.)
- The real estate lawyer will conduct a "survey review" to confirm that the survey is "accurate and valid." (There is no such term in Ontario, according to Maureen Mountjoy of the Association of Ontario Land Surveyors. In any event, only surveyors can determine if surveys are still accurate.)
- Surveys contain details of zoning restrictions and environmental or contamination problems. (Definitely not true in Ontario.)
- For new home purchases, the real estate lawyer "reviews the specification lists and contractual obligations...to ensure that the builder provides everything you're entitled to receive." (Again, not in Ontario. That's why the Ontario New Home Warranty Program requires buyers to conduct a pre-delivery inspection. Lawyers in Ontario are not trained, licensed or insured to conduct the inspection with or for their clients.)
- Typical deposits submitted with offers are "between \$500 and \$1,000" until conditions are waived. (A sure way for a buyer to get laughed out of the sales office. Deposits in the GTA hover around 5 per cent.)
- Readers are told to "watch out for waterways" in buying homes near bodies of water, but there is no mention of checking with

the local conservation authority to see whether a homeowner's land is subject to flooding.

- Ontario buyers may have to wait for keys "while your lawyer goes down to city hall or the land titles office" to close the deal. (There is no mention of instantaneous electronic land registration, a fact of life in much of Ontario for several years now.)
- Floor plans of condominiums are called "strata plans." (In Ontario, they're always called condominium plans.)
- Condominium buyers should get "home inspections" to examine, among other things, the exterior of the building, the basement, the heating, water and ventilation, and interior problems such as leakage. (No condominium owner would do this in Ontario a full building inspection would cost thousands of dollars. That's why, by law, condominiums here must conduct reserve-fund studies and technical audits, neither of which is mentioned in *Dummies*.)
- Condo developers may keep initial monthly common expenses low to lure new buyers. (Under Ontario law, this is a no-no.)
- Foreclosure is defined as mere repossession of a house when the buyer defaults on mortgaged payments. (In fact, it's much more than that it also involves a court-ordered transfer of registered ownership back to the mortgagee.)

In addition, I couldn't find any reference to the use of Registered Retirement Savings Plan funds as a source of down payments for homes in Canada, or to the use of mortgages in a homeowner's self-administered RRSP to self-finance a purchase. These are major omissions.

In my opinion, this *Dummies* book is so bad and so misleading it made me wonder whether it was written for dummies, or by dummies.

Book reviews will sometimes say that the new publication is available "at better bookstores everywhere." This time, though, I would have to say that if you're really shopping at a "better" bookstore, it definitely wouldn't be carrying this turkey.