

RESIDENTIAL PURCHASE CONTRACT FOR RESALE CONDOMINIUM PROPERTY

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This Residential Purchase Contract (the "Contract") is between
THE SELLER **and** **THE BUYER**

Name _____ Name _____

Name _____ Name _____

1. THE PROPERTY

1.1 The Property is located at: _____
municipal address (including suite number)

The name of the project, if any _____

1.2 The legal description of the Property is:
 Condominium Plan _____ Unit _____ Unit factor _____
 Titled Parking Condominium Plan _____ Unit(s) _____ Unit factor(s) _____
 Titled Storage Space Condominium Plan _____ Unit(s) _____ Unit factor(s) _____

1.3 The Property includes:
 (a) The following non-titled area(s):
 Parking stall(s): _____ assigned _____ leased Parkingstall#(s) _____
 Storage space(s): _____ assigned _____ leased Storagespace#(s) _____

(b) Goods not attached to the Property ("Unattached Goods") as listed below:

(c) All goods attached to the Property ("Attached Goods") except for:

1.4 Unless otherwise agreed in writing, title will be free and clear of all encumbrances, registrations and obligations except the following:
 (a) those implied by law;
 (b) non-financial obligations now on title such as easements, utility rights-of-way, covenants and conditions that are normally found registered against property of this nature and which do not affect the saleability of the Property;
 (c) homeowner association caveats, encumbrances and similar registrations; and
 (d) those items which the Buyer agreed to assume in this Contract.

2. THE TRANSACTION

2.1 The Buyer and the Seller agree to act cooperatively, reasonably, diligently and in good faith.

2.2 The Buyer hereby offers to purchase the Property for the Purchase Price specified and allocated below:

\$ _____ Initial Deposit
 \$ _____ Additional Deposit
 \$ _____ Assumption of Mortgage
(approximate principal balance as per attached Financing Schedule)
 \$ _____
 \$ _____ New Financing
 \$ _____ Seller Financing (as per attached Financing Schedule)
 \$ _____ Other Value
 \$ _____ Balance Owing (subject to adjustments)
 \$ _____ **Purchase Price**

Unless otherwise agreed in writing, the Purchase Price includes any applicable Goods and Services Tax (GST).

2.3 Other than the Deposits, the Buyer shall pay the Purchase Price by lawyer's trust cheque, bank draft or other agreed value.

3. DEPOSITS

- 3.1** All Deposits shall be delivered in trust to _____
Unless otherwise agreed in writing, the Initial Deposit shall accompany the offer. _____
- 3.2** The Initial Deposit shall be deposited no later than the third Business Day following the day that Final Signing occurred (as per clause 15.1). Additional Deposits shall be deposited no later than the third Business Day following the day the Additional Deposit is received by the brokerage.
- 3.3** Any Additional Deposits shall be delivered as follows: _____
- 3.4** Unless otherwise agreed in writing, no interest on the Deposits shall be paid to the Seller or the Buyer. _____
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- 3.5** The Deposits shall be held in trust for both the Seller and the Buyer and shall be:
- (a) applied against the Commission and paid directly out of trust to the brokerage(s) when the Commission is earned in accordance with the terms of the Listing Contract;
 - (b) refunded forthwith to the Buyer if this offer is not accepted;
 - (c) refunded forthwith to the Buyer upon the Buyer's cheque clearing the brokerage's trust account if a condition is not satisfied or waived (as per clauses 8.5 and 8.6) or the Seller fails to perform this Contract; and
 - (d) forfeited to the Seller if this offer is accepted and all conditions are satisfied or waived and the Buyer fails to perform this Contract.
- 3.6** The brokerage holding the Deposits is further directed and authorized to pay that portion of the Deposits exceeding the Commission in trust to the Seller's lawyer no later than two (2) Business Days prior to the Completion Day.
- 3.7** If there is a dispute between the Seller and the Buyer as to entitlement to the Deposits then:
- (a) the brokerage holding the Deposits shall review the circumstances, determine entitlement and pay the money to the party who is entitled to the Deposits;
 - (b) if no reasonable conclusion can be made in regard to (a) above, the brokerage shall notify the parties to the Contract in writing and shall pay the money into a lawyer's trust account;
 - (c) the parties agree to allow the lawyer or the brokerage to deduct from the Deposits a reasonable fee and costs incurred for dealing with the Deposits;
 - (d) a brokerage and/or lawyer acting in good faith under this clause shall not be liable to either party for any damages associated with the handling of the Deposits, except as arising from the negligence of the brokerage or lawyer.
- 3.8** In the event that the brokerage holding the trust funds ceases to be licensed in real estate, the Buyer and Seller agree to allow the trust funds to be transferred to the brokerage representing the other party.

