



The Real Property Report (“RPR”)

Fundamentals

- The RPR is required in the standard contract (Clause 4.11)
- The RPR must reflect the “current state of improvement” on the property.
- “improvements” are, essentially, everything over and above the dirt on a property
- So, the RPR must be up to date, showing all the buildings, fences and other things are required to be shown. What is “required to be shown” is set out in the Alberta Land Surveyors’ Manual of Standard Practice.
- If the RPR is “current” then it does not matter how old the RPR is.

Certificate of Compliance

- The standard contract and conveyancing practices require the RPR to have a “Certificate of Compliance” from the municipality.
- If the RPR discloses issues such as encroachments or inadequate setbacks, further documentation such as an Encroachment Agreement, an Easement or a Relaxation may be required. The standard contract requires the Seller to do this.

Why the RPR is required

- To ensure that all improvements comply with municipal bylaws.
- To show easements and rights of way that may affect the property.
- To provide a lender comfort that, in the event of a foreclosure, the property will be good and marketable. In many cases the lender’s lawyer (who is almost always the Buyer’s lawyer as well) will be required to provide a legal opinion which is based largely on the RPR.

Special Notes

- Unless you are in unique circumstances, if you act for a Buyer, insist upon the RPR requirements in the standard contract. If the Buyer waives these requirements, it may create issues with the lender (who has not waived the RPR requirements, and will almost always insist on a current RPR with compliance or title insurance as a lending condition).
- Previous versions of the standard form contract required the RPR to be delivered to the Buyer’s solicitor at least 10 days before closing. This is no longer the case.
- Conveyancing practice amongst lawyers permits a photocopy of an RPR, so long as it is “current”.

Additional Questions?

We view one of our roles as being to assist real estate agents in their business. Please don’t hesitate to contact us if you think we can help.