



THE INTEGRATED RELOCATION PROGRAMME (“IRP”)

The History of the IRP from a Lawyer’s Perspective

Dust Evans has been proud to provide top level real estate legal services to members of the Canadian Forces, the RCMP and other government transferees since 1978. In the early days, free market forces usually resulted in transferees receiving services from the cream of the crop in the real estate industry. Administrative matters were handled by support staff for the various employer organizations or departments.

In the nineties, the Government saw fit to outsource the administration of a large part of its transfers. The result was the implementation of the Integration Relocation Program (“IRP”). Among other things, the IRP provided a fixed scale for legal fees which has essentially remained static over the last ten years. During the last five years, in Ontario, lawyers received \$700.00 for a purchase with one mortgage and \$475.00 for a sale with one discharge, an inadequate level considering market rates and considering the very substantial additional work that must be done on these files. As costs and expectations have risen, the already-slim margins on these files decreased substantially. Despite this, we have maintained our high service levels in these files and tried very hard to avoid any charges to the transferee for services not covered by the IRP.

The IRP was renewed in August of 2009. Lawyers anticipated that fees would increase to the point where these files once more made economic sense. To our surprise, fees remained absolutely static at \$700.00 for a purchase with one mortgage and \$475.00 for a sale with one discharge. In the face of this, we can no longer afford to participate in the IRP.

Transferee files generally involve substantially more work than the average real estate deal, especially when one considers the additional work arising from the IRP, and the fees being offered are grossly inadequate if quality services are being provided and appropriate practice standards are being met. We are not prepared to compromise either. As well, the fees apply regardless of the nature of the transaction. The one-size-fits-all approach is inappropriate when real estate deals differ substantially in terms of complexity and the degree of responsibility assumed by the lawyer.

Continuing to Provide Services to CF, RCMP and GOC Transferees

We will continue to provide services to Canadian Forces, RCMP and Government of Canada transferees. Transferees are not required to use a lawyer who has agreed to provide services through the IRP. They may use a lawyer of their choice. There will be two fundamental differences in the transaction, as compared to one completed under the IRP:

1. Funds to cover legal fees and disbursements and other reimbursable costs will no longer be



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paid directly to the lawyer by Brookfield Relocation Services on behalf of the Federal Government. We will provide the transferee with estimates for legal fees and disbursements and other reimbursable costs in advance of their closing date. They will use this documentation so that they can obtain an advance to cover costs on closing. After closing, a final accounting will be provided to them so that any required adjustments can be made with Brookfield; and

2. The IRP fee schedule will not apply. We will be pleased to speak to transferees and follow our normal process of providing an estimate of fees based on what is involved in the transaction.

Conclusion

We will not participate in the IRP but we will be very pleased to continue to provide quality real estate services to transferees. We will do so for fees that are appropriate to the transaction and we will provide transferees with the documentation that they require to obtain reimbursement from Brookfield Relocation Services in accordance with its contract with the Federal Government.