RESIDENTIAL PURCHASE CONTRACT

Between

THE SELLER and **THE BUYER**

Name _____ Name _____

Name _____ Name _____

1. THE PROPERTY

1.1 The Property is:

(a) the land and buildings located at:

Municipal address: _____
(street number and name)

_____, Alberta _____
(municipality) (postal code)

Legal description: Plan _____ Block _____ Lot _____ Other _____

(b) these unattached goods _____

_____

_____

_____

_____

(c) the attached goods except for _____

_____

2. PURCHASE PRICE AND COMPLETION DAY

2.1 The Purchase Price is $ _____ .

2.2 The Purchase Price includes any applicable Goods and Services Tax (GST).

2.3 This contract will be completed, the Purchase Price fully paid and vacant possession given to the buyer at 12 noon on _____, 20_____ (Completion Day).

2.4 The seller represents and warrants that on Completion Day, the Property will be in substantially the same condition as when this contract was accepted and the attached and unattached goods will be in normal working order.

3. GENERAL TERMS

3.1 In fulfilling this contract, the seller and buyer agree to act reasonably and in good faith and agree that:

(a) unless the seller, buyer or both have agreed to alternate representation, the seller and buyer are each represented by their own sole agent and those agents have no agency responsibility to the other party;

(b) the laws of Alberta apply to this contract and all disputes will be resolved in Alberta;

(c) Alberta time applies to this contract. Time is of the essence, which means times and dates will be strictly followed and enforced;

(d) Business Day means every day but Saturday, Sunday and statutory holidays and includes all the hours of the day;

(e) a reference to the seller or buyer includes singular, plural, masculine and feminine;

(f) the seller will disclose known Material Latent Defects. Material Latent Defect means a defect in the Property that is not discoverable through a reasonable inspection and that will affect the use or value of the Property;

(g) the seller and buyer are each responsible for completing their own due diligence and will assume all risks if they do not;

(h) the seller will ensure the seller's representations and warranties are true by:

(i) reviewing documents such as a Real Property Report (RPR), land title and registrations on title;

(ii) determining non-resident status for income tax purposes and determining any dower rights; and

(iii) doing other needed research;

(i) the buyer may get independent inspections or advice on items such as land title, registrations on title, RPR, current and future use, buildings and mechanical systems, property insurance, title insurance, size of the land and buildings, interior and exterior measurements and other items important to the buyer;

(j) contract changes that are agreed to in writing will supersede the pre-printed clauses;

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(k) the seller and buyer will read this contract and seek relevant advice before signing it;

(l) the brokerages, real estate board and listing services may collect, maintain, disclose, and publish relevant information about this transaction, including the unconditional sale price and date of sale of the Property, for reporting, statistical, property evaluation and closing purposes; and

(m) the_____ brokerage will provide this contract and related documents
(seller's or buyer's)
to the appointed lawyers for the purpose of closing this contract.

4. DEPOSITS

4.1 The seller and buyer agree that clauses 4.2 through 4.8 are the terms of trust for the deposits.

4.2 The seller and buyer appoint _____ as trustee for the deposit money.

4.3 The buyer will pay a deposit of $_____, which will form part of the Purchase Price, to the trustee by _____, on or before _____.m. on, _____, 20 _____.
(method of payment)

4.4 The buyer will pay an additional deposit of $_____, which will form part of the Purchase Price, to the trustee by _____, on or before _____.m. on, _____, 20 _____..
(method of payment)

4.5 If the buyer fails to pay a deposit by the agreed date, the seller may void this contract at the seller's option by giving the buyer written notice. The seller's option expires when the seller accepts a deposit, even if late.

4.6 The trustee will deposit all deposits into a trust account within three Business Days of receipt.

4.7 Interest on the deposits will not be paid to the seller or buyer.

4.8 The deposits will be held in trust for both the seller and buyer. Provided funds are confirmed, the deposits will be disbursed, without prior notice, as follows:

(a) to the buyer, if after this contract is accepted:

(i) a condition is not satisfied or waived in accordance with clause 8.4;

(ii) the buyer voids this contract for the seller's failure to provide a Dower Consent and Acknowledgment form in accordance with clause 7.1(b);

(iii) the seller voids this contract for the buyer's failure to pay a deposit; or

(iv) the seller fails to perform this contract;

(b) to the seller, if this contract is accepted and all conditions are satisfied or waived and the buyer fails to perform this contract; or

(c) applied against the Fee owed by the seller by payment directly out of trust to the brokerage(s), with any excess amount paid in trust to the seller's lawyer no later than three Business Days prior to the Completion Day. Fee means the amount, plus GST, owed to a real estate brokerage under a written service agreement.

