



Component **Four** Materials

RESIDENTIAL TRADING SERVICES

MANAGING BROKER APPLIED PRACTICE COURSE TOOLKIT

learner workbook

RECBC

REAL ESTATE COUNCIL
OF BRITISH COLUMBIA

DISCLAIMERS

The government has recently made some significant changes to the Real Estate Services Act, Regulations under the Act and the Rules. These changes have been made to enhance the protections available to consumers. Based on the recommendations made in the Independent Advisory Group Report and government announcements, there may be further changes. Licensees are strongly recommended to keep current on all changes by regularly visiting the Real Estate Council of BC's website at www.recbc.ca for up-to-date licensee resources or by consulting either their managing broker or the Real Estate Council of BC's Professional Standards Advisory at advisor@recbc.ca

Although the British Columbia Real Estate Association believes that the information contained in these course materials is reliable, this cannot be assured. The Association assumes no liability for an errors in the material or any reliance placed therein. Professional advisors should be consulted before acting upon the information contained herein.

PLEASE NOTE: The contracts of purchase and sale provided as part of these materials, and in particular the “non-standard” clauses contained in the contracts, such as the “subject to clauses” (“condition clauses”), have been drafted by real estate licensees. There are a variety of practices and styles relating to these clauses, especially some of the condition clauses. The Professional Standards Manual (PSM) is often used as a resource when a licensee needs to use a non-standard clause. Often a licensee will use condition clauses suggested by a brokerage or managing broker, or over the years will develop his or her own version of certain clauses. BCREA on behalf of its staff and contributors to these materials make no comment on and accept no responsibility for the appropriateness or enforceability of the clauses or the contracts provided in these materials. When licensed, the licensee should consult his or her managing broker about appropriate wording. If there is doubt, legal advice may be sought. Different licensees have very different views about how some of the clauses should be used or drafted and that is a matter of professional judgment for licensees. These materials have merely provided examples of how some licensees deal with the issues raised.

REVISED: October 2019



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1. Agency- Scenario Review Activity

INSTRUCTIONS

- Read the following scenario.
- With your group members, discuss the questions below.
- Be sure to assign a reporter and a recorder as you will be asked to share your responses with the class.

The Scenario

Simon, a new licensee, volunteered to hold open houses for other experienced licensees in his office. He volunteered to do this as he did not yet have any listings of his own and wanted to get experience. The experienced licensees were shown as designated agents on the multiple listing contracts. Simon's name did not appear anywhere on the multiple listing contracts. So far Simon had seen no success in selling any of the properties he had shown.

After three months he listed his first property, an older detached home in a good neighbourhood. The owner was an elderly friend of his grandparents and a recent heart attack made a fast sale a priority. He prepared a Competitive Market Analysis. Simon listed the property at \$859,000. Simon knew from his CMA that similar properties were selling in the mid - \$800,000's. Simon told his seller how he would work hard on his behalf, especially as a family friend. Simon completed all required documents for submission to his brokerage. He scheduled his first open house for his new listing.

The following Sunday, Simon held the open house. The market was active and he was busy greeting prospective buyers to the open, some with their own licensees and others who were not represented. A young couple who had been there for over an hour expressed interest in writing an offer on the property. Simon arranged for them to meet him at his office in half an hour where they proceeded to discuss the property and the terms and conditions that would bring them the best deal.

After viewing the home the buyers shared that they were first time buyers, and they were highly motivated to move into this home given that their family lived just down the street. They let Simon know that this would be the first purchase & that they knew nothing about the buying process.

Simon assured them the seller wanted a fast sale because of poor health. He told them it was a fantastic little 'fixer upper' listed at \$859,000 and that the seller would probably be happy with 'anything over eight' adding, 'I think he paid \$76,000 for it in the 70's. Don't worry, the market will take care of him!' He also told the buyers that in working both for them as their licensee and for the seller as the seller's agent it would 'streamline' the sale and make everything come together more smoothly and maybe even get them a better deal. He completed paragraph 21 of the Contract of Purchase and Sale, noting in 21A. that the seller had an agency relationship him and in 21B, and Box A that he had an agency relationship with the buyer. Simon believed he had his role covered with box A and B being checked. The buyers signed the offer at \$810,000.

Simon presented the offer to the seller with his son and daughter-in-law present. The seller and his family had concerns about the price and the fact that their licensee, Simon, was working for the buyers as well. Simon said he explained that he had discussed possibility of working with a buyer, in his listing presentation. The seller didn't recall that but trusted Simon and because he was happy to hear from Simon that the buyers were first time buyers and that their family lived in the neighborhood and with his own pressing health concerns accepted the offer.

Back at the office, Simon submitted the accepted Contract of Purchase and Sale to his Managing Broker who quickly inquired as to the erroneous declaration in paragraph 21, Simon suggested to the manager that he had made a mistake on the completion of the documentation, and that he had no agency relationship with the buyers. The manager followed up requesting copies of the the documents pertaining to; the Disclosure of Representation in Trading Services form, the Disclosure of Risks to Unrepresented Parties form & the Disclosure of Remuneration both for the buyers and seller. Simon quickly prepared the missing documents and had the respective parties sign the same, which he handed into the brokerage.

Questions for small Group Discussion

1. What issues are involved in hosting an Open House on behalf of another designated agent?

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2. At the open house, what did Simon neglect to do when the buyers became interested and started to provide Simon with confidential information?

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3. What Rules did Simon breach in his actions?

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4. How did Simon breach his fiduciary duties to his seller?

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5. If you were Simon, how would you have handled this situation? Outline how you would have adhered to your responsibilities as a licensee.

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HOSTING AN OPEN HOUSE

by Brian Taylor

Must a licensee who "hosts" an open house for the seller's Designated Agent always become a designated agent for the seller?

If the seller's Designated Agent cannot be present at an open house, they may choose to have another REALTOR® "host" the open house. In most cases, that "host licensee" would be appointed as an additional Designated Agent of the seller and represent the interests of the seller at the open house.

If the "host licensee" has no confidential information about the seller or the property and the listing Designated Agent does not intend the "host licensee" to be the designated agent of the seller, the onus falls on the listing Designated Agent to ensure that the seller has consented to the "host licensee" not representing the interests of the seller while "hosting" the open house.

In this situation, there is a potential for confusion that licensees should be aware of. Prospective buyers might assume that, because the "host licensee" is conducting the open house, the "host licensee" is acting for the seller. The key to avoiding potential problems in all cases is to ensure that full and complete disclosure is made to both the seller and the buyer, and that both parties have provided their informed consent to the type of representation offered by the "host licensee."

Does the seller have to be notified and provide a signature to authorize a replacement (or additional) designated agent?

As in the case of a licensee changing brokerage there is no requirement that the client sign any further documentation. The documents allow for the addition of other Designated Agents so that licensees do not have to get clients to enter into a new listing or buyer's agency contract every time they are sick, go on vacation or are unavailable to hold an open house. The Rules would, at a minimum, require the primary Designated Agent to advise the client that an additional Designated Agent has

been appointed. There is nothing preventing individual brokerages from creating internal policies requiring some type of written disclosure or even confirmation by the client if they so desire.

2. Disclosures- Scenario Activity

INSTRUCTIONS

- Read the following case study.
- With your group members, discuss the questions below.
- Be sure to assign a reporter and a recorder as you will be asked to share your responses with the class.

Scenario – Material Latent Defects

Licensee Mary Collins listed a timber frame house and barn for sale on July 11, 2014. She was familiar with the property, having seen it when previously listed for sale in 2010. She walked around the property on that July day and saw nothing that suggested the presence of a grow operation on the property during her tour.

She asked the sellers to sign a property disclosure statement (PDS) in which they represented that they were not aware if the premises or property had been used as marijuana grow operation prior to their ownership. The representations were made by the sellers, and not the licensees, who, as with any PDS, neither warranted nor guaranteed the accuracy of the representations.

Mary's brother, Mike Roberts, was also a licensee in town with her same brokerage and was also somewhat familiar with the property when he showed it to buyers on August 6, 2014. Mike showed his buyers around the exterior of the property and inside. He noted some improvements in the interior, but saw no signs that suggested it was a grow operation. He did not inspect the interior of the barn as it was locked and the seller advised him that it was rented. Mike did provide the buyers with a copy of the PDS which they reviewed.

That same day, the buyers offered to buy the property. The offer was subject to a number of conditions, including the following:

- *Subject to a site/building inspection satisfactory to the buyer on or before August 25, 2014. This condition is for the sole benefit of the buyers.*

The sellers made a counter-offer which was accepted by the buyers on August 8, 2014. The counter-offer. To secure the property at a more favorable price the inspection subject clause was immediately waived by the buyers, without having a property inspection as a condition of purchase.

On August 18th, the buyers visited the property on their own and discovered a marijuana grow operation in the open and unattended barn. They called licensee Mike to report their findings who told them he would speak with the listing licensee.. Mike suggested to one of the buyers that they not involve either a lawyer or the police and that she would see that the matter was resolved. The Sellers agreed that the grow operation would be removed and the barn would be "cleaned up."

In light of the findings, the sellers agreed to allow for an inspection, and on August 20th, Mike reported to the buyers no sign of moisture or mold was found on inspection of the barn.

The buyers proceeded with the completion despite knowing the grow-op history of the property and the negative impact it would have on its future value. They did not investigate with their licensees avenues to collapse the deal wanting to avoid any dispute or legal implications and believing “a contract is a contract”.

The buyers received a letter from an insurance broker in September 2014, advising them that the home was regarded by insurers as an unremediated former grow operation, and that it could not be insured.

On October 10, 2014, at the buyers’ request, the house was inspected by the RCMP. After the 2014 inspection of the home, the RCMP were of the opinion, based upon the presence of what they believe to be venting holes, (holes in the walls consistent with the hanging of lights and shrouds), soil scattered in the flower beds, water stains, light panels, venting hose, and reflective sheeting in the barn, that there was, at some time, a marijuana grow operation in both the residence and the barn.

Licensees Mary maintained that she had no knowledge of the grow-op when listing the property and that she was careful to note in the PDS that the licensees do not warrant the accuracy of the representations made by the sellers.

While the sellers proactively worked to remediate the problem, the buyers filed a claim in court that the licensees were at fault for not advising them that they could avoid the purchase upon discovering the grow operation in the barn. No evidence was found to support a finding that if the licensees had expressly advised the buyers that they could avoid the contract, upon discovery of the grow operation in the barn, that they would have done so.

Questions for small Group Discussion

1. As a licensee what are your obligations? What might you have done when listing the property, pertaining to the diligence on the condition of the property? Explain your response.

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2. In representing the sellers, was the provision in the sellers PDS, that relieved licensees from liability necessary?

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3. What steps should the licensees have taken had they known the property was a former grow-op?

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4. If Mary had known of the grow-op and walked away from listing the property, should she have forewarned the buyers since the sellers refused to disclose it?

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5. Did Mike, the buyer’s agent, fail in his duty to the buyers? Explain your response.

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3. Enforceable Contracts: Scenario Activity

INSTRUCTIONS

- Read the following scenario.
- With your group members, discuss the questions below.
- Be sure to assign a reporter and a recorder as you will be asked to share your responses with the class.

The Scenario

Bert and Sara Selma had enjoyed living in their North Shore Vancouver home for thirty-five years. Now that their children were grown, they were looking to sell their family home. Their neighbourhood was near good schools and was a prime location for new families to locate. They believed they could easily sell their home on their own and retire to the Sunshine Coast. They advertised their home for sale on the Internet and spent weekends house hunting in Gibsons.

After three months, Bert and Selma found a buyer (the “Buyer”) and entered into a Contract of Purchase and Sale with the Buyer (a first time home buyer) for \$639,000. Once the conditions precedent of the contract were satisfied by the Buyer they wrote an offer on a property in Gibsons that was accepted. The Buyer’s licensee in Gibsons ensured

that completion and possession dates dovetailed perfectly with their home sale in North Vancouver.

Come completion day, the Buyer failed to complete the purchase primarily because the only financing he was able to obtain was not acceptable to him. Bert and Selma, who had expected to use the proceeds from the North Vancouver house sale to pay ‘all cash’ for the Sunshine Coast property purchase, were forced to obtain mortgage financing to complete the purchase.

Bert and Selma then hired a licensee to assist in the resale of their North Vancouver home. However, due to a declining real estate market and numerous price reductions, the sellers finally completed a sale four months later for \$480,000, \$159,000 less than the sale price to their Buyer. The sellers sued the Buyer for this loss, in addition to some other expenses incurred as a result of the breach and delay in sale, including real estate commission, additional mortgage charges for the Sunshine Coast condo purchase, and the extra utility costs and property taxes incurred.