4. CLOSING

- 4.1** Unless otherwise agreed in writing, this Contract will be completed, the Purchase Price will be fully paid and vacant possession will be available by 12 noon on the _____ day of _____, _____, (the "Completion Day"), subject to the rights of the existing tenants, if any.
- 4.2** When the Buyer obtains possession, the Property will be in substantially the same condition as it was in when this Contract was accepted.
- 4.3** Items which are normally adjusted for, such as real estate property taxes, amortized local improvement levies, utilities, rents, security deposits, statutory interest on security deposits, mortgage interest, homeowner association fees and monthly condominium contributions, will be assumed by the Buyer and will be adjusted as of 24:00 hours on the Completion Day.
- 4.4** The Seller or the Seller's lawyer will deliver normal closing documents including, where applicable, a real property report pursuant to clause 4.11, to the Buyer or the Buyer's lawyer upon reasonable conditions consistent with the terms of this Contract. The Buyer or the Buyer's lawyer must have an opportunity to review the real property report, where applicable, prior to submitting the transfer documents to the Land Titles Office and a reasonable period of time before the Completion Day to confirm registration of documents at the Land Titles Office and to obtain the advance of proceeds for any New Financing and Other Value.
- 4.5** If the Seller fails to deliver the closing documents according to clause 4.4, then payment of the Purchase Price and late interest will be postponed until the Buyer has received the closing documents and has a reasonable period of time to register them and to obtain the advance of proceeds for any New Financing and Other Value. Notwithstanding the foregoing, if the Buyer is otherwise ready, willing and able to close in accordance with this Contract and desires to take possession of the Property, then the Seller shall give the Buyer possession upon reasonable terms which will include the payment of late interest only on the amount of mortgage being obtained by the Buyer, if any, at the interest rate of such mortgage.
- 4.6** In circumstances where the Seller has complied with clause 4.4 but the Buyer is not able to close in accordance with this Contract, then the Seller may, but is not obligated to, accept late payment of the Purchase Price and give the Buyer possession upon reasonable terms. If the Seller agrees in writing to accept late payment of the Purchase Price under this clause then, whether or not possession is granted, the Buyer will pay late interest at the prime lending rate of the Province of Alberta Treasury Branches at the Completion Day plus 3% calculated daily from and including the Completion Day to (but excluding) the day the Seller is paid in full. Payment received after noon on any day will be payment as of the next Business Day.
- 4.7** Unless otherwise agreed in writing, the Seller is responsible for special assessments that are due and payable on or before the Completion Day, and the Buyer is responsible for any special assessments due and payable after the Completion Day.

- 4.8** The Seller's lawyer may use the Purchase Price to pay out all mortgages, condominium contributions, registrations and other financial obligations that are the Seller's obligation to pay or discharge. Within a reasonable period of time after the Completion Day, the Seller's lawyer will provide to the Buyer's lawyer:
- (a) evidence of all discharges including, where required, a certified copy of the certificate of title, and
 - (b) an estoppel certificate evidencing the payment of all condominium contributions that are the Seller's obligation to pay.
- 4.9** The Seller will pay the costs: to prepare the closing documents; to prepare, register and discharge any Seller's caveat based on the Contract; and to provide the documents described in 4.11. The Buyer will pay the costs: to prepare, register and discharge any Buyer's caveat based on this Contract; and to register the transfer of land.
- 4.10** If the Property is rented and the Buyer is not assuming the tenancy, then the Seller is responsible for all costs related to ending the tenancy and to giving vacant possession to the Buyer.
- 4.11** If the Property is a condominium unit that creates a lot (bareland condominium), as part of the normal closing documents, the Seller will provide the Buyer, regarding the matters described in clause 6.1, a real property report. The real property report will reflect the current state of improvement on the Property, according to the Alberta Land Surveyors' Manual of Standard Practice, with evidence of municipal compliance or non-conformance. This obligation will not apply to any transaction where there are no structures on the land.
- 4.12** Notwithstanding the closing provisions in this Contract, the parties instruct their lawyers to follow, if appropriate, the Law Society of Alberta Conveyancing Protocol in the closing of this transaction.

