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Residential Real Estate Purchase Contract

This contract is between

THE SELLER

and

THE BUYER

Name: _____

Name: _____

Name: _____

Name: _____

1. THE PROPERTY

1.1 The Property is the Land, Buildings, Attached Goods (unless excluded) and include Unattached Goods located at:

Municipal Address: _____

1.2 The Legal Description of the Property is:

PLAN _____ BLOCK _____ LOT _____

OTHER _____

Details described in Condominium Property Schedule (attached).

1.3 No unattached Goods (chattels) except for:

1.4 All Attached Goods (fixtures) except for:

1.5 Unless otherwise agreed in writing, title will be free and clear of all encumbrances, registrations and obligations except the following:

1.6 Those implied by law;

- a). 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;
- b). Homeowners association caveats, encumbrances and similar registrations; and
- c). 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 Other than the Deposits, the Buyer shall pay the Purchase Price by certified cheque, lawyer's trust cheque, bank draft or other agreed value as follows:

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

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

3. DEPOSITS

3.1 All deposits shall be delivered in trust to: _____

Unless otherwise agreed in writing, the Initial Deposits shall accompany the offer.

3.2 The Initial Deposit shall be deposited no later than the second Business Day following the day that final signing occurred (as per clause 15.1). Additional Deposits shall be deposited no later than the second 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 will be paid to the Seller or the Buyer. _____

Seller's Initials _____

3.5 The Deposits shall be held in trust for both the Seller and the Buyer and shall be:

- a). Applied against the Commission (as defined in the Residential Real Estate Listing Contract or any other commission agreement signed by the Seller) and paid directly out of trust to the brokerage(s) when the Commission is earned in accordance with the terms of the Listing Contract or any other commission agreement signed by the Seller;
- 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 clause 8, 4) 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 on this Contract.
- e). The Brokerage holding the Deposit(s) 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.

3.6 If there is a dispute between the Seller and the Buyer as to the entitlement to the Deposits then:

- a). The Brokerage holding the Deposit shall review the circumstances, determine entitlement and pay the money to the party who is entitled to the Deposit;
- 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 Deposit a reasonable fee and costs incurred for dealing with the Deposit;
- 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 Deposit, except arising from the negligence of the brokerage or lawyer.

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 noon on the ___ day of _____, 20___, (the "Completion Day"), subject to the rights of the existing tenants, if any. When the Buyer obtains possession, the Property will be in substantially the same condition as it was when the Contract was accepted.
- 4.2** Items which are normally adjusted for, such as real estate taxes, amortized local improvement levies, utilities, rents, security deposits, statutory interest on security deposits, mortgage interest and homeowners' association fees and monthly condominium contributions will be assumed by the Buyer and be adjusted as of 24:00 on the Completion Day.
- 4.3** The Seller and the Seller's lawyer will deliver normal closing documents to the Buyer or the Buyer's lawyer upon reasonable conditions consistent with the terms of this Contract. The Buyer must have a reasonable period of time before the Completion Day to confirm registration of documents at the Land Titles Office and to obtain the evidence of proceeds for any New Financing and Other Value.
- 4.4** If the Seller fails to deliver the closing documents according to Section 4.3, then payment of the Purchase Price and interest will be postponed until the Buyer has received the closing documents and has a reasonable period of time to register them.
- 4.5** If the Buyer has not paid all the Purchase Price, then Seller may give the Buyer possession upon reasonable terms.
- 4.6** If the Seller agrees in writing to accept late payment of the Purchase Price, then the Buyer will pay interest to the Seller 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. Interest means the prime-lending rate of the Province of Alberta Treasury Branches at the Completion Day plus 3%.
- 4.7** The Seller's lawyer may use the Purchase Price to pay out all mortgages, registrations and other financial obligations that are the Seller's obligation to discharge. Within a reasonable period of time after the Completion Day, the Seller's lawyer will provide the Buyer's lawyer with evidence of all discharges including, where required, a certified copy of the certificate of title and an Estoppel Certificate evidencing the payment of all condominium contributions that are the Seller's obligation to pay.

- 4.8** The Seller will pay the costs to prepare the closing documents; to prepare, register and discharge any Seller's caveat based on this Contract; and to provide the documents described in clause 4.11.
- 4.9** 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** At least ten (10) Business Days prior to the Completion Day, the Seller will provide the Buyer, regarding the matters described in clause 6.1, a real property report reflecting the current state of Improvements 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 condominium units that do not create a lot nor to any transaction where there are no structures on the land.
- 4.12** Notwithstanding the closing provisions in this Contract, the parties authorize 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. WARRANTIES AND REPRESENTATIONS

- 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 neighboring lands, except where an encroachment agreement is in place; and
- f). The location of Buildings and other improvements on the Land complies with all relevant municipal bylaws, regulations or relaxation 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); and
- g). \$_____ is the current monthly condominium contribution payable (fee for administrative and other expenses); and
- h). 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.