After finding that the Buyer had breached the contract with the sellers, the court addressed the issue of when to assess damages. While it noted the rule that damages are normally assessed as at the date of the breach, it stated that in the context of, “. . . a falling real estate market, as a general rule, the court should award the seller damages equal to the difference between the contract price and the highest price obtainable within a reasonable time after the contractual date for completion following the making of reasonable efforts to sell the property commencing on that date.”

Questions for small Group Discussion

1. What evidence do the sellers have to present to the Court to show that they used reasonable efforts to ascertain that the final resale price was the highest obtainable in the circumstances?

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2. How would you record your services to support a seller’s obligation to mitigate damages?

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3. What would you do to properly assess the current market value of the home and reconcile the difference in price between the first sale which did not complete and the ultimate sale price under your listing?

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4. To the distressed sellers, how would you communicate your thoughts to the distressed sellers, on the value of working with a licensee?

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4. Completing a Contract of Purchase and Sale

INSTRUCTIONS

- Using the facts presented and the standard Contract of Purchase and Sale, individually complete a contract for Shafik and Sabina Singh.

The Scenario

Shafik and Sabina Singh are currently living in Kelowna, BC. Sabina was recently hired to teach at UNBC and they have decided to relocate to Prince George, BC so that she can accept the position. Shafik is a bank manager who will transfer at the same time. Their friend, Kelly Dhaliwal from KTown Realty, a licensee referred them to Tony Chan from PG Realty, 1111 Main St, V5V 1V1.

Shafik and Sabina drove to Prince George for the May long weekend to see several properties that Tony had arranged for them to view. Shafik and Sabina are anxious to purchase a property as Sabina's new position begins in September. In discussions with Tony, they let him know that:

- *They would like to have a pool in the backyard for their two young children to enjoy.*
- *Sabina expressly mentioned that she wanted to live a quiet, family-centered neighbourhood. Community was a high priority for her. If possible, she would also like to be within walking distance of the university.*
- *They have to sell their home at 555 Lakeview Lane in Kelowna, VK1 1K1 in order to afford a property in Prince George.*
- *They would like to purchase a property with a suite for visiting family, not for rental purposes.*
- *Sabina's mother, Mae Lu, may be going on title.*

After seeing several properties, Shafik and Sabina decide on one property. The property that they would like to make an offer on is within their price range, appears to be in a family-centered neighbourhood and has a suite that is currently tenanted. The suite is not permitted through the City of Prince George. The property that they are interested in purchasing is listed with another brokerage (Sam Lister at George Homes Realty) and is currently owned by Mrs. Sheila Ross, a recent widow and a resident of Canada. They would like to offer \$550,000 and have enough funds to make a 25% down payment.

Further details about the property include:

MLS®: V2017658 – details as follows:

Address: 4316 Cobble Hill Drive

Prince George, BC V4B 5S5

Listed at: \$569,000

Legal: Lot 20 Section 20 Block 5 North Range 1 West New Westminster District Plan 19118

PID: 001-999-888

Included items: Fridge, stove, dishwasher, washer, dryer,

Items mentioned as Seller request to exclude: Flatscreen TB in living room and wall mount bracket

There is a pool in the back yard currently covered over by a roll out pool cover.

5. Contract of Purchase and Sale

CONTRACT OF PURCHASE AND SALE INFORMATION ABOUT THIS CONTRACT

THIS INFORMATION IS INCLUDED FOR THE ASSISTANCE OF THE PARTIES ONLY. IT DOES NOT FORM PART OF THE CONTRACT AND SHOULD NOT AFFECT THE PROPER INTERPRETATION OF ANY OF ITS TERMS.

1. **CONTRACT:** This document, when signed by both parties, is a legally binding contract. READ IT CAREFULLY. The parties should ensure that everything that is agreed to is in writing.
2. **DEPOSIT(S):** Section 28 of the *Real Estate Services Act* requires that money held by a brokerage in respect of a real estate transaction for which there is an agreement between the parties for the acquisition and disposition of the real estate be held by the brokerage as a stakeholder. The money is held for the real estate transaction and not on behalf of one of the parties. If a party does not remove a subject clause, the brokerage requires the written agreement of both parties in order to release the deposit. If both parties do not sign the agreement to release the deposit, then the parties will have to apply to court for a determination of the deposit issue.
3. **COMPLETION:** (Section 4) Unless the parties are prepared to actually meet at the Land Title Office and exchange title documents for the Purchase Price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:
 - (a) The Buyer pays the Purchase Price or down payment in trust to the Buyer's Lawyer or Notary (who should advise the Buyer of the exact amount required) several days before the Completion Date and the Buyer signs the documents.
 - (b) The Buyer's Lawyer or Notary prepares the documents and forwards them for signature to the Seller's Lawyer or Notary who returns the documents to the Buyer's Lawyer or Notary.
 - (c) The Buyer's Lawyer or Notary then attends to the deposit of the signed title documents (and any mortgages) in the appropriate Land Title Office.
 - (d) The Buyer's Lawyer or Notary releases the sale proceeds at the Buyer's Lawyer's or Notary's office.

Since the Seller is entitled to the Seller's proceeds on the Completion Date, and since the sequence described above takes a day or more, it is strongly recommended that the Buyer deposits the money and the signed documents AT LEAST TWO DAYS before the Completion Date, or at the request of the Conveyancer, and that the Seller delivers the signed transfer documents no later than the morning of the day before the Completion Date.

While it is possible to have a Saturday Completion Date using the Land Title Office's Electronic Filing System, parties are strongly encouraged **NOT** to schedule a Saturday Completion Date as it will restrict their access to fewer lawyers or notaries who operate on Saturdays; lenders will generally not fund new mortgages on Saturdays; lenders with existing mortgages may not accept payouts on Saturdays; and other offices necessary as part of the closing process may not be open.

4. **POSSESSION:** (Section 5) the Buyer should make arrangements through the real estate licensees for obtaining possession. The Seller will not generally let the Buyer move in before the Seller has actually received the sale proceeds. Where residential tenants are involved, Buyers and Sellers should consult the *Residential Tenancy Act*.
5. **TITLE:** (Section 9) It is up to the Buyer to satisfy the Buyer on matters of zoning or building or use restrictions, toxic or environmental hazards, encroachments on or by the Property and any encumbrances which are staying on title before becoming legally bound. It is up to the Seller to specify in the Contract if there are any encumbrances, other than those listed in Section 9, which are staying on title before becoming legally bound. If you as the Buyer are taking out a mortgage, make sure that title, zoning and building restrictions are all acceptable to your mortgage company. In certain circumstances, the mortgage company could refuse to advance funds. If you as the seller are allowing the Buyer to assume your mortgage, you may still be responsible for payment of the mortgage, unless arrangements are made with your mortgage company.
6. **CUSTOMARY COSTS:** (Section 15) In particular circumstances there may be additional costs, but the following costs are applicable in most circumstances:

Costs to be Borne by the Seller	Costs to be Borne by the Buyer
Lawyer or Notary Fees and Expenses: - attending to execution documents.	Lawyer or Notary Fees and Expenses: - searching title, - drafting documents.
Costs of clearing title, including:- investigating title, - discharge fees charged by encumbrance holders, - prepayment penalties.	Land Title Registration fees. Survey Certificate (if required).
Real Estate Commission (plus GST). Goods and Services Tax (if applicable).	Costs of Mortgage, including: - mortgage company's Lawyer/Notary.
	- appraisal (if applicable) - Land Title Registration fees. Fire Insurance Premium. Sales Tax (if applicable). Property Transfer Tax. Goods and Services Tax (if applicable).

In addition to the above costs there may be financial adjustments between the Seller and the Buyer pursuant to Section 6 and additional taxes payable by one or more of the parties in respect of the Property or the transaction contemplated hereby (eg. empty home tax and speculation tax).

7. **CLOSING MATTERS:** The closing documents referred to in Sections 11, 11A and 11B of this Contract will, in most cases, be prepared by the Buyer's Lawyer or Notary and provided to the Seller's Lawyer or Notary for review and approval. Once settled, the lawyers/notaries will arrange for execution by the parties and delivery on or prior to the Completion Date. The matters addressed in the closing documents referred to in Sections 11A and 11B will assist the lawyers/notaries as they finalize and attend to various closing matters arising in connection with the purchase and sale contemplated by this Contract.
8. **RISK:** (Section 16) The Buyer should arrange for insurance to be effective as of 12:01 am the Completion Date.
9. **FORM OF CONTRACT:** This Contract of Purchase and Sale is designed primarily for the purchase and sale of freehold residences. If your transaction involves: a house or other building under construction, a lease, a business, an assignment, other special circumstances (including the acquisition of land situated on a First Nations reserve)
Additional provisions, not contained in this form, may be needed, and professional advice should be obtained. A Property Disclosure Statement completed by the Seller may be available.
10. **REALTOR® Code, Article 11:** A REALTOR® shall not buy or sell, or attempt to buy or sell an interest in property either directly or indirectly for himself or herself, any member of his or her Immediate Family, or any entity in which the REALTOR® has a financial interest, without making the REALTOR®'s position known to the buyer or seller in writing. **Real Estate Council Rules 5-9:** If a licensee acquires, directly or indirectly, or disposes of real estate, or if the licensee assists an associate in acquiring, directly or indirectly, or disposing of real estate, the licensee must make a disclosure in writing to the opposite party before entering into any agreement for the acquisition or disposition of the real estate.
11. **RESIDENCY:** When completing their residency and citizenship status, the Buyer and the Seller should confirm their residency and citizenship status and the tax implications thereof with their Lawyer/Accountant.
12. **AGENCY DISCLOSURE:** (Section 21) all Designated Agents/Licensees with whom the Seller or the Buyer has an agency relationship should be listed. If additional space is required, list the additional Designated Agents/Licensees on an addendum to the Contract of Purchase and Sale.



THE CANADIAN
BAR ASSOCIATION
British Columbia Branch

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CONTRACT OF PURCHASE AND SALE

BROKERAGE: _____ DATE: _____
ADDRESS: _____ PC: _____ PHONE: _____
PREPARED BY: _____ MLS® NO: _____

SELLER: _____ SELLER: _____ ADDRESS: _____ _____ PC: _____ PHONE: _____	BUYER: _____ BUYER: _____ ADDRESS: _____ _____ PC: _____ PHONE: _____ OCCUPATION: _____
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PROPERTY:

UNIT NO. _____ ADDRESS OF PROPERTY _____

CITY/TOWN/MUNICIPALITY _____ POSTAL CODE _____

PID _____ OTHER PID(S) _____

LEGAL DESCRIPTION

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

- PURCHASE PRICE:** The purchase price of the Property will be _____

_____ DOLLARS \$ _____ (Purchase Price)
- DEPOSIT:** A deposit of \$ _____ which will form part of the Purchase Price, will be paid **within 24 hours of acceptance** unless agreed as follows: _____

All monies paid pursuant to this section (Deposit) will be paid in accordance with section 10 or by uncertified cheque except as otherwise set out in this section 2 and will be delivered in trust to _____ and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

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INITIALS

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PROPERTY ADDRESS

3. TERMS AND CONDITIONS: The purchase and sale of the Property includes the following terms and is subject to the following conditions:

Each condition, if so indicated is for the sole benefit of the party indicated. Unless each condition is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

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INITIALS

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PROPERTY ADDRESS _____ PAGE of PAGES

4. **COMPLETION:** The sale will be completed on _____, yr. _____ (Completion Date) at the appropriate Land Title Office.

5. **POSSESSION:** The Buyer will have vacant possession of the Property at _____m. on _____, yr. _____ (Possession Date) OR, subject to the following existing tenancies, if any:

6. **ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel utilities and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of _____, yr. _____ (Adjustment Date).

7. **INCLUDED ITEMS:** The Purchase Price includes any buildings, improvements, fixtures, appurtenances and attachments thereto, and all blinds, awnings, screen doors and windows, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, INCLUDING:

BUT EXCLUDING: _____

8. **VIEWED:** The Property and all included items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on _____ yr. _____

9. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, existing tenancies set out in Section 5, if any, and except as otherwise set out herein.

10. **TENDER:** Tender or payment of monies by the Buyer to the Seller will be by certified cheque, bank draft, cash or Lawyer's/Notary's or real estate brokerage's trust cheque.

11. **DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registrable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.