5. INSURANCE

- 5.1** The risk of loss or damage to the Property shall lie with the Seller until the Purchase Price is paid according to the terms of this Contract. If loss or damage to the Property occurs before the Seller is paid the Purchase Price, then any insurance proceeds shall be held in trust for the Buyer and the Seller according to their interests in the Property.

6. REPRESENTATIONS AND WARRANTIES

- 6.1** The Seller represents and warrants to the Buyer that:
- (a) the Seller has the legal right to sell the Property;
 - (b) the Attached Goods and included Unattached Goods are in normal working order and are free and clear of all encumbrances;
 - (c) the Seller is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
 - (d) the current use of the Land and Buildings complies with the existing municipal land use bylaw;
 - (e) the Buildings and other improvements on the Land are not placed partly or wholly on any easement or utility right-of-way and are entirely on the Land and do not encroach on neighbouring lands, except where an encroachment agreement is registered on title, or in the case of an encroachment into municipal lands or a right-of-way, the municipality has endorsed encroachment approval directly on the real property report;
 - (f) the location of Buildings and other improvements on the Land complies with all relevant municipal bylaws, regulations or relaxations granted by the appropriate municipality prior to the Completion Day, or the Buildings and other improvements on the Land are "non-conforming buildings" as that term is defined in the *Municipal Government Act* (Alberta);
 - (g) the current use of the Land and Buildings and the location of the Buildings and other improvements on the Land comply with any restrictive covenant on title;
 - (h) \$_____ is the current monthly condominium contribution payable (fee for administrative and other expenses);
 - (i) except as otherwise disclosed, the Seller is not aware of any defects that are not visible and that may render the Property dangerous or potentially dangerous to occupants or unfit for habitation; and
 - (j) the Seller is not aware of any outstanding special assessments levied against the Property, except as otherwise disclosed.
- 6.2** All of the representations and warranties contained in this Contract and any attached Schedules are made as of and will be true at the Completion Day, unless otherwise agreed in writing.
- 6.3** The representations and warranties in this Contract may be enforced after the Completion Day, provided that any legal action is commenced within the time limits prescribed by the *Limitations Act* (Alberta).
- 6.4** The Seller and the Buyer each acknowledge that, except as otherwise described in this Contract, there are no other warranties, representations or collateral agreements made by or with the other party, the Seller's brokerage and the Buyer's brokerage about the Property, any neighbouring lands, and this transaction, including any warranty, representation or collateral agreement relating to the size/measurements of the Property or the existence or non-existence of any environmental condition or problem.

7. ADDITIONAL TERMS

- 7.1** All time periods, deadlines and dates in this Contract shall be strictly followed and enforced. All times will be Alberta time unless otherwise stated.
- 7.2** This Contract is for the benefit of and shall be binding upon the heirs, executors, administrators and assigns of the individual parties and the successors and assigns of corporate parties.
- 7.3** All changes of number and gender shall be made where required.
- 7.4** This Contract will be governed by the laws of the Province of Alberta. The parties submit to the exclusive jurisdiction of the Courts in the Province of Alberta regarding any dispute that may arise out of this transaction.

7.5 In addition to any Schedules required in Section 8, the following Schedules form part of this Contract:

- Financing Schedule Addendum Property Schedule

7.6 Additional terms of sale (if any):

8. CONDITIONS

8.1 The Buyer's Conditions are:

(a) **Condominium Documents Condition**

The Seller will provide to the Buyer, for the Buyer's review, true copies of all of the following Condominium Documents as are available from the Condominium Corporation (the "Documents"):

- a copy of the registered condominium plan
- a copy of the current bylaws of the corporation
- a copy of the most recent financial statements of the corporation, including the most recent year-end and month-end statements
- a copy of the current budget of the corporation
- a statement setting out the amount of the monthly contribution (condominium fee) and the basis on which that amount was determined
- a copy of the most recent available minutes of the Annual General Meeting
- a copy of the minutes of meetings of the Board of Directors of the corporation for the past 12 months
- a copy of the current insurance certificate
- a copy of any lease agreement or exclusive use agreement with respect to the possession of a portion of the common property, including a parking stall or storage space
- the particulars, of, or a copy of, any subsisting management agreement
- the particulars of, or a copy of, any subsisting recreational agreement
- the amount of any homeowner association fee
- a statement setting out structural deficiencies that the corporation has knowledge of, at the time of the request, in any of the buildings that are included in the condominium plan
- a statement setting out (i) the amount of the capital replacement reserve fund, (ii) a copy of the most recent reserve fund report and (iii) a copy of the most recent reserve fund plan
- the particulars of any post tensioned cables located anywhere on or within the Property
- a statement setting out the amount of any contributions due and payable in respect of a unit
- the particulars of any action commenced against the corporation and served on the corporation
- the particulars of any unsatisfied judgment or order for which the corporation is liable
- the particulars of any written demand made on the corporation for an amount in excess of \$5,000 that, if not met, may result in an action being brought against the corporation
- _____
- _____

