



June 17, 2021

Dear Real Estate Representatives, Presidents and Library Staff,

In an effort to keep real estate lawyers updated with the ever-changing situation, we have further information to be shared with the real estate lawyers in your association.

Updated DRA and Multi-Party DRA

The Document Registration Agreement and Multi-Party Document Registration Agreement have been updated and published on the Law Society of Ontario's website. The updated DRA and Multi-Party DRA are attached for your reference and are available in word at:

<https://lso.ca/lawyers/practice-supports-and-resources/practice-area/real-estate-law/electronic-registration-of-title-documents>.

The updates to the DRA include the following amendments:

- Any changes to the document must be clearly shown. The publication date has been noted in the header, along with confirmation that any changes not clearly shown are of no effect.
- Paragraph 3 and Schedule A have been amended to account for a VTB, if applicable. The last registered instrument (LRI) can be inserted in Schedule A if there is a VTB.
- Paragraph 10 has been amended to permit the exchange of closing documents by fax or email, unless prior to closing the recipient requests originally executed copies, in which case originally executed documents are to be delivered within 10 days of closing.
- Paragraph 11 has been added and requires a party who receives notice from the LRO that a document has been returned for correction to notify the other side and requires all parties to correct and re-register the document as soon as possible.
- Paragraph 12 is new and confirms that entry is being provided by way of a lockbox or door lock code, it can be provided with the other Requisite Deliveries and held in escrow, to be released in accordance with paragraph 6.
- Paragraph 13 has been added to confirm that funds can be delivered by wire and that each party is responsible for their own wire fees.

Similar changes have been made to the Multi-Party DRA, although the paragraph numbering is different.

We encourage you to review the updated DRA and Multi-Party DRA.

If and when we receive further information of interest to the real estate bar, we will pass it along.

Stay up to date with FOLA's real estate information at <https://fola.ca/real-estate-law>.

Merredith MacLennan and Eldon Horner
FOLA Real Estate Co-Chairs

Please note: The information provided herein is of a general nature only and is not intended to provide legal advice.

DOCUMENT REGISTRATION AGREEMENT

(This Document is in the Form published on the Law Society of Ontario website on June 10, 2021¹, except for clearly shown changes. Any changes not clearly shown are of no effect.)

BETWEEN:

_____ (hereinafter referred to as the "**Purchaser's Solicitor**")

AND:

_____ (hereinafter referred to as the "**Vendor's Solicitor**")

RE: _____ (the "**Purchaser**") purchase from _____ (the "**Vendor**") of _____ (the "**Property**") pursuant to an agreement of purchase and sale dated _____, as amended from time to time (the "**Purchase Agreement**"), scheduled to be completed on _____ (the "**Closing Date**")

FOR GOOD AND VALUABLE CONSIDERATION (the receipt and sufficiency of which is hereby expressly acknowledged), the parties hereto hereby undertake and agree as follows:

- | | |
|--|---|
| Holding Deliveries In Escrow | 1. The Vendor's Solicitor and the Purchaser's Solicitor shall hold all funds, keys and closing documentation exchanged between them (the "Requisite Deliveries") in escrow, and <i>shall</i> not release or otherwise deal with same except in accordance with the terms of this Agreement. Both the Vendor's Solicitor and the Purchaser's Solicitor have been authorized by their respective clients to enter into this Agreement. Once the Requisite Deliveries can be released in accordance with the terms of this Agreement, any monies representing payout funds for mortgages to be discharged shall be forwarded promptly to the appropriate mortgage lender. ² |
| Advising of Concerns with Deliveries | 2. Each of the parties hereto shall notify the other as soon as reasonably possible following their respective receipt of the Requisite Deliveries (as applicable) of any defect(s) or deficiencies with respect to same. |
| Selecting Solicitor Responsible for Registration | 3. The Purchaser's Solicitor shall be responsible for the registration of the Electronic Documents as defined in Schedule A (the "Electronic Documents") unless the box set out below indicating that the Vendor's Solicitor will be responsible for such registration has been checked. For the purposes of this Agreement, the solicitor responsible for such registration shall be referred to as the "Registering Solicitor" and the other solicitor shall be referred to as the "Non-Registering Solicitor": |

Vendor's Solicitor will be registering the Electronic Documents

¹ This Document Registration Agreement was amended by the Real Estate Liaison Group in March 2021, and posted on the Law Society of Ontario website on June 10, 2021. The original document was created and adopted by the Joint LSUC-CBOA Committee on Electronic Registration of Title Documents on March 29, 2004.