11A. **SELLER'S PARTICULARS AND RESIDENCY:** The Seller shall deliver to the Buyer on or before the Completion Date a statutory declaration of the Seller containing: (1) particulars regarding the Seller that are required to be included in the Buyer's Property Transfer Tax Return to be filed in connection with the completion of the transaction contemplated by this Contract (and the Seller hereby consents to the Buyer inserting such particulars on such return); (2) declarations regarding the Speculation and Vacancy Tax for residential properties located in jurisdictions where such tax is imposed and the Vancouver Vacancy By-Law for residential properties located in the City of Vancouver; and (3) if the Seller is not a non-resident of Canada as described in the non-residency provisions of the *Income Tax Act*, confirmation that the Seller is not then, and on the Completion Date will not be, a non-resident of Canada. If on the Completion Date the Seller is a non-resident of Canada as described in the residency provisions of the *Income Tax Act*, the Buyer shall be entitled to hold back from the Purchase Price the amount provided for under section 116 of the *Income Tax Act*.

INITIALS

PROPERTY ADDRESS _____

- 11B. GST CERTIFICATE:** If the transaction contemplated by this Contract is exempt from the payment of Goods and Services Tax (“GST”), the Seller shall execute and deliver to the Buyer on or before the Completion Date, an appropriate GST exemption certificate to relieve the parties of their obligations to pay, collect and remit GST in respect of the transaction. If the transaction contemplated by this Contract is not exempt from the payment of GST, the Seller and the Buyer shall execute and deliver to the other party on or before the Completion Date an appropriate GST certificate in respect of the transaction.
- 12. TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreements to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller’s option, terminate this Contract, and, in such event, the amount paid by the Buyer will be non-refundable and absolutely forfeited to the Seller, subject to the provisions of Section 28 of the *Real Estate Services Act*, on account of damages, without prejudice to the Seller’s other remedies.
- 13. BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee’s conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer’s or Notary’s undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the “CBA Standard Undertakings”).
- 14. CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer’s Lawyer or Notary to the Seller’s Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 15. COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
- 16. RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer.
- 17. PLURAL:** In this Contract, any reference to a party includes that party’s heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
- 18. REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and the representations contained in the Property Disclosure Statement if incorporated into and forming part of this Contract, all of which will survive the completion of the sale.
- 19. PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the “Licensee(s)”) described in Section 21, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates the Multiple Listing Service®, of personal information about the Buyer and the Seller:
- A. for all purposes consistent with the transaction contemplated herein:
 - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;

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INITIALS

PROPERTY ADDRESS

- C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
- D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Privacy Notice and Consent*.

The personal information provided by the Buyer and Seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.

20. ASSIGNMENT OF REMUNERATION: The Buyer and the Seller agree that the Seller’s authorization and instruction set out in section 25(c) below is a confirmation of the equitable assignment by the Seller in the Listing Contract and is notice of the equitable assignment to anyone acting on behalf of the Buyer or Seller.

20A. RESTRICTION ON ASSIGNMENT OF CONTRACT: The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.

21. AGENCY DISCLOSURE: The Seller and the Buyer acknowledge and confirm as follows (initial appropriate box(es) and complete details as applicable):

INITIALS	

A. The Seller acknowledges having received, read and understood Real Estate Council of British Columbia (RECBC) form entitled “*Disclosure of Representation in Trading Services*” and hereby confirms that the Seller has an agency relationship with _____ (Designated Agent(s)/Licensee(s)) who is/are licensed in relation to _____ (Brokerage).

INITIALS	

B. The Buyer acknowledges having received, read and understood RECBC form entitled “*Disclosure of Representation in Trading Services*” and hereby confirms that the Buyer has an agency relationship with _____ (Designated Agent(s)/Licensee(s)) who is/are licensed in relation to _____ (Brokerage).

INITIALS	

C. The Seller and the Buyer each acknowledge having received, read and understood RECBC form entitled “*Disclosure of Risks Associated with Dual Agency*” and hereby confirm that they each consent to a dual agency relationship with _____ (Designated Agent(s)/Licensee(s)) who is/are licensed in relation to _____ (Brokerage), having signed a dual agency agreement with such Designated Agent(s)/Licensee(s) dated _____.

INITIALS	

D. If only (A) has been completed, the Buyer acknowledges having received, read and understood RECBC form “*Disclosure of Risks to Unrepresented Parties*” from the Seller’s agent listed in (A) and hereby confirms that the Buyer has no agency relationship.

INITIALS	

E. If only (B) has been completed, the Seller acknowledges having received, read and understood RECBC form “*Disclosure of Risks to Unrepresented Parties*” from the Buyer’s agent listed in (B) and hereby confirms that the Seller has no agency relationship.





INITIALS			

_____ PAGE of PAGES
 PROPERTY ADDRESS _____

- 22. ACCEPTANCE IRREVOCABLE** (Buyer and Seller): The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified for the Buyer to either:
- A. fulfill or waive the terms and conditions herein contained; and/or
 - B. exercise any option(s) herein contained.

23. THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.

24. OFFER: This offer, or counter-offer, will be open for acceptance until _____ o'clock ____m. on _____, yr. _____ (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

<u>X</u> _____ WITNESS	_____  BUYER	_____  PRINT NAME
<u>X</u> _____ WITNESS	_____  BUYER	_____  PRINT NAME

If the Buyer is an individual, the Buyer declares that they are a Canadian citizen or a permanent resident as defined in the *Immigration and Refugee Protection Act*:





Yes INITIALS No INITIALS

25. ACCEPTANCE: The Seller (a) hereby accepts the above offer and agrees to complete the sale upon the terms and conditions set out above, (b) agrees to pay a commission as per the Listing Contract, and (c) authorizes and instructs the Buyer and anyone acting on behalf of the Buyer or Seller to pay the commission out of the proceeds of sale and forward copies of the Seller's Statement of Adjustments to the Cooperating/Listing Brokerage, as requested forthwith after completion.

Seller's acceptance is dated _____, yr. _____

The Seller declares their residency:

RESIDENT OF CANADA INITIALS NON-RESIDENT OF CANADA INITIALS as defined under the *Income Tax Act*.

<u>X</u> _____ WITNESS	_____  SELLER	_____  PRINT NAME
<u>X</u> _____ WITNESS	_____  SELLER	_____  PRINT NAME

*PREC represents Personal Real Estate Corporation

Trademarks are owned or controlled by The Canadian Real Estate Association (CREA) and identify real estate professionals who are members of CREA (REALTOR®) and/or the quality of services they provide (MLS®).

Questions for small Group Discussion

1. What form of relationship should Tony offer to Shafik and Sabina?

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2. How would Tony determine the suitability of the property for Shafik and Sabina? Where will he locate the information to satisfy Shafik and Sabina's criteria?

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3. What due diligence needs to be conducted to determine if the tenant is obliged to vacate the property?

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4. What conditions did you include in the CPS? Explain your choices.

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5. What forms were used for the disclosures related to the purchase?

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6. Condition Precedent or Covenant?

INSTRUCTIONS

- Read the following scenario.
- With your group members, discuss the questions below.
- Be sure to assign a reporter and a recorder as you will be asked to share your responses with the class.

Scenario

On March 2, 2013, Ms. Aldred (the seller) entered into a Contract of Purchase and Sale (the “Contract”) to sell a property in West Vancouver to Mr. Gulston (the buyer) at a purchase price of \$1,570,000. The standard Contract of Purchase and Sale form was used, which includes a “time is of the essence” clause. The deposit was held in trust by the buyer's licensee's brokerage.

The day after signing the contract, Ms. Aldred learned that there was a decommissioned underground oil storage tank on the property. Ms. Aldred quickly disclosed this information to Mr. Gulston. On March 4, 2013, the parties entered into an addendum on the contract, in which Ms. Aldred agreed to remove the oil tank and to remedy any soil contamination caused by the oil tank, in accordance with current environmental standards.

At some point in mid- March, it became clear that Mr. Gulston could not complete in the agreed date. The parties signed several addendums to extend the completion date, to increase the deposit, and to allow for bridge financing. In early April, Ms. Aldred retained Digger Dick’s Contracting Ltd. to remove the oil tank and to remediate any contaminated soil on the property. The parties signed a final addendum in April 28, 2013, in which the parties agreed to change the completion date to August 29, 2013.

The addendum also included in the following clause:

THE SELLER SHALL, AT THE SELLER’S EXPENSE, REMEDY THE SOIL CONTAMINATION CAUSED BY THE UNDERGROUND OIL STORAGE TANK IN COMPLIANCE WITH CURRENT ENVIRONMENTAL STANDARDS AS OVERSEEN BY THE MUNICIPAL AUTHORITIES AND OBTAIN A CERTIFICATE OF APPROVAL FROM THE MUNICIPAL AUTHORITIES ON OR BEFORE MAY 29, 2013.

In a letter dated May 28, 20XX Digger Dick’s Contracting Ltd. confirmed that remediation had been completed and Mr. Gulston was immediately provided with this letter. On June 4, 20XX, the District of West Vancouver completed its underground Fuel Storage Tank Removal – the Certificate of Approval referred to in the April 28th addendum.

Questions for small Group Discussion

1. Does this case deal with a Condition Precedent or a Covenant?

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7. Multiple Offers- Scenario Activity

INSTRUCTIONS

- ♦ Read the following scenario.
- ♦ With your group members, discuss the questions below.
- ♦ Be sure to assign a reporter and a recorder as you will be asked to share your responses with the class.

The Scenario

Licensee Zara Ricci listed the seller's property with her brokerage on June 16, 2018. Since her seller was overseas, Zara dealt with the seller's representative, who acted under a power of attorney.

On June 23, Zara wrote an offer for a buyer she met during her first open house. Later the same day, Zara wrote an offer for a second buyer who had also viewed the home during the open house.

While Zara was preparing to present the two offers to her seller's representative later that evening, a licensee from another brokerage in Northern B.C. telephoned her to ask if she would write an offer on his behalf for a third buyer for a referral fee. Zara agreed and later met with the third buyer, prepared the third buyer's offer and presented it along with the other 2 offers to the seller representative. The third buyer's offer was higher than the offers from the first two buyers.

The seller's representative asked the licensee to approach the first buyer with a request to make a higher offer, which the licensee obtained. She did so by encouraging the buyer to increase his offer and waive his subject to financing. She assured him that she had mortgage contacts who would get him financing at a great rate 'no problem'.

While on her way to present the first buyer's updated offer, she received a telephone call from another licensee in a different brokerage. The colleague from the other office told Zara he was working on an offer and asked if she could present it that night for his client, yet another buyer. The colleague, learning of the offers in play, told Zara over the phone how much his client would offer and asked Zara to let the seller know verbally. "Written offer to follow!"

Questions for small Group Discussion

1. What form of representation would Zara offer to the buyers for whom she prepared offers for? What documentation would she be required to provide to the buyers in terms of the nature of the relationship? When would these documents need to be provided? What duties would she owe to the buyers?

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2. What are the licensee's obligations to inform the seller of the fourth offer?

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3. What options does the seller have in a multiple offer situation?

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4. Unless otherwise instructed by the Seller, what should Zara have done as she received additional offers? How should the licensee have dealt with Buyer #1, #2, #3 & the licensee representing buyer #4?

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A series of horizontal dotted lines spanning the width of the page, providing a template for handwritten notes or answers.