If the Seller fails or refuses to deliver the Documents by the agreed time, the Buyer may obtain the Documents through other sources. All reasonable costs incurred by the Buyer to obtain the Documents, including solicitor/client legal fees and disbursements, will be paid by the Seller. The Buyer may set off these costs against the Purchase Price at the Completion Day and the Buyer will have no other remedy against the Seller for failing or refusing to deliver the Documents.

The Documents will be provided before 9 p.m. on _____.

This Contract is subject to the Buyer's satisfaction with the Documents.

Before 9 p.m. on _____ (the "Condition Day").

(b) **Financing Condition**

This Contract is subject to the Buyer securing New Financing as follows:

- as per clause 2.2 (plus applicable mortgage insurance fee, if any)
- interest rate not to exceed _____ percent a year calculated semi-annually not in advance
- a term of not less than _____ years

Monthly payment of principal and interest not to exceed \$ _____ (including mortgage insurance fee, if applicable) for an amortization of 25 years.

Before 9 p.m. on _____ (the "Condition Day").

The Buyer will pay for all costs associated with the New Financing.

(c) Property Inspection Condition

This Contract is subject to the Buyer's approval of a property inspection.

Before 9 p.m. on _____ (the "Condition Day").

A Property Inspection Schedule is attached to and forms part of the Contract.

Yes No

(d) Sale of Buyer's Home Condition

This Contract is subject to the sale of the Buyer's home, as per attached Sale of Buyer's Home Schedule.

Before 9 p.m. on _____ (the "Condition Day").

(e) Additional Buyer's Conditions:

Before 9 p.m. on _____ (the "Condition Day").

8.2 The Seller's Conditions are:

Before 9 p.m. on _____ (the "Condition Day").

8.3 If this Contract contemplates an assumption of mortgage, then it is subject to the lender confirming the assumability of the mortgage by the Buyer.

Before 9 p.m. on _____ (the "Condition Day").

This Condition is for the mutual benefit of both the Buyer and the Seller and cannot be waived unilaterally.

8.4 Unless otherwise agreed in writing, the Buyer's Conditions are for the sole benefit of the Buyer and the Seller's Conditions are for the sole benefit of the Seller. The Buyer and Seller must use reasonable efforts to satisfy their respective Conditions.

8.5 The Buyer and the Seller may unilaterally waive or acknowledge satisfaction of their Conditions by giving a written notice to the other party on or before the stated Condition Day. If that notice is not given, then this Contract is ended immediately following that Condition Day.

8.6 Subject to clause 8.4, the Buyer and the Seller may give written notice to the other party on or before the stated Condition Day advising that a Condition will not be waived, has not been satisfied and will not be satisfied on or before the Condition Day. If that notice is given, then this Contract is ended upon the giving of that notice.

9. REMEDIES/DISPUTES

9.1 If the Seller or the Buyer fails or refuses to complete this Contract according to its terms, then the other party may pursue all available remedies. The Seller's remedies include keeping the Deposits and claiming additional damages. Both the Seller and the Buyer can claim reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.

9.2 If the Seller must restore title to the Property, enforce a lien against the Property or regain possession of the Property due to the Buyer's default, then the Buyer will pay the Seller's reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.

10. ADVICE/DISCLOSURE

*Please note that this Contract is to be used **only for condominium units for resale**, which are not covered by sections 12 and 13 of the Condominium Property Act (Alberta).*

10.1 This Contract is intended to create binding legal obligations. The Seller and the Buyer should read this Contract carefully and are encouraged to obtain legal advice before signing.

10.2 Any representations as to the measurements of the Property are only approximations and may not be accurate. The Buyer may wish to obtain an independent property inspection and verify the measurements.

