

DISCLAIMER:

Forms are created with a view to identify and satisfy general needs. The pre-set portion of any Form is complex and can be difficult to understand.

Be advised that the explanations contained herein are not meant to be a full and complete discussion of the meanings and implications of each provision, paragraph or section in each Form. The explanations are meant only to be a general simple overview and are not meant to replace the full text and legal ramifications of each Form and any provision, paragraph or section therein.

It is important and mandatory to understand that the use of a Form does not apply to every circumstance and extreme care should be exercised in that respect.

Everyone is encouraged and it is recommended that everyone seek and obtain professional advice to ensure a complete and accurate understanding of any Form and not rely on the explanations contained herein.

TAKE NOTE THAT EVERY REAL ESTATE TRANSACTION IS UNIQUE AND THE TORONTO REAL ESTATE BOARD DOES NOT WARRANT AND IS NOT LIABLE OR RESPONSIBLE IN ANY WAY FOR THE ADEQUACY, SUFFICIENCY, APPLICABILITY, ACCURACY OR SUITABILITY OF ANY OF THE EXPLANATIONS OR PROVISIONS HEREINAFTER SET OUT.

PROCEED TO NEXT PAGE ...

For Information Purposes Only

GENERAL USE: The Agreement of Purchase and Sale is the document that is used to state the Buyer's desire to purchase the property, and to negotiate the terms of the sale. It is commonly referred to as an "Offer". This document also allows the Buyer a chance to outline in detail all of the conditions they wish to be placed in their Offer to buy the Seller's property. Some common examples of a Buyer's conditions include arranging financing (a mortgage) for the property to be purchased, completing a home inspection, or ensuring that the sale of their current home is completed before purchasing a new one. After the Offer is prepared and signed by the Buyer, it is presented to the Seller for acceptance. The Seller, in turn, may want to make changes to the Offer for the Buyer to consider. This process can continue back and forth several times in an effort to reach an agreement.

This Agreement of Purchase and Sale dated this..... day of 20.....

BUYER,....., agrees to purchase from
(Full legal names of all Buyers)

SELLER,....., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address..... fronting on the side
of..... in the
and having a frontage of more or less by a depth of more or less
and legally described as
..... (the "property").
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN\$).....
.....Dollars

DEPOSIT: The Buyer includes a deposit in the Offer to give it authenticity and to show their sincerity to the Seller. The deposit is considered part of the purchase price and is ultimately adjusted as a credit to the Buyer on closing.

DEPOSIT: Buyer submits
(Herewith/Upon Acceptance/as otherwise described in this Agreement)
..... Dollars (CDN\$).....

by negotiable cheque payable to..... "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A.....**attached hereto form(s) part of this Agreement.**

1. *IRREVOCABILITY: The following section states the deadline that a person making an Offer gives the other party to accept their Offer. If the Offer is not accepted by the stated time, then the Offer is over and no longer binding on any of the parties in the transaction.*

1. **IRREVOCABILITY:** This Offer shall be irrevocable by until a.m./p.m. on
(Seller/Buyer)
the day of 20....., after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

2. **COMPLETION DATE:** This is the date that the transaction is scheduled to be completed and unless stated otherwise, somewhere else in the Agreement, the property is to be vacant. This date is not to be on the weekend or a statutory holiday.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the day of, 20..... . Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

3. **NOTICES:** In order to accomplish the terms of an agreement, various notices need to be given. This paragraph sets out the different options available in order to effect notice.

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number is provided herein, when transmitted electronically to that facsimile number.

FAX No. (For delivery of notices to Seller) FAX No. (For delivery of notices to Buyer)

4. **CHATELS INCLUDED:** The following section allows the Buyer to list all additional items separate from the property that they wish to be included in their purchase. Examples to be listed here include appliances such as 'Moffat white stove' or 'Hotpoint white refrigerator' perhaps with serial numbers. The Seller must agree with items included before signing the Offer. The guide to follow is "when in doubt spell it out". Clear descriptions of what is expected to remain in or on the property are recommended.

4. **CHATELS INCLUDED:**

5. **FIXTURES EXCLUDED:** The following section lists any fixtures that are attached to the property that the Buyer and the Seller have agreed will not be included in the deal, i.e. a chandelier in the dining room, a mirror attached to wall in the front hallway. The same rule applies here as for chattels included. Specific details of the items that the Seller wishes to remove on closing should be set out.

5. **FIXTURES EXCLUDED:**

6. **RENTAL ITEMS:** The following section deals with items that are not included in the purchase price because they are currently being rented. An example is a hot water tank that is being rented from a utility company. Other examples but by no means a complete list are alarm systems, furnaces, water softeners, air conditioners are but a few. Care should taken to ensure that all the rental items are detailed here.

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

7. **GST/HST:** The following section states how GST/HST is to be treated, if GST/HST is to be paid.