Rubric for Self Assessment

DESCRIPTION OF CRITERIA	LEVELS OF PROFICIENCY		
	Emerging	Developing	Mastering
Describes the differences between an agency and a no agency relationship.	<p>Unable to differentiate between the services provided to a represented party versus an unrepresented party</p> <p>Reliant on additional supports to explain the fiduciary duties of a licensee.</p>	<p>Relies on course material and the Disclosure of Representation in Trading Services form to differentiate between the services provided to a represented versus an unrepresented party.</p> <p>Somewhat explains the fiduciary duties of a licensee with reference to additional supports.</p>	<p>Differentiates between the services provided to a represented versus an unrepresented party using practical examples and incorporating course materials.</p> <p>Fully explains the scope of the fiduciary duties of a licensee, and authentically references industry materials.</p>
Describes the duties under designated agency in rule 3-3 and rule 3-4	<p>Unclear on the specific duties a licensee owes to a client or an unrepresented party.</p>	<p>Describes the duties owed and need to avoid conflicts of interest with minimal errors.</p>	<p>Clearly describes the duties owed under designated agency</p>
Explain the contents and purpose of the Disclosure of Representation in Trading Services form	<p>Unclear on the contents and purpose of the Disclosure of Representation in Trading Services form</p> <p>Unclear on when disclosure is needed or how and in what form</p> <p>Omits to describe the purpose of the Disclosure of Representation in Trading Services form in the role play scenarios.</p>	<p>Can explain most aspects with heavy reliance on reading from the materials.</p> <p>Presents the Disclosure of Representation in Trading Services form in a mechanical and rehearsed manner in the role play scenarios</p>	<p>Clear on when and how to disclose as required under sections 5-10 of the rules</p> <p>Comfortable in conceptualizing all aspects of agency as articulated in the Disclosure of Representation in Trading Services form</p> <p>Effectively communicates the contents and purposes of the Disclosure of Representation in Trading Services form in reviewing with consumers</p>

DESCRIPTION OF CRITERIA	LEVELS OF PROFICIENCY		
	Emerging	Developing	Mastering
Describe Disclosure of Risk to Unrepresented Parties	<p>Unsure of how to approach the disclosure with an unrepresented party.</p> <p>Uncomfortable with the dialogue in the case scenario.</p>	<p>Aware of the Council form required under section 5-10.1</p> <p>Moderately refined description of limited services, the risks and the advice to seek independent professional assistance</p>	<p>Fully versed on the requirements for disclosure</p> <p>Well prepared for the discussion of the risks of being an unrepresented party and the limited duties owed, and the benefits of being represented</p>
Conflicts of Interest	<p>Unsure of how to identify conflicts of interest.</p> <p>Not sure of timing of disclosure of conflicts of interest or any documentation requirements requiring the same.</p>	<p>Can identify some conflicts of interest.</p> <p>Can discuss when a conflict might occur with a client, but relies on the Council materials.</p>	<p>Able to identify the different conflicts of interests that can occur in a real estate transaction.</p> <p>Can articulate with a clients conflicts of interest, when they can occur and work with the seller to develop strategies/ process for handling conflicts that may arise.</p> <p>Understands the need for timely disclosure and documentation on conflicts of interest.</p>
Describe the Disclosure of Remuneration in Service Agreements	<p>Unsure of the various aspects of disclosures as set out in section 5-11.1 and 5-11.1a</p> <p>Unsure of what the record keeping requirements are around remuneration disclosures.</p>	<p>Fairly confident in the proper procedure for disclosure.</p> <p>Aware of the required form for this disclosure</p> <p>Moderately aware of the record keeping requirements around these disclosures.</p>	<p>Fully versed on the requirements for disclosure of the remuneration to be paid by the seller to the listing brokerage, to the cooperating brokerage, to be retained by the listing brokerage and any remuneration a licensee receives or anticipates receiving under section 5-11.1a</p> <p>Is aware of Council requirements around recordkeeping.</p>

DESCRIPTION OF CRITERIA	LEVELS OF PROFICIENCY		
	Emerging	Developing	Mastering
Material Information	<p>Unsure of what material information is and how it pertains to clients in a real estate transaction.</p>	<p>With use of resources can explain the definition of material information.</p> <p>Is able to address some materials information with clients.</p>	<p>Fully verse on material information.</p> <p>Has created a business process around engaging with clients to understand what is important to them.</p> <p>Identifies material information at a timely basis with clients, and makes them aware of information that could impact their purchasing decision in a timely basis.</p>
Describes the Disclosure of Material Latent Defect as set out in rule 5-13	<p>Unsure of what distinguishes a material latent defect from a stigma</p> <p>Unsure as to when/if Buyer Beware applies</p>	<p>Fairly clear on what defines a material latent defect.</p> <p>Fairly clear on the difference between a material latent defect, a patent defect and a stigma and what the requirements are pertaining to the disclosure of each.</p> <p>Provides a rehearsed definition of Buyer Beware</p>	<p>Clearly describes how to identify a material latent defect</p> <p>Clearly differentiates between a material latent defect, a patent defect and a stigma and what the requirements are pertaining to the disclosure of each.</p> <p>Clearly explains how to disclose a material latent defect in a manner approved by Council</p>
State the process for having a seller complete the Property Disclosure Statement accurately	<p>Unsure about the required process for completion or the basis of opting out</p> <p>Uncertain as to how a licensee must disclose a material latent defect</p>	<p>Can state the process for completing the property disclosure statement</p> <p>Some outstanding questions regarding where to access answers to the questions on the property disclosure statement</p> <p>Articulates the rule requiring a licensee to disclose material latent defect yet uncertain as to the process</p>	<p>Confidently states the process of having the seller complete the property disclosure statement</p> <p>Lists places where to find responses to the questions posed on the property disclosure statement</p> <p>Articulates how a licensee must to disclose a material latent defect</p>

DESCRIPTION OF CRITERIA	LEVELS OF PROFICIENCY		
	Emerging	Developing	Mastering
Explain process for Preparing a Listing Presentation	<p>Unsure of terms and conditions or best practice for determining list price or duration of listing</p>	<p>Reasonably skilled at conducting a listing presentation</p> <p>Further practice on discussion of the Schedule "A", and enhanced explanation of clauses included on the MLS contract needed</p>	<p>Confident at ability to prepare a listing contract with a client and discussing all terms, conditions and services to be given in my client's best interest</p>
Preparing a Contract of Purchase and Sale for a client	<p>Uncertain about the clauses and phrases needed to protect my client.</p> <p>Unclear on details of the deposit</p>	<p>Reasonably skilled at drafting a CPS with reliance on the Professional Standards Manual</p> <p>May rely on their managing broker for review.</p> <p>Clear on the details of the deposit</p>	<p>Confident at ability to write a contract of purchase and sale that protects my client and reflects their best interests in the transaction</p> <p>Clear on the details of the deposit</p>
Disclosure of Interest in Trade	<p>Unsure as to what triggers the need to disclose an interest in trade, but is aware that it may be required.</p>	<p>Is familiar with the rules surrounding the disclosure of interest in trade.</p> <p>Seeks guidance from their Managing broker when unsure if a disclosure of interest in trade is required, before entering into a transaction.</p> <p>Is familiar with the forms of the Disclosure of Interest in Trade, but has questions on the execution of the document.</p>	<p>Can identify the need for the Disclosure of Interest in Trade pertaining to the Rules, and when it is required.</p> <p>Can execute the disclosure of interest in trade with confidence and present it to clients ensuring they are informed of the contents of the disclosure.</p> <p>Is aware of the record keeping requirements around the disclosure of interest in trade.</p>

DESCRIPTION OF CRITERIA	LEVELS OF PROFICIENCY		
	Emerging	Developing	Mastering
Explain the process for the handling of deposits	<p>Difficulty with required wording on when, how and how much to set the deposit at</p> <p>Is uncertain that deposits form part of the terms of the contract</p> <p>Is unsure of the notices required for late deposits</p> <p>Is unaware of the process for deposit releases</p>	<p>With the support of course materials, can state deposit details on the contract of purchase and sale</p> <p>Has some knowledge on deposits as a term of contract</p> <p>Refers to the managing broker for advice pertaining to notice for late deposits</p> <p>With support can state the process for deposit release</p>	<p>Clearly states the deposit provision on the contract of purchase and sale</p> <p>Articulates with clients the importance of the deposit and the form and timing deposit is received</p> <p>Knows whom to inform immediately when deposit is late</p> <p>Confidently explains the process for deposit releases to a consumer.</p>
Explain the FINTRAC requirement	<p>Unclear on the importance, relevance or process for obtaining the necessary documentation to meet the requirements of FINTRAC</p>	<p>Clearly states the importance, relevance or process for obtaining the necessary documentation to satisfy FINTRAC requirements</p>	<p>Confidently explains how to advise a consumer of the obligations under the Proceeds of Crime and Terrorist Financing Act and the process involved</p>
Counter-Offers	<p>Unsure of the paperwork required to prepare a counter-offer, or the requirements of signatures, extensions of dates for consideration, etc.</p>	<p>Can work through the counter-offer process with assistance from the managing broker.</p> <p>Is developing confidence in explaining the counter-offer process to a client.</p>	<p>Can advise, and prepare a counter-offer following a clients lawful instructions.</p> <p>Can articulate the counter-offer process to a client.</p>

LEARNING PLAN TEMPLATE

COMPETENCY AREA (Agency, Disclosure or Contracts)	GOAL	ACTION PLAN	TIMELINE	RESOURCES

Appendices

Notice to Sellers Regarding Assignment form 32
Real Estate Council of BC Clauses 33



NOTICE TO SELLER REGARDING ASSIGNMENT TERMS

Please print clearly

The Real Estate Services Regulation requires this notice to be provided to you, the seller, at the same time you are presented with a proposed contract for the purchase and sale of your property (an "offer") if that offer does not include one or both of the following terms:

- A term that provides that the contract must not be assigned without your written consent;
- A term that provides that you are entitled to any profit resulting from an assignment of the contract by the buyer or any subsequent assignee.

A contract assignment occurs when a buyer transfers the contract to buy property to someone else before the completion date.

Before accepting this offer, you should obtain independent professional advice regarding the absence of one or both of these terms. You should also consider whether you wish to make a counter-offer that includes the absent term(s) or other terms regarding assignments.

If this offer does not contain any terms about whether the contract may be assigned,

- the contract **may** be assigned without your consent, and
- you will **not** have any right to receive the profit, if any, made by the buyer from the sale of your property before the completion date.

If you are working with a real estate licensee, the Regulation requires the licensee to inform you about the following:

- if the terms included in the offer you received permit the buyer to assign the contract;
- any conditions in the offer on any assignment, including whether you have the right to receive any additional money if the buyer makes a profit from assigning the contract.

PART A

Notice to (name of seller(s))	
Street address of real estate being sold	Legal description
Name of licensee providing notice	Date notice provided

PART B – SIGNATURES AND ACKNOWLEDGEMENT

I, _____
(name of seller(s))

acknowledge receipt of a copy of this notice at the same time the offer was presented to me on _____
(date)

Signature of seller(s): _____

BROKERAGE USE ONLY

Note: The Council intends to amend section 8-4(1) of the Council Rules to require a brokerage to retain a copy of this notice. In the interim, the Council advises licensees to provide a copy of this notice to their managing broker, and brokerages to retain a copy of this notice.

Name of person acknowledging receipt of notice for brokerage	Signature of person acknowledging receipt of notice for brokerage
Title of person acknowledging receipt of notice for brokerage	Date

<p>Mailing Address</p> <p>Real Estate Council of British Columbia 900-750 West Pender Street Vancouver, BC Canada V6C 2T8</p>	<p>Enquiries</p> <p>Tel: 604.683.9664 Toll-free: 1.877.683.9664 Fax: 604.683.9017 www.recbc.ca info@recbc.ca</p>
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A COPY OF THIS NOTICE IS NOT REQUIRED TO BE PROVIDED TO THE REAL ESTATE COUNCIL UNLESS IT IS SPECIFICALLY REQUESTED.

Real Estate Council of BC Clauses



Appendix B Real Estate Clauses and Phrases

DISCLAIMER

The following clauses and phrases are intended for educational purposes only and are periodically updated. They should not be relied upon for inclusion in a legal document. For the most current clauses and phrases, please consult the Professional Standards Manual on the Real Estate Council of BC's website at <https://www.recbc.ca/licensee/psm.html>.

Accountant Approval

1. [Approval by Seller's/Buyer's Accountant Clause](#)

Subject to (select either Seller's or Buyer's) lawyer approving the terms and conditions of the contract on or before (date).

This condition is for the sole benefit of the Buyer.

2. [Approval of Documentation Clause](#)

Subject to the Buyer's (select either lawyer or accountant) approving the form of the documentation on or before (date).

Additional Property Transfer Tax

3. [Buyers are Foreign Entities](#)

Please contact the Real Estate Council of British Columbia for more information.

Assignment

4. [Assignment Option Clause](#)

For information about contract assignments, please see:

- [Assignments](https://www.recbc.ca/psm/assignments/) - <https://www.recbc.ca/psm/assignments/>
- [Contract Assignment FAQ](https://www.recbc.ca/licensee/contract-assignment-faq.html) - <https://www.recbc.ca/licensee/contract-assignment-faq.html>

5. [No Assignment Option Clause](#)

For information about contract assignments, please see:

- [Assignments](https://www.recbc.ca/psm/assignments/) - <https://www.recbc.ca/psm/assignments/>
- [Contract Assignment FAQ](https://www.recbc.ca/licensee/contract-assignment-faq.html) - <https://www.recbc.ca/licensee/contract-assignment-faq.html>

Back-Up / Time

6. [Back-up Contract Clause](#)

Subject to the Seller ceasing to be obligated in any way under the previously accepted Contract of Purchase and Sale on the subject property on or before (date).

This condition is for the sole benefit of the Seller.

