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<p style="text-align: center;">FALCONBRIDGE ON MORTGAGES, FIFTH EDITION by Walter M. Traub Release No. 1, March 2026</p>

This work, initially formed from Dean Falconbridge's lectures at Osgoode Hall, quickly became the authoritative text on mortgages in Canada. Now in its fifth edition, under the editorial leadership of distinguished practitioner Walter M. Traub, *Falconbridge on Mortgages* is the standard reference source for those who teach and those who practise in the field, and has often been cited by the judiciary.

What's New in this Update:

This release features updates to the case law and commentary in Chapter 30 (Limitation of Actions), Chapter 33 (Regulation of Mortgage Interest), Chapter 34 (Costs), Chapter 35 (Sale under Power of Sale) and Chapter 44 (Residential Lender Policy).

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Highlights:

- **MORTGAGE ACCOUNTS—REGULATION OF MORTGAGE INTEREST—INCREASED RATE AFTER DEFAULT**—Not every increase in the amount payable following default will offend s. 8 [of the *Interest Act*]. Conceptually, there is a distinction between prepayment (i.e. a voluntary early payout by the borrower) and acceleration (i.e. a lender-driven remedy triggered by the borrower’s default, allowing the loan’s maturity to be hastened). Especially in a commercial loan setting, acceleration following default may be the result of negotiation and agreement between two commercial actors, with the borrower representing a poor financial risk. In that case the agreed principal money rate may be enforceable even though it surpassed the limits set by s. 8, but any greater amount attached to arrears would not: *Redback Tours Inc. v. Canadian Equipment Finance & Leasing Inc.*, 2025 CarswellOnt 15336, 2025 ONSC 5321 (Ont. S.C.J.).
- **STATUTORY OR CONTRACTUAL RIGHTS—SALE UNDER POWER OF SALE—LAND REGISTRATION REFORM ACT**—For private lending and non-traditional lending, the use of standard-form lending documentation does not insulate such lenders from the consequences of illegality or inequitable conduct. Although it was not a mortgage case, in *Scott v. Golden Oaks Enterprises Inc.* (2024), 497 D.L.R. (4th) 1, (*sub nom.* Golden Oaks Enterprises Inc. (Trustee of) v. Scott v.) 175 O.R. (3d) 800 (note), 56 B.L.R. (6th) 175, 16 C.B.R. (7th) 211, 2024 CarswellOnt 15330, 2024 CarswellOnt 15331, 2024 A.C.W.S. 3398, 2024 CSC 32, 2024 SCC 32 (S.C.C.), the Supreme Court of Canada upheld the recovery of interest and commission payments made under certain loan agreements that formed part of a Ponzi scheme, notwithstanding the existence of executed promissory notes and conventional interest provisions. The Court rejected the attempt by lenders to rely on shortcomings in contractual formality, limitation defences, and equitable set-off to retain those payments. It concluded that a contractual term that resulted in a criminal rate of interest could not be validated by documentation, that equitable remedies were unavailable where lenders fail to conduct basic due diligence or ignore obvious red flags. Even though the private lenders purported to use standard contractual terms in the agreements, this could not cure substantive defects in the transaction as a whole.