7. **GST/HST:** If the sale of the property (Real Property as described above) is subject to Goods and Services Tax (GST) or Harmonized Sales Tax (HST) then such tax shall be the Purchase Price. If the sale of the property is not subject to GST or HST, Seller agrees to certify on or before closing, that the sale of the property is not subject to GST or HST. Any HST on chattels, if applicable, is not included in the purchase price.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

8. **TITLE SEARCH:** *The following section provides the times for the Buyer's lawyer to do the necessary searches and checks on the property. These will likely include matters such as checking the title to ensure that the Buyer is going to obtain good title and that there are no outstanding work orders.*

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the day of....., 20....., (Requisition Date) to examine the title to the Property at Buyer's own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy Buyer that there are no outstanding work orders or deficiency notices affecting the Property, and that its present use (.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** *The Buyer is being told the only use the Buyer can insist upon is the use set out in the Agreement. If the Agreement states that it is a single family home, there is no guarantee that in five years they can operate a business from the premises.*

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** *This paragraph provides that the Buyer is entitled to good title but must accept the title subject to any easements for the supply of telephone services, electricity, gas, sewers, water, television cable facilities and other related services. Further the Buyer has to accept the title subject to any restrictive covenants as long as they are complied with. Finally if there are any municipal agreements, zoning bylaws or utility or service contracts, the Buyer must assume them.*

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** *If the transaction is to be completed electronically, the following paragraph sets out how the closing is to proceed.*

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

12. **DOCUMENTS AND DISCHARGE:** *The following paragraph states that the Seller will give the Buyer any documents they have, while the Buyer cannot ask for documents that the Seller doesn't have. When there is a mortgage on the property in favour of a bank, trust company, insurance company, credit union or Caisse Populaire, in most instances a discharge is not available for registration on closing. This paragraph sets out the procedure for dealing with these matters. A mortgage other than those set out above must be paid out and discharged on closing.*
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** *The following paragraph makes it known that the Buyer has had the opportunity to do a personal inspection of the property they are purchasing. The Buyer also acknowledges that, unless it is stated in the body of the offer, the Buyer declined the opportunity to have a professional home inspection completed on the property.*
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller. **The Buyer acknowledges having the opportunity to include a requirement for a property inspection report in this Agreement and agrees that except as may be specifically provided for in this Agreement, the Buyer will not be obtaining a property inspection or property inspection report regarding the property.**
14. **INSURANCE:** *The following clause states that the Seller must take care of the property until closing and is responsible to maintain fire insurance policies, if any, on the property until closing. If there is a fire before closing, the Buyer has two choices: they can either not buy the property or they can have insurance money paid to them and take the property as it is.*
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** *The following paragraph states that the Agreement is subject to compliance with the Planning Act. This statute governs things like severance.*
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
16. **DOCUMENT PREPARATION:** *This spells out that the Buyer will take responsibility to pay for the preparation of their own mortgages and the Land Transfer Tax Affidavit. The Seller, meanwhile, is responsible for preparing a Deed to transfer at the Seller's expense.*
16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** *The following paragraph deals with the issue of the Seller's residency in Canada. It ensures that the Seller is a resident of Canada, or if they are a non-resident, that they have paid any taxes owed payable under the non-residency provisions of the Income Tax Act.*
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



18. **ADJUSTMENTS:** *The following section states that certain charges applicable to the property such as property taxes or utilities will be adjusted on the completion day. The Buyer will assume responsibility beginning on the day of the completion of the sale.*
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **PROPERTY ASSESSMENT:** *The property may be re-evaluated on an annual basis. Buyer and Seller agree that change may take place and salespeople can not be held responsible for any changes.*
19. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
20. **TIME LIMITS:** *All deadlines must be met according to the dates and times stated in this Agreement.*
20. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
21. **TENDER:** *In order to demonstrate that a party is ready, willing and able to complete a transaction, a party must produce certain items. For the Buyer it is generally money, for the Seller it will include things like a Transfer/Deed and keys. This paragraph sets out how each party performs their side.*
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered by bank draft or cheque certified by a Chartered Bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.
22. **FAMILY LAW ACT:** *The following section states that no spouse has a claim to this property other than a spouse who consented to the contract in the signature area set aside for that purpose.*
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** *The Seller warrants that while living on the property they have not used insulation containing ureaformaldehyde. Further, the Seller is not aware of that kind of insulation ever having been used on the property.*
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE :** *Any advice given by the Brokerage in regards to these conditions is not to be considered an expert opinion, if these factors impact the transaction or property valuation; seek the advice of an independent professional.*
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice.
25. **CONSUMER REPORTS:** *The following section notifies the Buyer that a personal or credit check may be obtained on the Buyer.*
25. **CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



INFORMATION ON BROKERAGE(S)

Listing Brokerage.....	Tel.No.(.....)
.....
Co-op/Buyer Brokerage.....	Tel.No.(.....)
.....

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my lawyer.

..... DATE.....
(Seller)

..... DATE.....
(Seller)

Address for Service.....
..... Tel.No.(.....)

Seller's Lawyer.....

Address.....
(.....)..... (.....).....
Tel.No. FAX No.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my lawyer.

..... DATE.....
(Buyer)

..... DATE.....
(Buyer)

Address for Service.....
..... Tel.No.(.....)

Buyer's Lawyer.....

Address.....
(.....)..... (.....).....
Tel.No. FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:

In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

.....
(Authorized to bind the Listing Brokerage)

.....
(Authorized to bind the Co-operating Brokerage)

For Information Purposes Only

Schedule A

Agreement of Purchase and Sale



This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER,....., and

SELLER,.....

for the purchase and sale of

..... dated the day of, 20.....

Buyer agrees to pay the balance as follows:

For Information Purposes Only

This form must be initialed by all parties to the Agreement of Purchase and Sale..

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):