² For the purpose of this Agreement, the term "registration" shall mean the issuance of registration number(s) in respect of the Electronic Documents by the appropriate Land Registry Office.

If there is a vendor take-back mortgage (VTB), the Registering Solicitor undertakes to submit all the Electronic Documents at the same time within the same electronic folder in the Teraview system so that the Electronic Documents will be registered consecutively with no intervening registrations. The Registering Solicitor undertakes to conduct a subsearch prior to the registration of the Electronic Documents and only attend to the registration of same if there are no registrations subsequent to the LRI noted in Schedule A. (Note: if the LRI is left blank, the Registering Solicitor may register without regard to the LRI)

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|--|---|
| Responsibility of Non-Registering Solicitor

and

Release of Requisite Deliveries by Non-Registering Solicitor | 4. The Non-Registering Solicitor shall, upon his/her receipt and approval of the Requisite Deliveries (as applicable), electronically release for registration the Electronic Documents and shall thereafter be entitled to release the Requisite Deliveries from escrow forthwith following the earlier of: <ul style="list-style-type: none"> (a) the registration of the Electronic Documents; (b) the closing time specified in the Purchase Agreement unless a specific time has been inserted as follows [_____ a.m./p.m. on the Closing Date] (the “Release Deadline”), and provided that notice under paragraph 7 below has not been received; or (c) receipt of notification from the Registering Solicitor of the registration of the Electronic Documents. |
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If the Purchase Agreement does not specify a closing time and a Release Deadline has not been specifically inserted the Release Deadline shall be 6.00 p.m. on the Closing Date.

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| Responsibility of Registering Solicitor | 5. The Registering Solicitor shall, subject to paragraph 7 below, on the Closing Date, following his/her receipt and approval of the Requisite Deliveries (as applicable), register the Electronic Documents in the stated order of priority therein set out, as soon as reasonably possible once same have been released for registration by the Non- Registering Solicitor, and immediately thereafter notify the Non-Registering Solicitor of the registration particulars thereof by telephone or telefax (or other method as agreed between the parties). |
| Release of Requisite Deliveries by Registering Solicitor | 6. Upon registration of the Electronic Documents and notification of the Non-Registering solicitor in accordance with paragraph 5 above, the Registering Solicitor shall be entitled to forthwith release the Requisite Deliveries from escrow. |
| Returning Deliveries where Non-registration | 7. Any of the parties hereto may notify the other party that he/she does not wish to proceed with the registration ³ of the Electronic Documents, and provided that such notice is received by the other party before the release of the Requisite Deliveries pursuant to this Agreement and before the registration of the Electronic Documents, then each of the parties hereto shall forthwith return to the other party their respective Requisite Deliveries. |

³ For the purpose of this Agreement, the term “registration” shall mean the issuance of registration number(s) in respect of the Electronic Documents by the appropriate Land Registry Office. This DRA may be signed and exchanged by the solicitors in printed or digital form or agreed to by reference in the requisition letter or other exchange of communication between the solicitors, including a reference to the choice of Registration Solicitor/Release Deadline, if default is not acceptable, and, list and order of the Electronic Document in Schedule A, and the LRI, if any.

Counterparts & Gender

8. This Agreement may be signed in counterparts and shall be read with all changes of gender and/or number as may be required by the context.

Purchase Agreement Prevails if Conflict or Inconsistency

9. Nothing contained in this Agreement shall be read or construed as altering the respective rights and obligations of the Purchaser and the Vendor as more particularly set out in the Purchase Agreement, and in the event of any conflict or inconsistency between the provisions of this Agreement and the Purchase Agreement, then the latter shall prevail.

