

PROMISE TO PURCHASE



Association des courtiers
et agents immobiliers
du Québec

MANDATORY FORM FOR ALL REAL ESTATE BROKERS AND AGENTS IN QUÉBEC

This form does not constitute the preliminary contract required under articles 1785 and following of the Civil Code of Québec where an existing or planned residential IMMOVABLE is sold by the builder or a promoter to a natural person who acquires it to occupy it, whether or not the sale includes the transfer to him of the seller's rights over the land.

1. IDENTIFICATION OF THE PARTIES

NAME OF BUYER 1	NAME OF SELLER 1
ADDRESS OF BUYER 1	ADDRESS OF SELLER 1
POSTAL CODE	POSTAL CODE
TELEPHONE NO.	TELEPHONE NO.
NAME OF BUYER 2	NAME OF SELLER 2
ADDRESS OF BUYER 2	ADDRESS OF SELLER 2
POSTAL CODE	POSTAL CODE
TELEPHONE NO.	TELEPHONE NO.

(hereinafter called the BUYER) (hereinafter called the SELLER)

2. OBJECT OF THE CONTRACT

2.1 The BUYER hereby promises to purchase, through _____,
real estate broker, represented by _____,
the immovable described hereinafter, at the price and under the conditions stated below.

CERTIFICATE NUMBER OF REAL ESTATE AGENT
OR AFFILIATED REAL ESTATE BROKER

3. SUMMARY DESCRIPTION OF THE IMMOVABLE

3.1 ADDRESS : _____
NUMBER, STREET, CITY

3.2 THE IMMOVABLE, with construction erected thereon, is designated as follows :
Cadastral designation : _____
LOT NUMBER, SUBDIVISION NAME OF OFFICIAL CADASTRE

Measuring : _____, for an area of _____.

The IMMOVABLE is held in divided co-ownership
 undivided co-ownership for a share equal to _____%.

The IMMOVABLE held in co-ownership includes _____ parking space(s) (nos. _____) and _____ storage space(s) (nos. _____).
(hereinafter called the IMMOVABLE)

4. PRICE AND DEPOSIT

4.1 PRICE The purchase price shall be _____ dollars (\$ _____),
which the BUYER agrees to pay in full upon the signing of the act of sale, unless another method of payment is provided for hereinafter. Any goods and services tax, Québec sales tax or other tax that may be imposed as a result of the sale and that is to be collected by the SELLER under the applicable taxation laws shall, upon the signing of the act of sale, be remitted by the BUYER to the SELLER for those purposes.

4.2 DEPOSIT With this PROMISE TO PURCHASE, the BUYER remits to the intermediary referred to above, as an instalment on the sale price to be paid, the sum of _____ dollars (\$ _____) by cheque payable to the order of " _____ in trust" (hereinafter called the TRUSTEE). Following the acceptance of this PROMISE TO PURCHASE, the cheque may be certified and shall be given to the TRUSTEE, who shall deposit it into a trust account until the signing of the act of sale, whereupon that sum shall be applied against the purchase price. As soon as he has deposited that sum into a trust account, the TRUSTEE shall give the depositor a receipt. Should this PROMISE TO PURCHASE become null and void, the TRUSTEE shall immediately refund the deposit to the BUYER without interest. Otherwise, the TRUSTEE may use that deposit only in accordance with this PROMISE TO PURCHASE.

5. DECLARATIONS AND OBLIGATIONS OF THE BUYER

5.1 DECLARATIONS Unless stipulated otherwise hereinafter, the BUYER has examined the IMMOVABLE and declares that he is satisfied therewith _____.

5.2 Unless stipulated otherwise hereinafter, the BUYER has also examined, where applicable, the declaration of co-ownership, including the by-laws of the IMMOVABLE, and declares that he is satisfied therewith _____.

5.3 TAXES The BUYER undertakes, after the signing of the act of sale, to pay any applicable transfer duties.

5.4 COSTS The BUYER undertakes to assume the costs of the act of sale, of its publication and of the copies required.

5.5 NON-ASSIGNABILITY The BUYER undertakes not to sell, assign or otherwise alienate his rights in this PROMISE TO PURCHASE without obtaining the prior written consent of the SELLER.