7. [Notice Invoking the Time Clause](#)

This document constitutes written notice from the Seller to the Buyer requiring the removal of (select either all conditions or the condition) from this contract within (number of hours) hours* not including Sunday or Statutory Holidays, or this contract will terminate at the end of the (number of hours)-hour period and the deposit will be returned to the Buyer.

This Time Clause will start running on delivery of this Notice to the Buyer or to (his or her representing brokerage) which will be at (time of delivery of notice) o'clock (select either a.m. or p.m.) on (date). Therefore, the (number of hours) hours will expire at (time) o'clock (select either a.m. or p.m.) on (date).

Fill in the same number of hours as in preceding clause.

NOTE: When there is a time clause in the first offer and in the second offer, if the offers are not handled carefully, the Seller could lose both offers.



Appendix B

Real Estate Clauses and Phrases

Business

8. Buyer to Approve Documents in Sale of Business Clause

Subject to the Buyer receiving, perusing and being satisfied with:

(a) a profit and loss statement showing the revenue and expenses of the business for a period of 12 months ending not more than 120 days before the signing of the agreement;

(b) a statement of assets and liabilities; and

(c) a statement containing a list of fixtures, goods, chattels, rights and other assets relating to or connected with the business that are not included in this transaction, on or before (date).

This condition is for the sole benefit of the Buyer.

9. Inventory Clause

Purchase price (select either includes or does not include) (select either inventory or stock).

This offer is conditional on the Seller and Buyer and their respective advisers establishing an agreed method for the purpose of valuing the inventory/stock. This agreement is to be in place and in writing within (number of days) days of acceptance of this offer. Inventory/Stock taking is to be performed within (number of days) days before the completion of this transaction. The Seller will allow reasonable access to the Buyer for purposes of reviewing the inventory for purposes of this condition.

This condition is for the benefit of both the Buyer and the Seller.

10. Sale of Small Business Clause

The Buyer is buying the (select either assets or shares) of the business known as (name of business) and located at (location), B.C.

Purchase price includes all assets, goods and chattels listed as included in the sale of the business, according to the attached schedule, except inventory on hand.

Subject to the Buyer receiving and approving the list of assets on or before (date). This condition is for the sole benefit of the Buyer.

NOTE: The decision as to whether assets or shares are being purchased should be made with an accountant's advice.



Appendix B Real Estate Clauses and Phrases

Co-Ops

11. **Co-operatives - Suite/Townhouse Clause**

This contract is for the purchase of (number of shares) shares in (name of co-operative association) together with a lease of (unit number) to the Buyer, and other considerations as may accompany said lease.

Buyer to assume payments of the monthly maintenance charge of \$(amount) (which includes a proportionate share of annual taxes).

Buyer has approved the Rules and Regulations, the Memorandum and Articles of Association, any lease documentation and any financial obligations of (name of co-operative association) including the following specific restriction(s):

Subject to the approval of the Buyer by the Board of Directors of (name of co-operative association) on or before (date).

This condition is for the benefit of both the Buyer and the Seller.

Deposits

12. **Authorization to Pay Trust Money to Lawyer or Notary Clause**

Enclosed is \$(amount) being the deposit money in the above-noted transaction. This money is to be held by you until completion on the following trust conditions:

- 1. you will hold this money as a stakeholder pursuant to the provisions of the Real Estate Services Act and not on behalf of any of the principals to the transaction;*
- 2. upon completion you will disburse the money as provided in the Contract of Purchase and Sale and, should the sale not complete, you will, upon request, repay the money to us in trust as stakeholder; and*
- 3. if you are unable to comply with these trust conditions, you will return the said money to our office.*

13. Conveyancer as Stakeholder Clause

The brokerage that receives money in connection with this transaction is authorized to pay such money to the Buyer's conveyancer, provided that such money is to be held in trust by the conveyancer as stakeholder pursuant to the provisions of the Real Estate Services Act, pending the completion of the transaction and not on behalf of any of the principals to the transaction, and should the sale not complete, the money should be returned to the brokerage as stakeholder.

Agreed to by Seller:

and Buyer:

14. Default on Deposit Clause

If the Buyer fails to pay the deposit money as required by this contract, the Seller may, at the Seller's option, terminate this contract.

15. Deposit Payable within a Specified Period Clause

Deposit to be payable within (number of hours) hours of acceptance of this offer.

16. Deposit to be Placed in Trust Clause

This deposit is to be placed in an interest-bearing trust account with interest accruing to the benefit of the (select either Buyer or Seller).

17. Deposit to Bear Interest Clause

This deposit is to be placed in an interest-bearing trust account with interest accruing to the benefit of the (select either Buyer or Seller).

18. Increase of Deposit Clause

The deposit will be increased to \$ (amount) upon removal of all conditions precedent.

19. Lawyer Approval of Deposit Arrangement Clause

Subject to the (select either Seller's or Buyer's) lawyer approving on or before (date) the arrangements for holding the deposit money in this transaction.

This condition is for the sole benefit of the (select either Seller or Buyer).

20. Legal Advice re: Deposit Clause

(name of Seller or Buyer) hereby acknowledges that (name of licensee) has advised them to obtain independent legal advice before signing or accepting this contract with respect to the arrangements for holding the deposit money in this transaction.

21. Third Party Holding Deposit Clause

The deposit will be held in trust by (name of third party, e.g., conveyancer/notary/builder) as a stakeholder pursuant to the provisions of the Real Estate Services Act pending the completion of the transaction.

Disclosure

22. Buyer Approving the Property Disclosure Statement Clause

Subject to the Buyer on or before (date) obtaining and approving a Property Disclosure Statement with respect to the information that reasonably may adversely affect the use or value of the property.

This condition is for the sole benefit of the Buyer.

If approved, such statement will be incorporated into and form part of this contract.

23. Buyer's/Seller's Acknowledgement of Licensee's Interest in Trade Clause

The Buyer/Seller acknowledges having received and signed a disclosure of the licensee's interest in the transaction before the making/receipt of this offer.

24. Buyer's Approval of Property Disclosure Statement - Strata Title Properties Clause

Subject to the Buyer on or before (date) obtaining and approving a Property Disclosure Statement — Strata Title Properties, with respect to information that reasonably may adversely affect the use or value of the strata lot, including any bylaw, item of repair or maintenance, special levy, judgment or other liability, whether actual or potential.

This condition is for the sole benefit of the Buyer.

If approved such statement will be incorporated into and form part of this contract.

25. Disclosure Receipt Clause

The Buyer acknowledges having received and having had an opportunity to read the developer's Disclosure Statement.

26. Disclosure of Material Latent Defect Clause

The buyer acknowledges having received separate written disclosure of a material latent defect relating to (general reference to issue).

27. Growth or Manufacture of Illegal Substances Clause (for use with non-strata properties)

The Buyer acknowledges that the property and the buildings and structures thereon may have been used for the growth of marijuana or manufacture of illegal substances, and acknowledges that the Seller makes no representations and/or warranties with respect to the state of repair of the premises. The Buyer accepts the property and the buildings and structures thereon in their present state, and in an "as is" condition.

28. Growth or Manufacture of Illegal Substances Clause (for use with strata lots)

The Buyer acknowledges that the strata lot or limited common property associated with the strata lot has been used for the growth of marijuana or manufacture of illegal substances, and acknowledges that the Seller makes no representations and/or warranties with respect to the state of repair of the strata lot or the limited common property associated with the strata lot. The Buyer accepts the strata lot in its present state, and in an “as is” condition.

29. No Growth or Manufacture of Illegal Substances Clause (for use with non-strata properties)

The Seller represents and warrants that, during the time the Seller has owned the property, the property and the buildings and structures thereon have not been used for the growth of marijuana or manufacture of any illegal substances. This warranty shall survive and not merge on the completion of this transaction. Further, the Seller represents that, to the best of the Seller’s knowledge and belief, the property and the buildings and structures thereon have never been used for the growth of marijuana or manufacture of illegal substances.

30. No Growth or Manufacture of Illegal Substances Clause (for use with strata lots)

The Seller represents and warrants that, during the time the Seller has owned the strata lot, neither the strata lot nor any limited common property associated with the strata lot has been used for the growth of marijuana or manufacture of any illegal substances. This warranty shall survive and not merge on the completion of this transaction. Further, the Seller represents that, to the best of the Seller’s knowledge and belief, neither the strata lot nor any limited common property associated with the strata lot has ever been used for the growth of marijuana or manufacture of illegal substances.

31. Possible Safety, Health or Environmental Condition Clause

The Seller discloses, and the Buyer acknowledges, that the (select either building or property) contains (describe condition) and the Buyer accepts the (select either building or property) in this condition.

32. Property Disclosure Statement Clause

The attached Property Disclosure Statement dated (date) is incorporated into and forms part of this contract.

33. Property Disclosure Statement — Strata Title Properties Clause

The attached Property Disclosure Statement — Strata Title Properties dated (date) is incorporated into and forms part of this contract.



Appendix B Real Estate Clauses and Phrases

34. Seller's Disclosure Where Condition Has Been Tested Clause

The Seller discloses that the (select either building or property) was tested for (describe condition), on (date) by (name of testing contractor or government authority).

The results of the test indicated that no (describe condition) was present (select either in or on) the (select either building or property). As evidence of such testing, the Seller attaches the following documents:

(List)

The buyer accepts the condition of the (select either building or property) in reliance on these documents.

35. Seller's Disclosure Where Condition Has Been Removed Clause

The Seller discloses that, although (describe condition) was known to have been (select either in or on) the (select either building or property), such (describe condition) to the best of the Seller's knowledge, was (select either removed or remedied) on (date). As evidence of the (select either removal or remedy), the Seller attaches the following documents:

(List)

36. Seller's Disclosure but Corrective Measures Taken Clause

The Seller discloses that the (select either building or property) did have (describe condition) but has undergone the following corrective measures:

(List)

The Buyer accepts the condition of the (select either building or property) in reliance on these corrective measures.

37. Seller's Disclosure but Condition at Acceptable Level Clause

The Seller discloses that the (select either building or property) was tested for (describe condition) on (date) by (name of testing contractor or government authority).

The results for such testing indicated that (describe condition) is acceptable and, accordingly, no further action has been taken.

The Buyer accepts the condition of the (select either building or property) in reliance on this testing.

38. Seller's Warranty Clause

The Seller warrants that, to the best of the Seller's knowledge, the (select either building or property) does not have (describe condition).

39. UFFI and Asbestos Insulation Disclosure Clause

The Seller discloses, and the Buyer acknowledges, that the (select either building or property) (select either contains or has contained) (type of insulation) and the Buyer accepts the (select either building or property) in this condition.

Financing

40. Agreement for Sale (With No Underlying Mortgage Which Allows Resale) Clause

The Seller will carry the remaining balance of \$ (amount) by way of an Agreement for Sale, in a form acceptable to the Seller (which form will be provided by the Seller on or before (date) and approved by the Buyer on or before (date)), at an interest rate of % per annum, calculated (frequency) not in advance, with a _____-year amortization period, _____-year term and repayable in blended payments of \$ (payment) per month, including principal and interest (plus 1/12 of the annual taxes, if required by the Seller).

The Agreement for Sale will provide that if the Buyer disposes, or agrees to dispose of his or her interest in the property, the full amount then owing under the Agreement for Sale will immediately become due and payable at the Seller's option.

The Seller will draw and register the Agreement for Sale at the Buyer's cost.

The Buyer hereby consents to the Seller obtaining a credit report on the Buyer. Subject to the Seller approving the Buyer's credit report on or before (date).

41. Agreement for Sale (With Underlying Mortgage) Clause

The Seller will carry the balance of \$ (amount)* by way of an Agreement for Sale, in a form acceptable to the Seller (which form will be provided by the Seller on or before (date) and approved by the Buyer on or before (date)), at an interest rate of % per annum calculated (frequency), not in advance, with a (number)-year amortization period and a term to expire (date)** and repayable in blended payments of \$ (payment)*** per month including principal and interest (plus 1/12 of the annual taxes, if required by the Seller). The Seller covenants and agrees to pay the existing first mortgage in favour of according to the terms of the mortgage.

Amount includes underlying mortgage.

** Term expiry date to correspond to underlying mortgage.

*** In order to protect the Buyer, this amount should be at least as large as monthly payments on the underlying mortgage.

42. Agreement for Sale Clause

The Agreement for Sale is subject to an underlying mortgage held by (name) with an outstanding balance of approximately \$ (amount) at an interest rate of % per annum calculated (frequency), not in advance, with a "balance due" term date of (date), and with blended payments of \$ (amount) per month including principal and interest.

