

# Summary of Pre-sale Risks and Buyer Rights

**This document highlights key risks and buyer protections for you if you are buying a pre-sale unit.** It is not a substitute for reading your purchase agreement or the developer's **entire** disclosure statement, as it does not cover all of the risks, rights, or contractual terms associated with buying a pre-sale unit. It is a good idea to get advice from a lawyer or notary and to review the entire disclosure statement and your purchase agreement with them **before signing any agreement** with a developer. You may also want to seek representation from a real estate licensee.

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Name of Development \_\_\_\_\_

## KEY RISKS

The following risks may apply to your purchase:

**Construction Delays or Failure:** Construction may be delayed beyond the estimated date range for completion of construction or, in rare cases, never completed. Check section \_\_\_\_\_ of your disclosure statement and any amendments to the disclosure statement to confirm this date.

**Closing Date Changes:** Developers may postpone your closing date, affecting your move-in plans and financing.

**Cancelling the Purchase Agreement:** Developers may cancel your purchase agreement if sales targets are not met, occupancy is significantly delayed, or you miss required payments.

**Deposit Return Without Interest:** Your deposit is usually returned without interest if developers cancel your purchase agreement.

**Refusal of Assignment:** Developers may refuse or restrict assignment of your purchase agreement, limiting resale or transfer options.

For more information on these risks and others, see [BCFSA's Consumer Guide to Pre-sale Real Estate Purchases](#).

## CONTRACTUAL RIGHTS AND OBLIGATIONS

Section \_\_\_\_\_ of the disclosure statement describes important information about your purchase agreement. It summarizes the rights and obligations of both you and the developer. Review it carefully. Confirm that the developer or its representative has brought this to your attention by initialing here: \_\_\_\_\_.

**Seven-Day Cancellation:** You can cancel your purchase agreement within seven days of signing it by giving written notice to the developer (see Section 21 of the [Real Estate Development Marketing Act](#)).

**Building Permit Deadline:** You have the right to cancel your purchase agreement if the developer does not obtain and disclose a building permit by \_\_\_\_\_, and you also have the right to cancel within seven days after the developer discloses a building permit that shows a material change in the layout or size of your unit, the overall development, or a major common facility.

**Financing Commitment:** You have the right to cancel your purchase agreement if the developer does not obtain and disclose a satisfactory financing commitment by \_\_\_\_\_.

Confirm that the developer or its representative has explained to you whether these rights to cancel your purchase agreement are applicable by initialing here: \_\_\_\_\_.