10.3 Unless there is written consent for alternate representation, the Seller's brokerage represents the Seller as Seller's Agent and does not have a fiduciary relationship with the Buyer, and the Buyer's brokerage represents the Buyer as Buyer's Agent and does not have a fiduciary relationship with the Seller.

10.4 The Seller and the Seller's brokerage have signed a Listing Contract. The Seller directs the Seller's lawyer to honour the terms of the Listing Contract and in particular to close the transaction according to the irrevocable assignment of the Purchase Price contained in the Listing Contract.

10.5 The Buyer and Seller agree that the sale and other related information regarding this transaction may be retained and disclosed by the brokerage and/or the real estate boards(s) as required for closing and for reporting, appraisal and statistical purposes.

10.6 This Contract may be signed and sent by fax and this procedure will be as effective as signing and delivering an original copy.

10.7 Dower consent may be required for this Purchase Contract to be binding if title is in only one name and the registered owner is legally married.

11. DEFINITIONS

11.1 In this Contract:

- (a) *Business Day* means a day when the Land Titles Office is open for business.
- (b) *Buyer's Agent* means the licensed brokerage (including its broker, all associate brokers and associates) that represents the Buyer.
- (c) *Commission* means the sum owing from the Seller for services rendered under the Listing Contract plus GST.
- (d) *Completion Day* is the day described in clause 4.1.
- (e) *Deposits* mean the Initial Deposit plus all Additional Deposits.
- (f) *Land* in a bareland condominium sale is the lot created by the condominium unit.
- (g) *Listing Contract* means any written service or commission agreement obligating the Seller to pay remuneration.
- (h) *Notice* means any notice referred to in this Contract and includes communication of the acceptance of an offer to purchase.
- (i) *Seller's Agent* means the licensed brokerage (including its broker, all associate brokers and associates) that represents the Seller.
- (j) *Unless otherwise agreed in writing* means either changes made to the terms of this Contract that are agreed to by both the Seller and the Buyer, or a written agreement by letter or otherwise between the Seller or the Seller's lawyer and the Buyer or the Buyer's lawyer.

12. REPRESENTATIVES/NOTICE

12.1 As long as the Representative information in 12.2 is completed, the identified Representatives are authorized to send and receive any Notice on behalf of their respective clients.

12.2 For the purposes of giving and receiving any Notice, the communication must be in writing and

- (a) delivered in person to the other party or its Representative, or
- (b) delivered (or faxed) to an address (or fax number) specified below.

Note: The Representative information must be completed in full by the Buyer's Agent at the offer stage prior to the Contract being signed in order to permit communication on the Representatives.

Seller's Information:

Seller's Address _____
 _____ Phone _____ Fax _____
(postal code)

Seller's Representative:

Broker, associate broker or associate registered to the brokerage
 Brokerage Name _____
 Address _____

(postal code)
 Representative's Phone _____ Representative's Fax _____

Buyer's Information:

Buyer's Address _____
 _____ Phone _____ Fax _____
(postal code)

Buyer's Representative:

Broker, associate broker or associate registered to the brokerage
 Brokerage Name _____
 Address _____

(postal code)
 Representative's Phone _____ Representative's Fax _____

13. OFFER

13.1 The Buyer offers to buy the Property for the Purchase Price according to the terms of this Contract.

13.2 This offer/counter offer shall be open for acceptance in writing until _____ .m. on _____, 20_____.

SIGNED AND DATED at _____, Alberta at _____ .m. on _____, 20_____.

Signature of Buyer

Signature of Witness

Print Name of Buyer

Print Name of Witness

Signature of Buyer

Signature of Witness

Print Name of Buyer

Print Name of Witness

14. ACCEPTANCE

14.1 The Seller accepts the Buyer's offer and agrees to sell the Property for the Purchase Price according to the terms of this Contract.

SIGNED AND DATED at _____, Alberta at _____ .m. on _____, 20_____.

Signature of Seller

Signature of Witness

Print Name of Seller

Print Name of Witness

Signature of Seller

Signature of Witness

Print Name of Seller

Print Name of Witness

15. FINAL SIGNING

15.1 Final Signing of this Contract occurred at _____ .m. on _____, 20_____.

Initials of the person(s) who signed last _____

CONVEYANCING

Seller's Lawyer _____

Lawyer's Address _____ (postal code)

Lawyer's Phone _____ Fax _____

Buyer's Lawyer _____

Lawyer's Address _____ (postal code)

Lawyer's Phone _____ Fax _____