The Seller covenants to maintain the underlying mortgage in good standing and to pay and satisfy in full when due or when the Agreement for Sale is paid off, and on any failure to do so, the Buyer may pay the



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underlying mortgage directly, and deduct such payment from amounts owing to the Seller under the Agreement for Sale.

If the Buyer disposes of or agrees to dispose of the property, the full amount then owing under the Agreement for Sale shall immediately become due and payable at the option of the Seller, and any penalty payable because of the resulting prepayment of the underlying mortgage will be paid by the Buyer.

The Seller will draw and register the Agreement for Sale at the Buyer's expense. The Buyer hereby consents to the Seller obtaining a credit report on the Buyer. Subject to the Seller approving the Buyer's credit report on or before (date).

This condition is for the sole benefit of the Seller.

43. Assumption of Existing Mortgage Clause

The sum of approximately \$ (amount A) by way of cash down payment.

The Buyer will assume all obligations under the existing (rank) mortgage held by (name of lender) with an outstanding balance of approximately \$ (amount B) at an interest rate of % per annum calculated (select either half-yearly or monthly) not in advance, with a "balance due" term date of (date) with blended payments of \$ (payment amount) per month including principal and interest (plus 1/12 of the annual taxes, if required by mortgagee).

NOTE: Amounts (A) and (B) must equal total purchase price.

Subject to the mortgagee approving the Buyer in writing on or before (date), thereby releasing the Seller from liability under section 24 of the Property Law Act.

This condition is for the benefit of both the Buyer and the Seller.

44. Financial Obligations Exceed Sale Price Clause

Subject to the Seller's confirmation and satisfaction with the arrangement of financial affairs, on or before (date), which enable the Seller to proceed with this sale.

This condition is for the sole benefit of the Seller.

45. Lawyer's Approval of Financing Terms Clause

Subject to the Seller's lawyer approving the financing terms and conditions on or before (date). This condition is for the sole benefit of the Seller.

46. New Second Mortgage Clause

Subject to a new second mortgage being made available to the Buyer on or before (date), in the amount of \$ (amount) at an interest rate not to exceed ___% per annum calculated (select either half-yearly or monthly), not in advance, with a ___-year amortization period, ___-year term and repayable in blended



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payments of approximately \$(amount) per month including principal and interest (plus 1/12 of the annual taxes, if required by the mortgagee).

This condition is for the sole benefit of the Buyer.

47. **Open (Prepayment in Part) Mortgage Clause**

The principal balance may be paid at any time, in whole or in part, without notice, bonus, or penalty.

48. **Open (Prepayment in Full) Mortgage Clause**

The principal balance may be paid at any time, in full, without notice, bonus, or penalty.

49. **Optional Assumption of Portion of Mortgage Clause**

NOTE: The Buyer should obtain legal advice before assuming a mortgage in these circumstances.

Buyer will assume obligations on an assigned portion under the existing first mortgage held by (name of mortgage lender) registered against the property at (address) with an outstanding balance on the assigned portion of approximately \$(amount) at an interest rate of _____% per annum, calculated (frequency), not in advance, with an original (number of years)-year amortization and a “balance due” term date of (date), with blended payments of \$ (amount) per month including principal and interest.

50. **Penalty (Prepayment in Part) Clause**

The principal balance may be paid at any time, in whole or in part, upon payment of an additional (number of months) months’ interest as a penalty and by way of compensation for said prepayment.

51. **Penalty (Prepayment in Full) Clause**

The principal balance may be paid at any time, in full, upon payment of an additional (number of months) months’ interest as a penalty and by way of compensation for said prepayment.

52. **Refinancing with Existing Mortgagee Clause**

Subject to the Buyer arranging financing with (name of existing mortgagee) and to (name of existing mortgagee) providing the Seller with written confirmation on or before (date), that upon completion the Seller shall be released, without penalty or cost, from its covenants under the existing mortgage.

This condition is for the benefit of the Seller and the Buyer.

CAUTION: *This clause is to be used only in conjunction with the “New First Mortgage Clause” detailing the mortgage to be arranged by the Buyer.*

53. **Seller to Take Back First Mortgage Clause**

The Seller will take back a first mortgage, in a form acceptable to the Seller (which form will be provided by the Seller on or before (date) and approved by the Buyer on or before (date), in the amount of \$ (amount) at an interest rate of % per annum calculated (select either half-yearly or monthly), not in advance, with a ___-year amortization period and ___-year term and repayable in blended payments of



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\$ (amount) per month including principal and interest (plus 1/12 of the annual taxes, if required by the Seller).

The mortgage will provide that if the Buyer disposes of or agrees to dispose of the property, the full balance will immediately become due and payable at the Seller's option. The Seller will draw and register the mortgage at the Buyer's cost.

The Buyer hereby consents to the Seller obtaining a credit report on the Buyer. Subject to the Seller approving the Buyer's credit report on or before (date).

This condition is for the sole benefit of the Seller.

NOTE: If the seller is being asked to carry a second mortgage, it is important that the listing agent find out the terms and amount of the first mortgage the buyer is contemplating. The licensee must disclose the amount of the first mortgage when writing subject clauses regarding seller-take-back mortgages. See also "Additional Mortgage/Agreement for Sale Clauses." Otherwise, the seller may be inadequately secured.

54. Seller to Take Back Second Mortgage Clause

The Seller will take back a second mortgage, in a form acceptable to the Seller (which form will be provided by the Seller on or before *(date)*, and approved by the Buyer on or before *(date)*, in the amount of *(amount)* at an interest rate of ___ % per annum, calculated (*select either half-yearly or monthly*), not in advance, with a _____-year amortization period, ___-year term and repayable in blended payments of \$ *(payment)* per month, including principal and interest (*plus 1/12 of the annual taxes if required by the Seller, if not already being collected by the first mortgagee*). Such second mortgage will provide that if the Buyer disposes or agrees to dispose of the property, the full balance will immediately become due and payable at the Seller's option.

The Seller will draw and register the mortgage at the Buyer's cost. This condition is for the sole benefit of the Seller.

The Buyer hereby consents to the Seller obtaining a credit report on the Buyer. Subject to the Seller approving the Buyer's credit report on or before *(date)*. This condition is for the sole benefit of the Seller.

The Seller's second mortgage is to rank after the (*select either new or existing*) first mortgage of no more than \$*(amount)* at ___% interest with a term due date of *(date)*.

55. Seller to Pay Discount to Buy-Down Rate for Buyer Clause

Subject to a (*select either first or second*) mortgage being made available to the Buyer on or before *(date)*, in the amount of \$ *(amount)* at an interest rate not to exceed ___%* per annum, calculated (*select either half-yearly or monthly*), not in advance, with a _____-year amortization period, ___-year term, and repayable in blended payments of approximately \$ *(payment)* per month, including principal and interest (*plus 1/12 of the annual taxes, if required by the mortgagee*).

This condition is for the sole benefit of the Buyer.

The Seller will pay a discount to the (*select either mortgagee or broker*) on the (*select either first or second*) mortgage arranged by the Buyer, sufficient to yield the mortgagee an interest rate of ___%** per annum, calculated (*select either half-yearly or monthly*), not in advance, for a term of ___years, but the amount of discount and buy-down costs may not exceed \$*(amount)* in total and will be deducted from the proceeds of sale due to the Seller on completion.

This condition is for the sole benefit of the Buyer.

This is the "bought-down" rate (i.e., what the Buyer wants).

** This is the "market" rate (i.e., what the Lender wants).



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56. [Subject to New First Mortgage Clause](#)

Subject to a new first mortgage being made available to the Buyer on or before (date), in the amount of \$ (amount) at an interest rate not to exceed ___% per annum calculated (select either half-yearly or monthly), not in advance, with a ___- year amortization period, ___- year term and repayable in blended payments of approximately \$ (amount) per month including principal and interest (plus 1/12 of the annual taxes, if required by the mortgagee).

This condition is for the sole benefit of the Buyer.

NOTE: This clause must not be used for a Seller-take-back mortgage.

Fish Protection

57. [Fish Protection Act Clause](#)

Subject to the Buyer receiving and approving independent professional advice concerning any limitations on the use and/or development of the property resulting from the Fish Protection Act, on or before (date).

This condition is for the sole benefit of the Buyer.

Franchises

58. [Subject to Buyer Approving Franchise Agreement Clause](#)

Subject to the Buyer receiving, perusing and being satisfied with the franchise agreement on or before (date).

This condition is for the sole benefit of the Buyer.

59. [Subject to Franchisor Approving Assignment of Franchise Clause](#)

Subject to the franchisor's written approval of the assignment of the franchise on or before (date).

This condition is for the benefit of both the Buyer and the Seller.

GST

60. Buyer's Responsibility to Pay GST Clause

The Buyer confirms the receipt of independent GST advice concerning the obligation to pay GST and will be responsible to pay any GST and apply for any GST rebate in connection with this transaction.

61. Eligibility for GST Rebate Clause

The Buyer confirms that he or she is purchasing the property for use as a principal residence or that of a qualified relative, and hereby is entitled to the GST New Housing Rebate. The Seller and Buyer agree that the purchase price includes GST based on the Buyer assigning any applicable Rebate to the Seller, and that the price reflects the credit given by the Seller to the Buyer for this assignment. The price includes GST payable by the Seller and net of any applicable Rebate. The Buyer hereby assigns the Rebate, if any, to the Seller, and agrees to sign the Rebate application and any other documents necessary to have the Rebate paid or credited to the Seller. If the Buyer is not entitled to the Rebate for any reason, he or she shall immediately remit the amount claimed to Canada Revenue Agency, and/or indemnify the Seller for the loss of the Rebate. The Seller is relying on the Buyer's declaration of entitlement to the Rebate and shall not be responsible if the claim is disallowed.

The Seller is to include the GST in the purchase price of the property. The Buyer will execute all documentation necessary to assign the Rebate to the Seller on Completion. The Buyer will occupy the premises.

62. GST: New Housing Rebate Clause

If the Buyer is not eligible for the New Housing Rebate, or does not complete or execute the documentation to assign the benefit of the rebate to the Seller on the closing date, the purchase price shall be increased by an amount equal to the New Housing Rebate that would have been otherwise available with respect to this purchase. If the Canada Revenue Agency disallows all or any part of the rebate claimed, the Buyer will immediately, upon receiving a written demand from the Seller, reimburse such disallowed amount to the Seller together with any interest and penalties that the Seller is required to pay under the Excise Act as a result of such disallowance.

63. Purchase Price to Include/Not Include GST Clause

The purchase price to (select either include/not include) GST.

64. Receipt of Information or Professional Advice by Buyer/Seller Concerning GST Liability Clause

Subject to the (select either Buyer or Seller) receiving and approving information or professional advice concerning the (select either Buyer or Seller) GST liability, GST exemptions or GST rebates, on or before (date).

This condition is for the sole benefit of the (select either Buyer or Seller).

65. Seller's Agreement to Pay GST Clause

The Seller will pay any GST in connection with this transaction and the Buyer will assign any rebate entitlement to the Seller.



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Heritage

66. [Heritage Conservation Act Clause](#)

Subject to the Buyer satisfying himself/herself on or before (date) regarding the potential effect of the Heritage Conservation Act on the use and/or development of the property.

This condition is for the sole benefit of the Buyer.

Homeowners Protection Act

67. [Licensed Builder and Warranty Insurance Clauses \(Option I\)](#)

Subject to the Buyer confirming on or before (date) that the Seller is duly licensed pursuant to the Homeowner Protection Act and that the mandatory warranty insurance pursuant to that Act is in place.

This condition is for the sole benefit of the Buyer.

68. [Licensed Builder and Warranty Insurance Clauses \(Option II\)](#)

The Seller represents and warrants that the Seller is duly licensed pursuant to the Homeowner Protection Act and that the mandatory warranty insurance pursuant to that Act is in place.

The Seller will provide to the Buyer on or before (date) all details of the warranty insurance coverage pursuant to the Homeowner Protection Act.

69. [Receipt of Home Warranty Insurance Documents Clause](#)

Subject to the Seller providing to the Buyer a copy of the home warranty insurance policy, and the Buyer being satisfied as to this policy, on or before (date).

This condition is for the sole benefit of the Buyer.

70. [Receipt of Owner-Builder Disclosure Notice Clause](#)

The Buyer acknowledges having received a copy of the Owner-Builder Disclosure Notice dated (date), prior to making this offer, in accordance with the Homeowner Protection Act and regulations.



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Inspection

71. Buyer's Site Profile Clause

Subject to the Buyer reviewing and approving the site profile on or before (date).