4.9 The disbursement of deposits, as agreed to in this section, will not prevent the seller or buyer from pursuing remedies in section 12.

5. LAND TITLE

5.1 Title to the Property will be free of all encumbrances, liens and interests except for:

(a) those implied by law;

(b) non-financial obligations now on title such as easements, utility rights-of-way, covenants, conditions, homeowner association caveats and encumbrances, and similar registrations that are normally found registered against property of this nature; and

(c) items the buyer agrees to assume in this contract.

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 seller is not a non-resident for the purposes of the *Income Tax Act* (Canada);

(c) no one else has a legal right to the included attached and unattached goods;

(d) the current use of the land and buildings complies with the existing municipal land use bylaw and any restrictive covenant on title;

(e) the location of the buildings and land improvements:

(i) is on the land and not on any easement, right-of-way or neighbouring lands unless there is a registered agreement on title or, in the case of an encroachment into municipal lands or a municipal easement or right of way, the municipality has approved the encroachment in writing; and

(ii) complies with any restrictive covenant on title and municipal bylaws, regulations and relaxations, or the buildings and improvements are "non-conforming buildings" as defined in the *Municipal Government Act* (Alberta);

(f) known Material Latent Defects, if any, have been disclosed in writing in this contract; and

(g) any government and local authority notices regarding the Property, and lack of permits for any development on the Property, known to the seller have been disclosed in writing in this contract.

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6.2 The representations and warranties in this contract:

(a) are made as of, and will be true at, the Completion Day; and

(b) will survive completion and may be enforced after the Completion Day as long as any legal action is commenced within the time limits set by the *Limitations Act* (Alberta).

7. DOWER

7.1 The seller represents and warrants to the buyer that no spouse has dower rights in the Property. Otherwise, if dower rights do apply, the seller will:

(a) have the non-owner spouse sign this contract; and

(b) provide a completed Dower Consent and Acknowledgement form to be attached to and form part of this contract on or before _____.m. on, _____, 20 _____. (seller to enter an appropriate date).

If the seller fails to provide the completed Dower Consent and Acknowledgement form by the agreed date, the buyer may void this contract at the buyer's option by giving the seller written notice. The buyer's option expires when the seller delivers the Dower Consent and Acknowledgement form, even if delivered late.

8. CONDITIONS

8.1 The seller and buyer will:

(a) act reasonably and in good faith in trying to satisfy their own conditions, including making reasonable efforts to fulfill them; and

(b) pay for any costs related to their own conditions; and

(c) only consider conditions below as effective if they include an agreed upon Condition Day.

8.2 Buyer's Conditions

The buyer's conditions are for the benefit of the buyer and are:

(a) **Financing**

This contract is subject to the buyer securing new financing, with an intended down payment of at least _____% of the Purchase Price from a lender of the buyer's choice and with terms satisfactory to the buyer, before _____. m. on_____, 20_____ (Condition Day). The seller will cooperate by providing access to the Property on reasonable terms.

(b) **Property Inspection**

This contract is subject to the buyer's satisfaction with a property inspection, conducted by a licensed home inspector, before _____. m. on _____, 20_____ (Condition Day). The seller will cooperate by providing access to the Property on reasonable terms.

(c) **Sale of Buyer's Property**

This contract is subject to the sale of the buyer's property before _____. m. on _____, 20_____ (Condition Day), on the terms in the Sale of Buyer's Property Schedule, selected as attached in clause 9.1.

(d) **Additional Buyer's Conditions**

_____

_____

_____

_____

before _____. m. on _____, 20_____ (Condition Day).

8.3 Seller's Conditions

The seller's conditions are for the benefit of the seller and are:

_____

_____

_____

_____

before _____. m. on _____, 20_____ (Condition Day).

8.4 Condition Notices

Each party will give the other written notice that:

(a) a condition is unilaterally waived or satisfied on or before its Condition Day. If not, this contract will end after the time indicated for that Condition Day; or

(b) a condition will not be waived or satisfied prior to its Condition Day. This contract will end upon that notice being given.

