

SAMPLE CONTRACT OF PURCHASE AND SALE

This document is similar to the contract that will be used in the purchase of the property by the successful bidder.

Please read over carefully and ask us to explain anything that you are uncertain about or do not understand.

**Association of Saskatchewan REALTORS®
CONTRACT OF PURCHASE AND SALE**

Developed & Provided by the Association of Saskatchewan REALTORS®, Revised 2012

This contract is to be used only for properties of commercial nature, including farms, hotels, businesses, etc.

(Full Name of Buyer's Brokerage) (Address) (Salesperson) Work: _____
(Telephone)

I/WE _____
(Names of **Buyers**: herein called **Buyer**) (Address) (Postal Code) Home: _____
Work: _____
(Telephone)

(Names of **Buyers**: herein called **Buyer**) (Address) (Postal Code) Work: _____
(Telephone)

HEREBY OFFER TO PURCHASE from

(Names of **Sellers**: herein called **Seller**) (Address) (Postal Code) Home: _____
Work: _____
(Telephone)

(Names of **Sellers**: herein called **Seller**) (Address) (Postal Code) Work: _____
(Telephone)

through _____
(Full Name of Seller's Brokerage) (Address) (Salesperson) Work: _____
(Telephone)

the following: _____
(Legal description of land purchased) (Description of Business)

having the following Address: _____ City or R.M. _____

subject to the reservations and exceptions appearing in the existing Certificate of Title and free and clear of all encumbrances except such encumbrances as are hereafter expressly accepted for the SUM of: _____

_____ dollars

\$ _____ Sale Price to be paid as follows:

(a) \$ _____ **Deposit by cheque , cash , receipt of which by the Brokerage is hereby acknowledged and deposited within two business days of acceptance, to be held in trust, pending completion or other termination of this contract and to be credited on account of purchase money.**

(b) \$ _____ Financing (if applicable)

(c) \$ _____ (approx) **balance of cash**, to be paid subject to the adjustments herein provided, to the **Seller's** Solicitor or Brokerage of the **Seller**, or to the **Buyer's** Solicitor as the case may be, _____ days before the possession date.

(d) **Buyer** acknowledges that taxes, tax credits, payments and mortgage interest rate may be subject to revision.

1. This contract is made conditional upon the following:
(a) The obtainment by the **Buyer** of approval of a mortgage on the security of the property herein purchased in the amount and rate as herein described:

This is an unconditional Contract of Purchase and Sale

(b) This is an unconditional Contract of Purchase and Sale

and in the event said conditions have not been performed as of the N/A day of N/A, 20N/A then the deposit shall be forthwith returned to the **Buyer** and this contract shall be null and void.

2. The sale price includes the following additional terms, chattels and/or fixtures listed on attached Schedule "____". The chattels and fixtures have a value of \$ _____ and are free and clear of encumbrances other than those being assumed by the **Buyer** as set out above. PST may be applicable.

3. The **Buyer** agrees to pay to the **Seller** interest at the Bank of Canada Overnight Rate Target at the Completion Day plus 4% per annum, on any portion of the Purchase Price, less mortgages or other encumbrances assumed, not received by the **Seller**, his/her solicitor or his/her Brokerage as at the Completion Day, the interest to be calculated from the Completion Day, until monies are received by the **Seller** or his/her solicitor. The **Seller** shall have a lien and charge against the property for the unpaid portion of the Purchase Price (with interest as aforementioned).

4. **THE SELLER SHALL PAY ALL COSTS OF DISCHARGING ANY EXISTING MORTGAGE OR OTHER ENCUMBRANCES AGAINST THE PROPERTY, NOT ASSUMED BY THE BUYER.**

5. This transaction of purchase and sale shall be closed on or before twelve noon the _____ day of _____, 20____ (herein referred to as the "possession date") on which date the **Buyer** shall have POSSESSION, vacant or subject to the following tenancy, namely: (if none, state "NONE") _____