Telefaxing Deliveries & Providing Originals if Requested

10. This Agreement (or any counterpart hereof), and any of the closing documents hereinbefore contemplated, may be exchanged by email, fax or similar system reproducing the original, provided that all such documents have been properly executed by the appropriate parties. The party transmitting any such document(s) shall, upon written request of the recipient, at the time the DRA is invoked and not later than the Closing Date, also provide the original executed version(s) of same within 10 business days after the Closing Date.

Documents Returned for Correction

11. If the Land Registry Office notifies either Solicitor that one or more of the Electronic Documents are being returned for correction or cannot be certified, the Solicitor receiving such notification shall immediately notify the other Solicitor and each Solicitor shall take all necessary steps to make the required corrections or modifications as soon as possible to effect registration. If such notification is received prior to the release of any Requisite Deliveries, unless otherwise mutually agreed to, a Solicitor shall not release any or any further Requisite Deliveries until registration is completed.

Keys/Lock Boxes

12. Access to the property may be made available by providing codes to door locks or exchanging keys by using a lockbox secured against the Property or other location as mutually agreed between the parties. If a code is provided for a door locking mechanism or to a lockbox, the code shall be provided by the Vendor's solicitor to the Purchaser's solicitor as part of the Requisite Deliveries to be held in escrow. The code can be released to the Purchaser in accordance with paragraph 6.

Transfer of Funds

13. Funds may be wired transferred from the Purchaser's solicitor's trust account to the Vendor's Solicitor's trust account. The Purchaser shall be responsible for any outgoing wire fees and the Vendor shall be responsible for any incoming wire fees.

Dated this _____ day of _____, 20_____.

Name/Firm Name of Vendor's Solicitor

Name/Firm Name of Purchaser's Solicitor

Name of Person Signing

Name of Person Signing

(Signature)

(Signature)

Schedule "A"

Electronic Documents to be registered in the following order:

1. (Note: transfer)
2. (Note: VTB, if any)

NOTE: The VTB will be registered subject to the above noted transfer from the vendor or the purchaser and the LRI _____, if LRI is provided by vendor's solicitor.

(Note: no mortgage should be included in this schedule, other than a VTB.)

DOCUMENT REGISTRATION AGREEMENT

(THREE OR MORE PARTIES)

(This Document is in the Form published on the Law Society of Ontario website on June 10, 2021¹, except for clearly shown changes. Any changes not clearly shown are of no effect.)

BETWEEN:

(hereinafter referred to as the "Purchaser's Solicitor")

AND:

(hereinafter referred to as the "Vendor's Solicitor")

AND:

(hereinafter referred to as the "Lender's Solicitor")

AND:

(hereinafter referred to as the "Fourth Party's Solicitor")

RE: _____ (the "Purchaser") purchase from _____ (the "Vendor") of _____ (the "**Property**") pursuant to an agreement of purchase and sale dated _____ amended from time to time (the "**Purchase Agreement**") scheduled to be completed on _____ (the "**Closing Date**")

AND RE: Purchaser's loan from _____ (the "**Lender**") secured by a FIRST mortgage against the property and related documentation (add others if more than one mortgage)

AND RE: _____ (the "**Fourth Party**")'s _____ [transaction type, for example, discharge of a private mortgage] registered as No. _____ on (date) _____ in connection with the property and the associated documents registered as No. _____ (assignments, postponements, etc.).