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9. ATTACHMENTS AND ADDITIONAL TERMS

9.1 The selected documents are attached to and form part of this contract:

- ❑ Financing Schedule (Seller Financing, Mortgage Assumption, Other Value)
- ❑ Tenancy Schedule
- ❑ Manufactured Home Schedule
- ❑ Sale of Buyer's Property Schedule
- ❑ Addendum
- ❑ Other _____

9.2 Other terms: _____

_____

_____

_____

10. CLOSING PROCESS

Closing Documents

10.1 The seller or seller's lawyer will deliver normal closing documents to the buyer or buyer's lawyer upon reasonable trust conditions consistent with the terms of this contract, including delivery within a reasonable time before the Completion Day to ~~allow for confirmation of registration of documents at the Land Titles Office,~~ obtain the advance of mortgage financing, if any, ~~and~~ verify the transfer of other value items, and close the transaction.

10.2 Closing documents will include an RPR showing the current improvements on the Property according to the Alberta Land Surveyors' Association Manual of Standard Practice, with evidence of municipal compliance or non-conformance and confirming the seller's warranties about the land and buildings. This obligation will not apply if there are no structures on the land. The buyer or buyer's lawyer must have a reasonable time to review the RPR prior to submitting the transfer documents to the Land Titles Office.

~~10.2~~10.3 The seller and buyer will instruct their lawyers to follow the Western Law Societies Conveyancing Protocol in the closing of this transaction, if appropriate, or the buyer may choose to use alternative means to allow for the release of funds prior to confirmation of registration of documents at the Land Titles Office, provided that the buyer bears all costs associated with such alternative means.

Payments and Costs

~~10.3~~10.4 The buyer will pay the Purchase Price by lawyer's trust cheque or bank draft.

~~10.4~~10.5 Items such as real estate property taxes, local improvement fees, utilities, rents, security deposits, statutory interest on security deposits, mortgage interest and homeowner association fees will be the seller's responsibility for the entire Completion Day and thereafter assumed by the buyer.

~~10.5~~10.6 The seller's lawyer may use the Purchase Price to pay and discharge all of the seller's financial obligations related to the Property. 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, within a reasonable time after Completion Day.

~~10.6~~10.7 If the seller has entered into a written service agreement with a real estate brokerage, the seller instructs the seller's lawyer to honour the terms of that agreement, including the Fee and other costs payable to the seller's brokerage.

~~10.7~~10.8 The seller will pay the costs to prepare the closing documents, including an RPR where required, costs to end an existing tenancy of the Property and provide vacant possession to the buyer, and costs to prepare, register and discharge any seller's caveat based on this contract.

~~10.8~~10.9 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.

Closing Day Delays

~~10.9~~10.10 If the seller fails to deliver the closing documents in accordance with clause 10.1 or 10.2, then:

(a) the buyer's payment of the Purchase Price and late interest will be delayed until the buyer or buyer's lawyer has received the closing documents and has a reasonable time to review and register them, obtain the advance of mortgage financing and verify the transfer of other value items; and

(b) if the buyer is willing and able to close in accordance with this contract and wants to take possession of the Property, then the seller will 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 at the interest rate of that mortgage.

~~10.10~~10.11 If the seller has complied with clauses 10.1 and 10.2 but the buyer is not able to close in accordance with this contract, then:

(a) the seller may, but is not obligated to, accept late payment of the Purchase Price and give the buyer possession upon reasonable terms; and

(b) if the seller agrees to accept late payment of the Purchase Price and, whether or not possession is granted, the buyer will pay late interest at the prime lending rate of the ATB Financial at the Completion Day plus 3% calculated daily from and

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including the Completion Day to (but excluding) the day the seller is paid in full. Payment received after 12 noon on any day will be payment as of the next Business Day.

~~**10.11** The seller and buyer will instruct their lawyers to follow the Western Law Societies Conveyancing Protocol in the closing of this transaction, if appropriate.~~

11. INSURANCE

11.1 The seller bears the risk of loss or damage to the Property until the Purchase Price is paid. If such loss or damage occurs before the Purchase Price is paid, any insurance proceeds will be held in trust for the seller and buyer based on their interests.