6.2 All of the 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 its 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 and the Property, any neighboring lands, and this transaction, including any warranty, representation or collateral agreement relating to the size/measurements of the Land and Buildings 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 The Schedules form part of this Contract:

- | | |
|---|--|
| <input type="checkbox"/> Financing Schedule | <input type="checkbox"/> Property Schedule |
| <input type="checkbox"/> Addendum | <input type="checkbox"/> Condominium Property Schedule |

7.6 Additional terms of sale (if any):

8. CONDITIONS

8.1 The Buyer's Conditions are:

a). **Financing Condition**

The Buyer will apply and be approved for New Financing as follows:

- as per clause 2.2 (plus applicable mortgage insurance fee, if any)
- interest rate not to exceed _____ percent per 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.

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

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

b). **Property Inspection Condition**

As per attached Property Inspection Schedule, this Contract is subject to the Buyer's approval of a property inspection.

- Yes No

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

_____ Seller's initials

c). **Condominium Documents Condition**

This Contract is subject to the Buyer's Condition regarding Condominium Documents, as per attached Condominium Property Schedule.

Yes No

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

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.

Yes No

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 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.

8.4 The Buyer and Seller may unilaterally waive or satisfy their Conditions by giving notice to the other party (the "Notice") on or before the stated Condition Day.

8.5 Provided that the Buyer or the Seller, as the case may be, uses reasonable efforts to satisfy the Condition(s), if the Notice has not been given on or before the stated Condition Day, then this Contract is ended.

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 basis.

10. ADVISE/DISCLOSURE

- 10.1** This Contract is intended to create binding legal obligations. The Seller and the Buyer should read this Contract carefully and are encourage to obtain legal advice before signing.
- 10.2** The Buyer may wish to obtain an independent property inspection and verify the measurements of the Property.
- 10.3** Unless there is a dual agency or another written agreement, 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 board(s) as required for closing and for reporting, appraisal and statistical purposes.

11. DEFINITIONS

11.1 In this Contract:

- a). Business Day means a day when both the Land Titles Office and the Schedule "A" chartered banks are open for business.
- b). Buyer's Agent means the licensed brokerage (including its broker, all associate brokers and agents) who represent 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). Seller's Agent means the licensed brokerage (including the broker, all associate brokers and agents) who represent the Seller.
- g). Unless otherwise agreed in writing means 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

Note: This section must be completed at the offer stage prior to the Contract being signed.

12.1 The Representatives identified in clause 12.2 represent the Seller and the Buyer.

12.2 For the purposes of giving and receiving any notice referred to in this Contract, and for acceptance of an offer to purchase, communication must be in writing and must be delivered to the addresses or faxed to the numbers described below: **Any notice sent or received by a Representative is proper notice for the purposes of this Contract.**

Seller's Information

Seller's Address: _____

Postal Code: _____ Phone: _____ Fax: _____

Seller's Representative: _____ (Broker, Associate Broker or Agent)

Brokerage Name: _____ Email: _____

Address: _____

Postal Code: _____ Phone: _____ Fax: _____

Buyer's Information

Buyer's Address: _____

Postal Code: _____ Phone: _____ Fax: _____

Buyer's Representative: _____ (Broker, Associate Broker or Agent)

Brokerage Name: _____ Email: _____

Address: _____

Postal Code: _____ Phone: _____ Fax: _____

13. OFFER

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

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

BUYER WITNESS

BUYER 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 Contact.

SIGNED AND DATED at _____, Alberta
at _____ .m on the ____ day of _____, 20_____.

SELLER WITNESS

SELLER WITNESS

15. FINAL SIGNING

15.1 Final signing of this Contact occurred at _____ .m on _____, 20____
INITIAL OF THE PERSON(S) WHO SIGNED LAST _____.

CONVEYANCING

Seller's Lawyer: _____

Lawyer's Address: _____ Postal Code _____

Lawyer's Telephone: _____ Lawyer's Fax: _____

Buyer's Lawyer: _____

Lawyer's Address: _____ Postal Code _____

Lawyer's Telephone: _____ Lawyer's Fax: _____