FOR GOOD AND VALUABLE CONSIDERATION (the receipt and sufficiency of which is hereby expressly acknowledged), the parties hereto hereby undertake and agree as follows:

- | | |
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| Holding deliveries in escrow | 1. Each of the undersigned Solicitors shall hold all funds, keys and closing documentation exchanged between them (the "Requisite Deliveries") in escrow, and <i>shall</i> not release or otherwise deal with same except in accordance with the terms of this Agreement. Each of the undersigned Solicitors have been authorized by their respective clients to enter into this Agreement. Once the Requisite Deliveries can be released in accordance with the terms of this Agreement, any monies representing payout funds for mortgages to be discharged shall be forwarded promptly to the appropriate mortgage lender. |
| Advising of concerns with deliveries | 2. Each of the parties hereto shall notify the others as soon as reasonably possible following their respective receipt of the Requisite Deliveries (as applicable) of any defect(s) or deficiencies with respect to same. |

¹ This Document Registration Agreement was amended by the Real Estate Liaison Group in March 2021 and posted on the Law Society of Ontario website on June 10, 2021.

Selecting
Solicitor(s)
Responsible for
Registration

3. The Purchaser's Solicitor shall be responsible for the registration of the Electronic Documents defined in Schedule A (the "Electronic Documents") unless the box set out below indicating that a different solicitor will be responsible for the registration of one or more of the Electronic Documents has been checked. For the purposes of this Agreement, the solicitor responsible for the registration of a document shall be referred to as the "Registering Solicitor" and the other solicitors shall be referred to as the "Non-Registering Solicitors".

The Vendor's Solicitor shall be responsible for registering the following:

- (a) _____
- (b) _____
- (c) _____

The Lender's Solicitor shall be responsible for registering the following:

- (a) _____
- (b) _____
- (c) _____

The Fourth Party's Solicitor shall be responsible for registering the following:

- (a) _____
- (b) _____
- (c) _____

The Registering Solicitor undertakes to submit all the Electronic Documents at the same time within the same electronic folder in the Teraview system so that the Electronic Documents will be registered consecutively with no intervening registrations. The Registering Solicitor undertakes to conduct a subsearch prior to the registration of the Electronic Documents and only attend to the registration of same if there are no registrations subsequent to Instrument No. _____ (LRI.(if the LRI is left blank, the Registering Solicitor may register without regard to the LRI).

No release until
all parties have
authorized

4. Each of the solicitors shall advise the others when it is in possession of the Requisite Deliveries and shall authorize the Registering Solicitor in writing (or by such other method as agreed upon by the solicitors) to release the Electronic Documents for registration. In particular, any solicitor proposing to register the discharge(s) of a mortgage or mortgages after the registration of the Electronic Documents shall notify the other parties that he/she is irrevocably authorized to register the discharge(s) of mortgage(s). But the Registering Solicitor shall not release any of the Electronic Documents for registration unless and until all of the solicitors have authorized the release of Electronic Documents for registration.

Responsibility of
Non-Registering
Solicitors

5. The Non-Registering Solicitors shall, upon their receipt and approval of the Requisite Deliveries (as applicable), electronically release for registration the Electronic Documents unless otherwise provided in paragraph 3 above and shall thereafter be entitled to release the Requisite Deliveries from escrow forthwith following the earlier of:

And

Release of
Requisite

- (a) the registration of the Electronic Documents;

Deliveries by Non-Registering Solicitors (b) the closing time specified in the Purchase Agreement unless a specific time has been inserted as follows [_____ a.m./p.m. on the Closing Date] (the "Release Deadline"), and provided that notice under paragraph 8 below has not been received; or

(c) receipt of notification from the Registering Solicitor of the registration of the Electronic Documents.

If the Purchase Agreement does not specify a closing time and a Release Deadline has not been specifically inserted the Release Deadline shall be 6:00 p.m. on the Closing Date.

Responsibility of Registering Solicitor 6. The Registering Solicitor shall, subject to paragraphs 3 and 8 of this agreement, on the Closing Date, following his/her receipt and approval of the Requisite Deliveries (as applicable), register the Electronic Documents in the stated order of priority therein set out, as soon as reasonably possible once same have been released for registration by the Non-Registering Solicitors, and immediately thereafter notify the Non-Registering Solicitors of the registration particulars thereof by telephone or telefax (or other method agreed between the parties).

Release of Requisite Deliveries by Registering Solicitor 7. Upon registration of the Electronic Documents and notification of the Non-Registering Solicitor in accordance with paragraph 6 above, the Registering Solicitor shall be entitled to forthwith release the Requisite Deliveries from escrow.