12. REMEDIES

12.1 If the seller or buyer fails or refuses to complete this contract, the other party may seek all remedies, such as claims for deposits and damages, and reasonable costs including legal fees and disbursements on a solicitor/client full indemnity basis.

12.2 On buyer default, if the seller must restore the Property title, enforce a lien against the Property or regain possession of the Property, the seller may seek costs and other remedies.

12.3 The seller and buyer agree that the Property is unique. On seller default, the buyer may make a claim for specific performance and other remedies.

13. NOTICE AND DOCUMENTS

13.1 A notice under this contract means a written document, including notices required by this contract, and this contract when accepted.

13.2 A notice is effective at the time the document is delivered in person or sent by fax or email.

13.3 Giving notice means the document is transmitted by one of these methods, and regardless of the method, the notice document is recognized as an original document.

13.4 For documents that require a signature, an electronic signature, as defined in the *Electronic Transactions Act* (Alberta), or a digitized signature will have the same function as an ink signature.

14. AUTHORIZATION

14.1 The seller and buyer may each authorize a representative to send and receive notices as described above. Once authorized, notices will be effective upon being delivered in person or sent by fax or email to the authorized representative.

The seller authorizes:

Seller's Brokerage:

Name: _____

Address: _____

_____

Brokerage Representative:

Name: _____

Phone: _____

Fax: _____

Email: _____

The buyer authorizes:

Buyer's Brokerage:

Name: _____

Address: _____

_____

Brokerage Representative:

Name: _____

Phone: _____

Fax: _____

Email: _____

14.2 If the seller or buyer does not authorize a brokerage, then:

The seller authorizes: _____

The buyer authorizes: _____

14.3 If the authorization information changes, the seller and buyer agree to give written notice to the other party as soon as the change is known so that future notices may be sent to the proper person and place.

15. CONFIRMATION OF CONTRACT TERMS

15.1 The seller and buyer confirm that this contract sets out all the rights and obligations they intend for the purchase and sale of the Property and that:

(a) this contract is the entire agreement between them; and

(b) unless expressly made part of this contract, in writing:

(i) verbal or written collateral or side agreements or representations or warranties made by either the seller or buyer, or the seller's or buyer's brokerage or agent, have not and will not be relied on and are not part of this contract; and

(ii) any pre-contractual representations or warranties, howsoever made, that induced either the seller or buyer into making this contract are of no legal force or effect.

Seller initials _____ _____ Buyer initials _____ _____

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16. LEGAL OBLIGATIONS BEGIN

16.1 The legal obligations in this contract begin when the accepted contract is delivered in person or sent by fax or email. The obligations bind the seller and buyer as well as their heirs, administrators, executors, successors and assigns.

17. OFFER

17.1 The buyer offers to buy the Property according to the terms of this contract.

17.2 This offer/counteroffer will be open for written acceptance until _____ _____. m.
on _____, 20_____.

Signed and dated at _____. m. on _____, 20_____.

Buyer Signature | Witness Signature | Witness Name (print)

Signed and dated at _____. m. on _____, 20_____.

Buyer Signature | Witness Signature | Witness Name (print)

18. ACCEPTANCE

18.1 The seller agrees to sell the Property according to the terms of this contract.

Signed and dated at _____. m. on _____, 20_____.

Seller Signature | Witness Signature | Witness Name (print)

Signed and dated at _____. m. on _____, 20_____.

Seller Signature | Witness Signature | Witness Name (print)

Non-owner spouse signature (when dower rights apply):

Signed and dated at _____. m. on _____, 20_____.

Non-Owner Spouse Signature | Non-Owner Spouse Name (print)

Witness Signature | Witness Name (print)

The following is for information purposes and has no effect on the contract's terms:

REJECTION

I do not accept this offer/counteroffer. No counteroffer is being made.

Date: _____ Date: _____

Seller: _____ Buyer: _____

CONVEYANCING INFORMATION

Seller's Information:

Address _____

_____

Phone _____ Fax _____

Lawyer Name _____

Firm _____

Address _____

_____

Buyer's Information:

Address _____

_____

Phone _____ Fax _____

Lawyer Name _____

Firm _____

Address _____

_____

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Phone_____Fax _____ Phone_____Fax _____

Email _____ Email _____

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