This condition is for the sole benefit of the Buyer.

72. Inspection of Property Clause

Subject to the Buyer, on or before (date) at the Buyer's expense, obtaining and approving an inspection report against any defects whose cumulative cost of repair exceeds (select a monetary value) and which reasonably may adversely affect the property's use or value.

The Seller will allow access to the property for this purpose on reasonable notice.

This condition is for the sole benefit of the Buyer.

73. Inspection/Testing/Government Approval Clause

Subject to the Buyer receiving and being satisfied with a site inspection and report from (select inspecting body or expert tester or government authority), concerning (describe condition) on or before (date).

The Seller will allow access to the property for this purpose on reasonable notice.

This condition is for the sole benefit of the Buyer.

74. Seller's Site Profile Clause

The Seller, at his or her expense, will provide to the Buyer a completed site profile (Schedule 1 of the B.C. Contaminated Sites Regulation) for the subject property on or before (date). The Seller warrants that the information contained therein is true and correct to the best of the Seller's knowledge.



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Insurance

75. [Fire/Property Insurance Clause](#)

This offer is subject to the Buyer obtaining approval for fire/property insurance, on terms and at rates, satisfactory to the Buyer, on or before (date).

This condition is for the sole benefit of the Buyer.

76. [Receipt of Home Warranty Insurance Documents Clause](#)

Subject to the Seller providing to the Buyer a copy of the home warranty insurance policy, and the Buyer being satisfied as to this policy, on or before (date).

This condition is for the sole benefit of the Buyer.

77. [Wood Burner May Void Insurance Clause](#)

The Buyer acknowledges and accepts that the (select either wood stove or fireplace insert and/or chimney) installed on the property may not be approved for legal use and may render any fire insurance void.

78. [Wood Burner Insurance Confirmation Clause](#)

Subject to the Buyer obtaining confirmation from his or her insurance agent on or before (date) that the (select either wood stove or fireplace insert and/or chimney) installed on the property will not void his or her fire insurance coverage.

This condition is for the sole benefit of the Buyer.



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Lawyer Approval

79. Approval by Seller's/Buyer's Lawyer Clause

Subject to (select either Seller's or Buyer's) lawyer approving the terms and conditions of the contract on or before (date).

This condition is for the sole benefit of the Seller/Buyer.

80. Approval of Documentation Clause

Subject to the Buyer's (select either lawyer or accountant) approving the form of the documentation on or before (date).

81. Lawyer Approval of Deposit Arrangement Clause

Subject to the (select either Seller's or Buyer's) lawyer approving on or before (date) the arrangements for holding the deposit money in this transaction.

This condition is for the sole benefit of the (select either Seller or Buyer).

82. Lawyer's Approval of Financing Terms Clause

Subject to the Seller's lawyer approving the financing terms and conditions on or before (date).

This condition is for the sole benefit of the Seller.

83. Legal Advice re: Deposit Clause

(name of Seller or Buyer) hereby acknowledges that (name of licensee) has advised them to obtain independent legal advice before signing or accepting this contract with respect to the arrangements for holding the deposit money in this transaction.

84. Subject to Legal Advice Clause

Subject to the (select either Buyer or Seller) obtaining legal advice satisfactory to the Buyer or Seller concerning (select easement, builders' lien, financing or define applicable issue) _____ on or before (date).

This condition is for the sole benefit of the Buyer.



Leasehold/Tenancies

85. [Confirmation of Tenancy Details Clause](#)

The Seller warrants that (tenant's name) is a (type of tenancy); the monthly rent is \$ (amount) including (utilities included); payable on (day of the month rent is due) a security deposit of \$(amount) was taken on (date) and the last rental increase was (date).

86. [Lease of Premises Clause \(Option I\)](#)

Subject to the Buyer being able to arrange on or before (date) a lease for the premises satisfactory to the Buyer.

This condition is for the sole benefit of the Buyer.

87. [Lease of Premises Clause \(Option II\)](#)

The Buyer will assume all payments, obligations and covenants of the existing lease covering the business premises.

Subject to the Buyer receiving, perusing and being satisfied with the said lease on or before (date).

This condition is for the sole benefit of the Buyer.

88. [Lease of Premises Clause \(Option III\)](#)

The Buyer will assume all payments, obligations and covenants of the existing lease covering the business premises.

Subject to the Buyer receiving approval of the lessor to such assumption on or before (date). This condition is for the benefit of both the Seller and the Buyer.

Subject to the Buyer receiving, perusing and being satisfied with the said lease on or before (date).

This condition is for the sole benefit of the Buyer.

89. [Notice to Tenants Clause](#)

The Seller will give legal notice to the Tenant to vacate the premises, but only if the Seller receives the appropriate written request from the Buyer to give such notice in accordance with the requirements of section 49 of the Residential Tenancy Act.

90. [Properties Containing Unauthorized Accommodation Clause](#)

The Buyer is aware that the property contains unauthorized accommodation and has been informed of the consequences of such ownership and the potential loss of income should the rental use be discontinued.

91. Sale of Leasehold Interests Clause

Seller will deliver leasehold interest free and clear of all financial encumbrances. Seller will assign the Buyer all rights, title and interest and the Buyer will assume all payments, obligations and covenants in the lease. Seller will provide reasonable assistance, at the expense of the Buyer, in obtaining consent to the assignment of the lease before the Completion Date. If the consent to the assignment cannot be obtained, this agreement will be null and void. It is understood that the lease has a term ending (date).

Subject to the Buyer receiving and reviewing the head lease and any schedules of rules and regulations to the Buyer's satisfaction and approval on or before (date).

This subject clause is for the sole benefit of the Buyer.

A copy of the head lease with each page initialed by the Buyer as having been read and approved will be required by the Seller.

92. Seller to Remain as Tenant Clause

Subject to the Seller and Buyer entering into a tenancy agreement on or before (date) for the Seller to occupy the premises as a tenant until (date).

This condition is for the benefit of the Buyer and the Seller.

Manufactured Homes**93. Buyer's Approval of Rules and Regulations of Manufactured Home Park Clause (Option I)**

Subject to the Buyer approving the rules and regulations of (name of manufactured home park) and being accepted as a tenant on or before (date).

This condition is for the sole benefit of the Buyer.

94. Buyer's Approval of Rules and Regulations of Manufactured Home Park Clause (Option II)

The Buyer has received copies of the rules and regulations of (name of manufactured home park) and acknowledges acceptance of them.

95. Buyer's Permission to Register a Security Interest in a Manufactured Home Clause

Subject to the Buyer obtaining a site lease or priority agreement in a form acceptable to (the lender) on or before (date) which will allow the lender to register a security interest in the manufactured home.

96. Seller's Permission to Sublet a Pad for a Manufactured Home Clause

Subject to the Seller receiving consent to sublet to (name of proposed occupant) his or her interest in the tenancy agreement for pad number (number) as provided by section 28 of the Manufactured Home Park Tenancy Act on or before (date).

This clause is for the benefit of the Seller and the Buyer.



Appendix B Real Estate Clauses and Phrases

Miscellaneous

97. [Appliance Warranty Clause](#)

The Seller warrants that the appliances included in the purchase of this property will be in proper working order as of the Possession Date.

98. [Confidentiality of Terms Clause](#)

The Buyer and Seller agree that the terms and conditions of any offer or counter-offer with respect to the property located at (address) shall not be disclosed to any other potential Buyer of the property without the prior written consent of the Buyer and Seller.

99. [Friend/Relative Approval \(for Buyer or Seller\) Clause](#)

Subject to approval of the (select either purchase or sale) by (name) on or before (date).

This condition is for the sole benefit of the Buyer/Seller.

100. [Seller Taking Buyer's Property in Trade Clause](#)

Subject to the Seller entering into an unconditional Contract of Purchase and Sale with the Buyer for the purchase of the Buyer's property described as (describe property) on or before (date).

This condition is for the benefit of both the Buyer and the Seller.



Appendix B

Real Estate Clauses and Phrases

New Construction

101. **Builders Lien Holdback Clause**

The Buyer will holdback from the sale proceeds, as a builders lien holdback under the Builders Lien Act, an amount equal to 10% of the value of the improvements for (number of days) days after the date of issuance of the certificate of completion or, where there is no certificate, for (number of days) days after the later of the date the head contract is completed, abandoned or terminated or the occupancy permit is issued. The Buyer's lawyer or notary will place the holdback in an interest-bearing trust account with interest accruing to the benefit of the Seller. The parties agree the improvements are valued at \$(amount).

102. **Licensed Builder and Warranty Insurance Clauses**

Subject to the Buyer confirming on or before (date) that the Seller is duly licensed pursuant to the Homeowner Protection Act and that the mandatory warranty insurance pursuant to that Act is in place.

This condition is for the sole benefit of the Buyer. OR

The Seller represents and warrants that the Seller is duly licensed pursuant to the Homeowner Protection Act and that the mandatory warranty insurance pursuant to that Act is in place.

The Seller will provide to the Buyer on or before (date) all details of the warranty insurance coverage pursuant to the Homeowner Protection Act.

103. **Mandatory Warranty Insurance Coverage Clause**

It is a fundamental term of this contract that the mandatory warranty insurance coverage required pursuant to the Homeowner Protection Act be provided.

104. **Receipt of Home Warranty Insurance Documents Clause**

Subject to the Seller providing to the Buyer a copy of the home warranty insurance policy, and the Buyer being satisfied as to this policy, on or before (date).

This condition is for the sole benefit of the Buyer.

105. **Receipt of Owner-Builder Disclosure Notice Clause**

The Buyer acknowledges having received a copy of the Owner-Builder Disclosure Notice dated (date), prior to making this offer, in accordance with the Homeowner Protection Act and regulations.

106. **Walk-Through Inspection Deficiency List Clause**

The Buyer and an authorized representative of the Seller will jointly conduct a walk-through inspection of the property no later than (number of days) days before the Completion Date.

The Parties will, immediately after completion of the walk-through inspection, complete a deficiency list of mutually agreed upon items that are to be remedied by the Seller (the "Deficiency List"). The Deficiency List, which will form part of the contract will identify the deficiencies and include a mutually agreed upon value

for each of the deficiencies to be remedied. Both parties will sign, date and retain a copy of the Deficiency List. The quality of work and materials used to correct the deficiencies will be equal to or better than that of the surrounding construction.

In the event that the deficiencies are not rectified (number of days) days prior to the Completion Date, the Buyer's conveyancer will hold back from the sale proceeds the amount specified for any uncorrected deficiency until all the deficiencies specified on the Deficiency List are completed, and will place this holdback in the Buyer's conveyancer's trust account.

The Seller agrees that if the conveyance of the Property has completed and any of the specified deficiencies have not been corrected, the Buyer's conveyancer will retain the specified holdback until the Seller corrects the deficiencies, which shall not be later than (number of days) days after the Completion Date. The Seller agrees that if the deficiencies have not been corrected by the later date, the Buyer's conveyancer may release the balance of holdback to the Buyer and the Buyer may correct the deficiencies himself/herself.

Any dispute concerning the identification and pricing of deficiencies, the rectification of the deficiencies, and release of the holdback will be settled by _____ [or the following alternative language: "arbitration under the British Columbia Commercial Arbitration Act" at the expense of (the Buyer, the Seller, or both)]

Occupancy Permit

107. [Occupancy Certificate Clause](#)

It is a fundamental term of this contract that the Seller must have finished all work, and delivered to the Buyer on or before the Completion Date, an unconditional Municipal/City/Regional District Occupancy Certificate or other evidence satisfactory to the Buyer that construction is finished.

Sewage

108. [Approval Uncertain Clause](#)

The Buyer acknowledges and accepts that the property may not receive approval for an onsite sewage system and that no representations to the contrary have been made by either the Seller or his or her agent.

109. [Assessing Property for Wastewater Treatment System Clause](#)

Subject to the Buyer, at the Buyer's expense, having the property assessed ("Assessment") by an appropriate authorized person (as defined in the British Columbia Sewerage System Regulation), to determine the feasibility of installing an onsite wastewater treatment system on the property ("System"), along with the cost associated with the installation of the System, and the Buyer being satisfied with the Assessment on or before (date).

This condition is for the sole benefit of the Buyer.



Appendix B Real Estate Clauses and Phrases

110. Seller Sewage System Representation and Warranty

The Seller represents and warrants that:

- 1. the wastewater treatment system on the property ("System") was installed, inspected and approved by an authorized person as defined in the British Columbia Sewerage System Regulation; and*
- 2. a permit/letter of certification respecting the System is on file with the local health authority.*

111. Sewage System Inspection Clause

Subject to the Buyer, at the Buyer's expense, receiving, reviewing and being satisfied with a report from an appropriate authorized person (as defined in the British Columbia Sewerage System Regulation ("Regulation")) concerning the operational function and condition of the components of the wastewater treatment system on the property ("System"), and compliance of the System with the Regulation on or before (date).

