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## **REAL ESTATE PRACTICE IN BC Looking at the Future**

The future is always difficult to predict. In doing so the only safe assumption to make is that it will be different than the past since in the modern world nothing stays the same for long. Looking at past developments and projecting them into the future is one method of predicting the future.

If straight line extrapolation accurately predicts the future of real estate practice in British Columbia, then life will be increasingly difficult for lawyers who concentrate on real estate matters. Over at least the last 15 years disturbing trends have been developing in the residential conveyancing and mortgage market. More lawyers have been chasing less work and non-lawyers, especially notaries, have been taking a larger part of the business. This has led to price competition which has made it more and more difficult for lawyers to survive in the business. Some lawyers have used automated standardized systems and greater delegation to support staff to attempt to compete by reducing prices and obtaining a larger volume of business. Many other lawyers have been forced to drop out of the business. In order to stay in business the survivors have been forced to cut the level of service they offer to clients and cut prices further.

By attempting to compete strictly on price lawyers are playing a game they can't win. Notaries will always be able to operate cheaper because they are not held to the same professional standard and are not required to charge seven per cent PST on their fees. Now, as if there wasn't enough competition in the system, title insurance companies are seeking to provide alternate transfer title systems and lending institutions are planning to prepare mortgage documents internally, further reducing the demand for lawyers. If things continue in this fashion the date upon which the last lawyer in BC gives up his/her conveyancing practice is almost predictable.

However, this vision of the future will only be accurate if current trends continue and lawyers do not do anything to change things. I have confidence in our profession and believe that the necessary changes will be made and that future developments will be different. If lawyers emphasize their strengths and send the message that they can do the job better rather than cheaper, the future will be much brighter. Let someone else give low-ball quotes to real estate agents who view lawyers as obstructive nuisances. Concentrate on the sophisticated well informed purchasers who appreciate the knowledge and skill that lawyers

possess and are willing to pay for the same. Do a complete job and do not cut corners by not ordering non-financial charges and plans. If lawyers adopt this attitude they will be able to compete on service, not price, where they have a competitive advantage. This approach is similar to that adopted in recent years by financial institutions who have concentrated on providing personal service to the upper end of the market. If lawyers as a profession consciously promote themselves as expert problem solvers rather than obstructive nuisances the future of real estate practice, although different than the past, will be very successful.

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