Returning Deliveries where Non-registration 8. Any of the parties hereto may notify the other parties that they do not wish to proceed with the registration² of the Electronic Documents, and provided that such notice is received by the other party before the release of the Requisite Deliveries pursuant to this Agreement and before the registration of the Electronic Documents, then each of the parties hereto shall forthwith return to the other party their respective Requisite Deliveries.

Counterparts & Gender 9. This Agreement may be signed in counterparts and shall be read with all changes of gender and/or number as may be required by the context.

Purchase Agreement Prevails if Conflict or Inconsistency 10. Nothing contained in this Agreement shall be read or construed as altering the respective rights and obligations of the Purchaser, the Vendor, the Lender or the Fourth Party, as more particularly set out in the Purchase Agreement, the loan or other agreement, and in the event of any conflict or inconsistency between the provisions of this Agreement and the Purchase Agreement, the loan or other agreement, then the latter shall prevail.

Telefaxing deliveries & Providing Originals if Requested 11. This Agreement (or any counterpart hereof), and any of the closing documents hereinbefore contemplated, may be exchanged by email, fax or similar system reproducing the original, provided that all such documents have been properly executed by the appropriate parties. The party transmitting any such document(s) shall, upon written request of the recipient, at the time the DRA is invoked and not later than the Closing Date, also provide the original executed version(s) of same to the recipient(s) within 10 business days after the Closing Date.

² For the purpose of this Agreement, the term "registration" shall mean the issuance of registration number(s) in respect of the Electronic Documents by the appropriate Land Registry Office. This DRA may be signed and exchanged by the solicitors in printed or digital form or agreed to by reference in the requisition letter or other exchange of communication between the solicitors, including a reference to the choice of Registration Solicitor/Release Deadline, if default is not acceptable, and, list and order of the Electronic Document in Schedule A, and the LRI, if any.

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|-----------------------------------|--|
| Documents Returned for Correction | 12. If the Land Registry Office notifies any Solicitor that one or more of the Electronic Documents are being returned for correction or cannot be certified, the Solicitor receiving such notification shall immediately notify the other Solicitors and each Solicitor shall take all necessary steps to make the required corrections or modifications as soon as possible to effect registration. If such notification is received prior to the release of any Requisite Deliveries, unless otherwise mutually agreed to, a Solicitor shall not release any or any further Requisite Deliveries until registration is completed. |
| Keys/Lock Boxes | 13. Access to the property may be made available by providing codes to door locks or exchanging keys by using a lockbox secured against the Property or other location as mutually agreed between the parties. If a code is provided for a door locking mechanism or to a lockbox, the code shall be provided by the Vendor's solicitor to the Purchaser's solicitor as part of the Requisite Deliveries to be held in escrow. The code can be released to the Purchaser in accordance with paragraph 7. |
| Transfer of Funds | 14. Funds may be wired transferred from the Purchaser's solicitor's trust account to the Vendor's Solicitor's trust account. The Purchaser shall be responsible for any outgoing wire fees and the Vendor shall be responsible for any incoming wire fees. |

Dated this _____ day of _____, 20_____.

Name/Firm Name of Vendor's Solicitor

Name/Firm Name of Purchaser's Solicitor

Name of Person Signing

Name of Person Signing

(Signature)

(Signature)

Name/Firm Name of Lender's Solicitor

Name/Firm Name of Fourth Party's Solicitor

Name of Person Signing

Name of Person Signing

(Signature)

(Signature)

Note: The use of this document is recommended where there are three or more parties involved in the transaction and each party is represented by their own lawyer.

SCHEDULE "A"

Electronic Documents to be registered in the following order:

1. Transfer/Deed in favour of Purchaser in respect of the Property
2. New FIRST charge/mortgage in favour of the Lender in respect of the Property
3. Assignment of Rents in favour of the Lender in respect of the Property
4. Discharge of Charge/mortgage No. _____.
5. Other, if required