This condition is for the sole benefit of the Buyer.

112. Wastewater Treatment System Does Not Meet Standards Clause

The Buyer acknowledges and agrees that the onsite wastewater treatment system ("System") does not meet the approved standards as required and defined in the British Columbia Sewerage System Regulation, and/or that a permit and/or letter of certification respecting the System is not on file with the local health authority. The Buyer acknowledges and agrees that the Seller has not made any representations nor given any express or implied warranties with respect to the System. The Buyer accepts the System, in its present condition, "as is, where is."

Strata

113. **Additional Fees Clause**

The Buyer is also aware that the strata corporation (or the section if applicable) charges an additional (monthly, yearly, etc.) fee(s) for (parking, storage, etc.) in the amount of \$ (amount).

114. **Buyer's Approval of Property Disclosure Statement—Strata Title Properties Clause**

Subject to the Buyer on or before (date) obtaining and approving a Property Disclosure Statement — Strata Title Properties, with respect to information that reasonably may adversely affect the use or value of the strata lot, including any bylaw, item of repair or maintenance, special levy, judgment or other liability, whether actual or potential.

This condition is for the sole benefit of the Buyer.

If approved such statement will be incorporated into and form part of this contract.

115. **Growth or Manufacture of Illegal Substances Clause (for use with strata lots)**

The Buyer acknowledges that the strata lot or limited common property associated with the strata lot has been used for the growth of marijuana or manufacture of illegal substances, and acknowledges that the Seller makes no representations and/or warranties with respect to the state of repair of the strata lot or the limited common property associated with the strata lot. The Buyer accepts the strata lot in its present state, and in an “as is” condition.

116. **Nature of the Parking Stall(s)/Storage Locker Needs To Be Verified Clause**

Subject to the Buyer verifying on or before (date) that the parking stall(s)/storage locker associated with the strata lot, which are # _____ is (are) designated under a lease between _____, as landlord, and _____, as tenant, or under a licence agreement between _____, as licensor [the person who gives the licence] and _____, as licensee [the person who takes the benefit of the licence], etc.).

This condition is for the sole benefit of the Buyer.

117. **No Growth or Manufacture of Illegal Substances Clause (for use with strata lots)**

The Seller represents and warrants that, during the time the Seller has owned the strata lot, neither the strata lot nor any limited common property associated with the strata lot has been used for the growth of marijuana or manufacture of any illegal substances. This warranty shall survive and not merge on the completion of this transaction. Further, the Seller represents that, to the best of the Seller’s knowledge and belief, neither the strata lot nor any limited common property associated with the strata lot has ever been used for the growth of marijuana or manufacture of illegal substances.

118. **Notification of Changes in Bylaws or Rules Clause**

The Seller will notify the Buyer before the completion date of any notice of a resolution to amend the bylaws or rules of the strata corporation, or the bylaws or rules of a section to which the strata lot belongs, or any amendment to such bylaws or rules, that the Seller has not previously disclosed to the Buyer. The Seller will promptly deliver a copy of the relevant resolution or notice of resolution to the Buyer.



Appendix B

Real Estate Clauses and Phrases

119. Properties without a Strata Council Clause

The Buyer acknowledges that this strata corporation has not been run in compliance with the Strata Property Act and, in particular, there is no active strata council, there have been no strata meetings, there is no budget, no strata fees have been collected, and there is no operating or contingency reserve fund or financial records.

120. Property Disclosure Statement — Strata Title Properties Clause

Subject to the Buyer on or before (date) obtaining and approving a Property Disclosure Statement — Strata Title Properties, with respect to information that reasonably may adversely affect the use or value of the strata lot, including any bylaw, item of repair or maintenance, special levy, judgment or other liability, whether actual or potential.

This condition is for the sole benefit of the Buyer.

If approved such statement will be incorporated into and form part of this contract.

121. Receipt of Strata Documentation Clause

The Buyer acknowledges having received and being satisfied with:

A Form “B” Information Certificate from the strata corporation dated (date), attaching the strata corporation’s rules, current budget, the developer’s Rental Disclosure Statement (if any), and the most recent depreciation report obtained by the strata corporation (if any).

If relevant, a Form “B” Information Certificate from the section dated (date), attaching the section’s rules, current budget, the developer’s Rental Disclosure Statement (if any), and the most recent depreciation report obtained by the strata corporation (if any).

A copy of the registered strata plan, any amendments to the strata plan, and any resolutions dealing with changes to common property.

The current bylaws and financial statements of the strata corporation, and any section to which the strata lot belongs.

The minutes of any meetings held between the period from (date) to (date) by the strata council, and by the members in annual or special general meetings, and by the members or the executive of any section to which the strata lot belongs.

The current insurance cover note explaining the strata corporation’s insurance coverage and deductibles.

()*

()*

() Add all other documentation actually received.*

122. Recovery of Proceeds Payable to Strata Corporation Clause

Subject to the Buyer and Seller entering into a written contract prepared by the Seller's lawyer on or before (date) that provides for the assignment from the Buyer to the Seller for nominal consideration of all the Buyer's right, title and interest in any funds payable by the strata corporation to the Buyer as a result of (Enter the reason for the payment such as the return of money assessed by a special levy between _____ certain dates).

This condition is for the sole benefit of the Seller. (Buyer)

123. Seller Agrees to Hold Back to Pay for Special Levy Approved Before Completion Clause

If a special levy is approved before the completion date, the Seller shall credit the Buyer with the entire portion of the special levy that the Buyer is obligated to pay under the Strata Property Act and the Seller hereby directs the Buyer's lawyer or notary public to hold back such credit from the sale proceeds and to remit it to the strata corporation.

124. Seller and Buyer Negotiate the Portion of the Special Levy Due after Completion that the Seller Will Pay Clause

If a special levy is approved before the completion date, the Seller shall credit the Buyer with ___% of the portion of the special levy that the Buyer is obligated to pay under the Strata Property Act and the Seller hereby directs the Buyer's lawyer or notary public to hold back such credit from the sale proceeds and to remit it to the strata corporation.

125. Seller Agrees to Hold Back a Portion of the Purchase Price Where There is the Possibility of a Special Levy Being Assessed in the Near Future Clause

A portion of the purchase price in the amount of \$____, (the "Holdback") will be held by the lawyer or notary public acting for the Buyer in an interest bearing account until ____, 20__ (the "End Date"). The lawyer or notary public acting for the Buyer will pay to the strata corporation out of the Holdback and accrued interest any special levies (or similar levies charged by the strata corporation) that are levied and due and payable before the End Date. On the first business day after the End Date the lawyer or notary public acting for the Buyer will pay any remaining balance of the Holdback plus accrued interest to the Seller.

126. Strata Plan Not Registered at the Time Contract Signed Clause

It is a fundamental term of this contract that a strata plan for the property, in the form provided to the Buyers at the time of signing this contract and attached as addendum, is fully registered in the appropriate Land Title Office on or before the Completion Date.

127. Strata Documentation to Be Provided Clause

Subject to the Buyer, on or before (date) receiving and approving the following documents with respect to information that reasonably may adversely affect the use or value of the strata lot, including any bylaw, item of repair or maintenance, special levy, judgment or other liability, whether actual or potential:

- *A Form "B" Information Certificate from the strata corporation, attaching the strata corporation's rules, current budget, the developer's Rental Disclosure Statement (if any), and the most recent*

depreciation report obtained by the strata corporation (if any);

- *If relevant, a Form "B" Information Certificate from the section, attaching the section's rules, current budget, the developer's Rental Disclosure Statement (if any), and the most recent depreciation report obtained by the strata corporation (if any);*
- *a copy of the registered strata plan, any amendments to the strata plan, and any resolutions dealing with changes to common property;*
- *the current bylaws and financial statements of the strata corporation, and any section to which the strata corporation lot belongs;*
- *the minutes of any meeting held between the period from (date) to (date) by the strata council, and by the members in annual or special general meetings, and by the members or the executive of any section to which the strata lot belongs; and*
- *the current insurance cover note explaining the strata corporation's insurance coverage and deductibles.*
- *[Include any other information, document, record or report the Buyer needs before being committed to buy.]*

Immediately upon acceptance of this offer or counter-offer, the Seller will authorize the (Seller's/Buyer's) agent, to request, at the (Seller's/Buyer's) expense, complete copies of the documents listed above from the strata corporation or other source and to immediately, upon receipt, deliver the documents to the Buyer (or the Buyer's agent).

This condition is for the sole benefit of the Buyer.



Appendix B Real Estate Clauses and Phrases

Subject to Selling/Buying

128. Confirmation of the Sale of Buyer's Property Clause

Subject to the sale of the Buyer's property at (address) becoming unconditional on or before (date). This condition is for the buyer.

129. Sale of the Buyer's Property, with Time Clause

Subject to the Buyer entering into an unconditional agreement to sell the Buyer's property at (address) on or before (date).

This condition is for the sole benefit of the Buyer.

However, the Seller may, (select either "at any time" or "upon receipt of another acceptable offer") deliver a written notice to the Buyer or to (name of his or her representing real estate company) requiring the Buyer to remove all conditions from the contract within (number) hours of the delivery of the notice, not to include Sundays and Statutory Holidays. Should the Buyer fail to remove all the conditions before the expiry of the notice period, the contract will terminate.

130. Sale of the Buyer's Property Clause

Subject to the Buyer entering into an unconditional agreement to sell the Buyer's property at (address) on or before (date).

This condition is for the sole benefit of the Buyer.

131. Subject to Seller Purchasing Residence Clause

Subject to the Seller entering into an unconditional agreement on or before (date) to purchase another residence.

This condition is for the sole benefit of the Seller.

Title Searches

132. [Acknowledgement of Title Clause A](#)

The Buyer acknowledges and accepts that on Completion the Buyer will receive title containing, in addition to any encumbrance referred to in Clause 9 (TITLE) of this contract, any non-financial charge set out in the copy of the title search results that is attached to and forms part of this contract.

133. [Acknowledgement of Title Clause B](#)

The Buyer acknowledges and accepts that on Completion the Buyer will receive title containing, in addition to any encumbrance referred to in Clause 9 (TITLE) of this contract:

1. *Any non-financial charge, and*
2. *Any financial charge payable by a utility on its right-of-way restrictive covenant, easement or other interest set out in the copy of the title search results that is attached to and forms part of this contract.*

134. [Buyer's Approval of Title and Title Search to Be Incorporated into Contract Clause](#)

Subject to the Buyer on or before (date) obtaining and approving a copy of the title search results against the presence of any charge or other feature, whether registered or pending, that reasonably may adversely affect the property's use or value.

If this condition is waived or declared fulfilled, the copy of the title search result will be incorporated into and form part of this contract and the Buyer acknowledges and accepts, despite any other provision in this contract, that upon completion the Buyer will receive title containing any non-financial charge set out in the copy of the title search results that is attached to and forms part of this contract.

This condition is for the sole benefit of the Buyer.

135. [Title Search Clause](#)

Subject to the Buyer, on or before (date) searching and approving title to the property against the presence of any charge or other feature, whether registered or pending, that reasonably may affect the property's use or value.

This condition is for the sole benefit of the Buyer.

Water

136. [Water Potability Clause](#)

Subject to the Buyer receiving and approving a water potability test report done by (name of service) on or before (date).

This condition is for the sole benefit of the Buyer.

137. [Water Quality and Supply Clause](#)

Subject to the Buyer, at the Buyer's expense, receiving and being satisfied with a report from (name of source of report) concerning the quantity and quality of the water supply on or before (date).

This condition is for the sole benefit of the Buyer.

Zoning

138. [Change of Zoning Clause](#)

Subject to the Buyer, at the Buyer's expense, obtaining final approval of zoning change from (current zoning) to (desired zoning) on or before (date). The Seller will co-operate with the Buyer in the zoning application process.

This condition is for the sole benefit of the Buyer.

139. [Confirmation of Zoning Clause](#)

Subject to the Buyer confirming on or before (date) that zoning for the Property is (indicate desired zoning).

This condition is for the sole benefit of the Buyer.

140. [Receipt of Zoning Bylaw Clause](#)

Subject to the Buyer receiving a copy of the relevant zoning bylaw for the property and approving the uses permitted by (date).

This condition is for the sole benefit of the Buyer.