

For Immediate Release

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NEWS RELEASE

Real Estate Declaration to be included in Lawyer Annual Report

Toronto: To help combat the high costs of real estate-related complaints, particularly mortgage fraud, the Law Society's governing body today approved a motion requiring lawyers who practise real estate law to declare their compliance with the Law Society's Rules and By-laws regarding this area of practice.

As a transitional step, the Real Estate Acknowledgement will be included in the 2013 Lawyer Annual Report, to be filed by March 31, 2014. In 2014 and subsequent years, lawyers practising real estate law will be required to complete an Annual Declaration of their compliance.

The new requirement focuses on mortgage fraud issues and does not involve any rule or by-law changes, nor does it create any new obligations. It consolidates and reinforces the real estate requirements outlined in the [Rules of Professional Conduct](#) and Law Society [By-laws](#).

"The Law Society takes mortgage fraud extremely seriously and we've introduced many initiatives and resources over the last several years to prevent and combat it," says Law Society Treasurer Thomas G. Conway. "Now, we are further enhancing our efforts. The new requirement confirms the critical role that real estate lawyers play in real estate transactions and reflects the due diligence required. This will help to further protect the public and real estate lawyers."

Under the provision, lawyers will acknowledge in 2013 (and declare in 2014 and subsequent years) that they complied with their professional obligations to:

- not allow anyone to use their e-reg™ diskette/key personalized e-reg™ pass phrase
- directly supervise non-lawyers assigned permissible tasks and functions and not assign to non-lawyers any tasks requiring a lawyer's skill or judgment
- not act for both a transferor and transferee in the transfer of title to real property, except in the limited circumstances set out in Rule 2.04 1(3)
- when acting in permissible circumstances for both a borrower and lender in a mortgage or loan transaction, disclose in writing to the borrower and lender, before the advance or release of mortgage or loan funds, all material information that is relevant to the transaction
- not act or do anything or omit to do anything to assist a client or anyone else to facilitate dishonesty, fraud, crime or illegal conduct and acknowledge the existence of various Law Society and LAWPRO resources relating to real estate fraud
- comply with their obligations under the *Electronic Registration Agreement* to obtain evidence of proper authorization from the owner of the land or holder of an interest in the land that has directed the registration, prior to the submission of the document for registration in the electronic land registration system.

Lawyers who have questions about the requirement can contact the Law Society's Client Service Centre at **416-947-3315 / 1-800-668-7380, ext. 3315**. General information is also available on the Law Society [website](#).

The Law Society regulates [lawyers and paralegals](#) in Ontario in the public interest. The Law Society has a mandate to protect the public interest, to maintain and advance the cause of justice and the rule of law, to facilitate access to justice for the people of Ontario and act in a timely, open and efficient manner.

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Media Contacts: Roy Thomas, 416-947-7618, rthomas@lsuc.on.ca, or Susan Tonkin at 416-947-7605, stonkin@lsuc.on.ca.