Buyer's Initials

Seller's Initials

6. **ADJUSTMENTS** re: taxes, rents, insurance, utilities, expenses and other income and outgoing, to be made as at possession date, or as follows: _____
7. The **Buyer** shall be liable for and shall indemnify and hold the **Seller** harmless from any liability relating to the GST which may be payable in respect of this transaction.
8. The **Seller** shall maintain fire insurance coverage on the property until the possession date and, if on such date remains an unpaid **Seller**, may continue to insure the property. The **Buyer** shall insure the property on and after possession.
- 9.1 If this offer is not accepted, the entire deposit and any other monies paid, without interest, shall be returned to the **Buyer**.
- 9.2 If this offer is accepted and the conditions in paragraph 1 above have not been satisfied or waived in writing by the date set forth in paragraph 1 above, the entire deposit and any other monies paid by the **Buyer** shall be forthwith returned to the **Buyer**.
- 9.3 If this offer is accepted and all conditions have been removed in writing by the date set forth in paragraph 1 above and the **Buyer** fails to execute any required conveyance or formal documents when prepared, or fails to pay any required cash payment or comply with any of the terms in this contract, this contract shall be void at the **Seller's** option. Where the defaulting party is the **Buyer**, the deposit and any other monies shall be forthwith delivered to the **Seller's** brokerage as forfeiture to the seller.
- 9.4 The **Buyer** and **Seller** agree that the provisions of this section are an agreement to disburse the trust funds pursuant to Section 16(a) of The Real Estate Regulations.
- 9.5 The disbursement of the deposit and other monies as agreed to above is not a prohibition from the **Buyer** or the **Seller** seeking a civil remedy for a breach of this contract.
10. The **Seller** and **Buyer** agree to prepare and execute promptly any documents required to complete this transaction. The **Seller** shall pay for the preparation of the Transfer of Title and the **Buyer** shall pay for the registration of the Transfer of Title under *The Land Titles Act*. The costs related to any mortgage or other financing of the purchase price, other than an Agreement for Sale, shall be paid by the **Buyer**. Costs of any Agreement for Sale shall be borne equally by the **Buyer** and **Seller**.
11. This offer is open to acceptance by the **Seller** up to _____ a.m./p.m. the _____ day of _____, 20_____.
12. **IT IS UNDERSTOOD AND AGREED** that there are no other representations, warranties, guarantees, promises or agreements other than those contained in this contract and I hereby agree to purchase the above described property as it stands at the price and terms and subject to the conditions above set forth. **TIME SHALL BE OF THE ESSENCE OF THIS OFFER/CONTRACT.**
13. Upon acceptance of this offer within the time prescribed in Section 11, this contract shall constitute a binding contract of purchase and sale and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns.
14. By signing this offer the **Buyer** acknowledges having received and read the document published by the Association of Saskatchewan REALTORS® entitled, "Agency Disclosure." The **Buyer** acknowledges having read and understood this document, that it accurately describes the agreement with the Buyer's Brokerage, and that a copy of it has been received by the **Buyer** this date.

SIGNED by the Buyer at _____ **at** _____ **a.m./p.m.** **this** _____ **day of** _____, **20** _____.

SIGNED, SEALED AND DELIVERED in the presence of _____

IN WITNESS WHEREOF I have hereunto set my hand _____

WITNESS _____

BUYER _____

WITNESS _____

BUYER _____

ACCEPTANCE AND DIRECTION TO PAY COMMISSION AND TAXES

I/WE HEREBY ACCEPT the above Offer together with all conditions contained therein and covenant to carry out the sale on the terms and conditions above mentioned. I do further acknowledge my obligation to pay commissions and all applicable federal and provincial taxes to the Seller's Brokerage pursuant to the listing agreement with respect to the property. **I/WE FURTHER HEREBY IRREVOCABLY AND UNCONDITIONALLY DIRECT AND AUTHORIZE MY/OUR SOLICITOR**, as indicated by me/us below, or any other Solicitor acting on my/our behalf in this sale, to pay the aforesaid taxes and commission, less the deposit hereby accepted, from the proceeds of the sale when releasable and this shall be and constitute my/our full and sufficient authority for so doing.

I/WE HEREBY CERTIFY that I/we are residents of Canada as defined under the provisions of Section 116 of *The Income Tax Act* and that I/we will provide satisfactory evidence of such residency.

SIGNED by the Seller at _____ **at** _____ **a.m./p.m.** **this** _____ **day of** _____, **20** _____.

SIGNED, SEALED AND DELIVERED in the presence of _____

IN WITNESS WHEREOF I have hereunto set my hand _____

WITNESS _____

SELLER _____

WITNESS _____

SELLER _____

BUYER'S SOLICITOR _____

SELLER'S SOLICITOR _____