6. DECLARATIONS AND OBLIGATIONS OF THE SELLER

6.1 DECLARATIONS The SELLER declares, unless stipulated otherwise hereinafter, that :
(a) he is not aware of any factor relating to the IMMOVABLE and liable to significantly reduce the value thereof, reduce the income generated thereby or increase the expenses relating thereto, except ; _____

(b) he has not received any notice from a competent authority indicating that the IMMOVABLE does not conform to the laws and regulations in force, or any notice from an insurer, following which he has not fully remedied the defect declared in either notice, except ; _____

(c) he is not a non-resident of Canada within the meaning of the provincial and federal taxation laws ; _____

(d) the municipality concerned provides water and sewer services to the IMMOVABLE ; _____

(e) the IMMOVABLE is not part of a housing complex within the meaning of the Act respecting the Régie du logement ; _____

(f) the IMMOVABLE is not subject to the Act to preserve agricultural land ; _____

(g) the IMMOVABLE is not classified or recognized cultural property and is not situated in a historic or natural district, on a classified historic site or in a protected area provided for in the Cultural Property Act ; _____

(h) the IMMOVABLE conforms to the laws and regulations relating to protection of the environment ; _____

(i) in the case of an IMMOVABLE under lease, the SELLER makes the following declarations :

- i. the rents bring in at least _____ dollars (\$) _____ per year and the leases expire on _____ ;
- ii. no notice liable to amend the leases has been sent by any of the parties and no proceedings are pending before the Régie du logement ;
- iii. he has not received any notice from a lessee or from the spouse of a lessee to the effect that the IMMOVABLE or part thereof is used as a family residence _____ ;

(j) other declarations _____

6.2 DELIVERY OF THE IMMOVABLE The SELLER promises to sell the IMMOVABLE to the BUYER and, unless stipulated otherwise hereinafter, undertakes to deliver the IMMOVABLE in the condition that it was in when the BUYER examined it _____

6.3 COSTS RELATING TO REPAYMENT AND CANCELLATION The costs relating to the repayment and cancellation of any debt secured by hypothec, prior claim or any other real right affecting the IMMOVABLE shall be borne by the SELLER where payment of those costs will not be assumed by the BUYER. The costs relating to repayment include any penalty exigible for early repayment.

6.4 OWNERSHIP DOCUMENTS The SELLER shall supply the BUYER with a valid title of ownership, free of any debt, prior claim, hypothec, real right, charge or other restriction of private law, other than the usual and apparent servitudes of public utility, any debt affecting the IMMOVABLE of which the repayment, where applicable, is assumed by the BUYER under the terms of this PROMISE TO PURCHASE and under the following terms : _____

The SELLER shall be warrantor towards the BUYER for any violation of the restrictions of public law that affect the property and that are exceptions to the ordinary law of ownership, except _____

The SELLER shall supply to the BUYER, within a period of _____ days, an authentic copy of his title of acquisition, an authentic copy of the acts of property transfer and of the acts constituting a servitude covering a period of _____ years, as well as a certificate of location drawn up by a land surveyor and describing the current state of the property ; the cost of any new certificate of location shall be borne by the BUYER where the previous certificate proves not to have been amended. In the case of an IMMOVABLE covered by a declaration of co-ownership, the SELLER shall also supply the BUYER with the declaration of co-ownership, including the by-laws of the IMMOVABLE. In the case of an IMMOVABLE covered by a declaration of co-ownership, a certificate of location describing the divided part sold is sufficient.

6.5 DEFECT OR IRREGULARITY Should the parties be notified, before the signing of the act of sale, of any defect or irregularity whatsoever affecting the titles, or in the case of non-conformity with any guarantee of the SELLER contained herein, the SELLER shall, within 21 days following receipt of a written notice to that effect, notify the BUYER, in writing, that he has remedied that defect or irregularity at his expense or that he is unable to remedy it.

In the latter eventuality, the BUYER may, within a period of 5 days following receipt of such a notice, notify the SELLER, in writing :

- (a) that he is purchasing with the alleged defects or irregularities, in which case the SELLER'S guarantee shall be reduced accordingly, or
- (b) that he renders this PROMISE TO PURCHASE null and void, in which case the fees, expenses and costs reasonably incurred until then by any of the parties shall be borne only by the SELLER.

Where the BUYER has not availed himself of the provisions of paragraphs a or b above within the period stipulated, this PROMISE TO PURCHASE shall become null and void, in which case each party shall bear the fees, expenses and costs incurred by him until then.

6.6 INTERVENTION OF SPOUSE If part of the IMMOVABLE constitutes the SELLER'S family residence, or where rendered necessary by the SELLER'S matrimonial regime, the SELLER undertakes to remit to the BUYER, as soon as this PROMISE TO PURCHASE is accepted, either a document evidencing his spouse's consent and, where applicable, his spouse's concurrence and an undertaking by his spouse to intervene for the same purposes in the notarial act of sale, or a copy of a judgment authorizing him to sell the IMMOVABLE without his spouse's consent. Failing that, the BUYER may, by giving written notice to that effect, render this PROMISE TO PURCHASE null and void.

7. DECLARATIONS AND OBLIGATIONS COMMON TO THE PARTIES

7.1 ACT OF SALE The parties undertake to sign an act of sale before _____, notary, on or before _____ DATE. The BUYER shall be the owner upon the signing of the act of sale.

7.2 ADJUSTMENTS Upon the signing of the act of sale, all the adjustments in respect of general and special real estate taxes, co-ownership expenses, fuel reserves and income or expenses relating to the IMMOVABLE shall be made as of _____ DATE.

If the IMMOVABLE is held in divided co-ownership, there shall be no adjustments in respect of any fund whatsoever of the co-ownership.

7.3 BROKER'S REMUNERATION The parties irrevocably instruct the acting notary to withhold from the proceeds of the sale and to pay directly to _____, real estate broker, the compensation provided for in the brokerage contract awarded by the SELLER.

7.4 INCLUSIONS Included in the sale are : (a) heating, electrical and lighting installations of a permanent nature ; (b) other inclusions : _____

7.5 **EXCLUSIONS** Excluded from the sale are : (a) curtain rods and blinds ; (b) other exclusions : _____
(c) the following appliances covered by a leasing contract : _____

8. OTHER DECLARATIONS AND CONDITIONS

8.1 _____

9. ANNEXES

9.1 The provisions of the Annexes designated below are an integral part of this PROMISE TO PURCHASE :

Annex A : AA- [] [] [] [] [] [] Annex B : AB- [] [] [] [] [] [] Annex G - General : AG- [] [] [] [] [] [] Other : _____

10. CONDITIONS OF ACCEPTANCE

10.1 **The parties declare that their consent to this PROMISE TO PURCHASE is not the result of any representation or condition not contained herein.** This PROMISE TO PURCHASE is irrevocable until _____ o'clock, on _____.
If this PROMISE TO PURCHASE is accepted by that deadline, the BUYER shall be notified of the acceptance within a period of _____^{DATE} hours following that deadline. If this PROMISE TO PURCHASE is not accepted by that deadline or if the BUYER is not notified of the acceptance within the period stipulated, this PROMISE TO PURCHASE shall be null and void and the deposit referred to above and considered to be an instalment on the sale price shall be refunded to the BUYER immediately. However, if this PROMISE TO PURCHASE is accepted and notification is received within the period stipulated, this PROMISE TO PURCHASE shall constitute a contract that is legally binding on the parties.

11. MISCELLANEOUS

11.1 Nothing stipulated in this PROMISE TO PURCHASE shall be interpreted as restricting the real estate broker's right to obtain, where applicable, payment of any sums of money that may be due to him as compensation or damages according to the ordinary rules of ordinary law, particularly, but without limiting the generality of the foregoing, where a sale does not take place because the SELLER or the BUYER voluntarily blocks the sale or otherwise voluntarily prevents its conclusion.

12. INTERPRETATION

12.1 Unless the context indicates otherwise, the masculine form includes the feminine form and vice versa, and the singular includes the plural and vice versa.

SIGNATURES

BUYER The BUYER acknowledges having read and understood this PROMISE TO PURCHASE, including the Annexes, and having received a copy thereof.

Signed in _____,
on _____, at _____ o'clock.

SIGNATURE OF BUYER 1

SIGNATURE OF SPOUSE OF BUYER 1

WITNESS

SIGNATURE OF BUYER 2

SIGNATURE OF SPOUSE OF BUYER 2

WITNESS

ACKNOWLEDGMENT OF RECEIPT The BUYER acknowledges having received a copy of the SELLER'S reply.

Signed in _____,
on _____, at _____ o'clock.

SIGNATURE OF BUYER 1

WITNESS

SIGNATURE OF BUYER 2

WITNESS

SELLER'S REPLY The SELLER acknowledges having read and understood this PROMISE TO PURCHASE, including the Annexes, and having received a copy hereof.

He hereby _____ this PROMISE TO PURCHASE.
(ENTER BY HAND «ACCEPTS» OR «REFUSES»)

submits Counter-Proposal **CP-** [] [] [] [] [] []

Signed in _____,
on _____, at _____ o'clock.

SIGNATURE OF SELLER 1

WITNESS

SIGNATURE OF SELLER 2

WITNESS

INTERVENTION OF SELLER'S SPOUSE The undersigned declares that he is the spouse of the SELLER, that he consents to and, where applicable, concurs in the acceptance of this PROMISE TO PURCHASE, including the Annexes, and that he undertakes to intervene in the notarial act of sale for all legal purposes.

Signed in _____,
on _____, at _____ o'clock.

SIGNATURE OF SPOUSE OF SELLER 1

WITNESS

SIGNATURE OF SPOUSE OF SELLER 2

WITNESS