

Investment - Contract Of Purchase & Sale

THIS OFFER TO PURCHASE made the _____

To: _____

**(Agent for the Owner of
the premises herein
described)**

Between: _____

**(hereinafter called the
“Purchaser”)**

And: _____

**(hereinafter called the
“Vendor”)**

We the undersigned hereby offer to purchase those lands and premises municipally described as _____ having a legal description and more particularly known as:

_____ **(hereinafter called the
“Lands”)**

On the following terms and conditions

1. purchase price

The PURCHASE PRICE shall be the sum of _____
dollars (\$_____) payable as follows:

(a) INITIAL DEPOSIT: Within 24 hours of acceptance of this Offer, the sum of _____ Dollars (\$_____) shall be paid to the Purchasers representative, Colliers Macaulay Nicolls Inc., to be held in an interest-bearing trust account with interest accruing to the Purchaser;

(b) FINAL DEPOSIT: A further portion of the purchase price, namely _____ Dollars (\$_____) shall be paid by the Purchaser upon the removal of the subject conditions referred to in Clause 2 by way of a cheque or bank draft made payable to Colliers Macaulay Nicolls Inc. and to be held in an interest-bearing trust account with interest accruing to the Purchaser;

(c) BALANCE OF PURCHASE PRICE: The balance of the purchase price, namely the approximate amount of _____ Dollars (\$_____) shall be payable by way of cash or solicitor's certified trust cheque at the time of closing as herein provided.

2. Vendor Responsibilities

The Vendor covenants to deliver to the Purchaser on or before Three (3) days from the acceptance of this Offer, the following material if available:

- a) a true copy of the current property tax assessment and _____ property tax bill for the Property;
- b) true copy and complete list of all chattels, equipment, machinery and other personal property ("Chattels") forming part of the operation of the Property;

- c) all land and other surveys and reports including environmental, if any, pertaining to the Property available to the Vendor;
- d) true and complete copies of all service contracts, maintenance contracts and other contracts (the "Contracts") pertaining to the operation of the Property; and
- e) true and complete copies of all permitted charges.

3. conditions precedent

This Offer is subject to the following conditions precedent being satisfied or waived IN WRITING by the Purchaser within **Ninety (90) days** following the receipt of the documents outlined in section 2 of this offer.

- (a) Subject to the Purchaser being solely satisfied with a complete development feasibility study of Lands, and an environmental review of the property. The Vendor will provide all such documents and other information that might be reasonably requested within five business days of acceptance.

If the Purchaser fails to notify the Vendor in writing that these conditions precedent have been satisfied or waived within the time specified, or by such time as may be subsequently agreed, then this Agreement will become null and void and the deposit, with accrued interest will be returned in its entirety to the Purchaser.

These conditions precedent are for the sole benefit of the Purchaser. The Purchaser has the right to waive one or all of the conditions precedent at its sole discretion within the time stipulated and proceed with the transaction herein contemplated.

4. Share and Bare Trustee Purchase

The Vendor represents and warrants that the Lands are held in a Bare Trustee

Company (_____). Following the removal of conditions in Section 3 by the Purchaser, the Purchaser shall have the option to purchase all the outstanding shares of the Bare Trustee Company relating to the Lands, on the same terms and conditions of the Offer to Purchase contained herein.

5. closing

The closing shall take place at the office of the Purchaser's solicitor at 10:00 a.m. on _____. The Purchaser shall have possession of the Lands, subject to encumbrances referred to in Clauses 4(a) and 4(b) following payment of the balance of the purchase price to the Vendor or the Vendor's solicitor on the closing date. All adjustments both incoming and outgoing with respect to rent, taxes, utilities and other items normally adjusted between a Vendor and a Purchaser with respect to the Lands, shall be made as of 12:01 a.m. on the Closing date.

The obligation of the Purchaser to complete the purchase and sale transactions herein contemplated will be subject to the condition that all of the obligations herein of the Vendor will have been performed by the Vendor in accordance with this Agreement except as may be waived in writing by the Purchaser, and that all representations, warranties, covenants and agreements in this Agreement or any document delivered in connection with the transactions herein contemplated will be true and correct at and as of the time of closing as though such representations, warranties, covenants and agreements were made at and as of the time of closing.

If the Purchaser fails or refuses to complete the purchase and sale herein contemplated after all the conditions precedent to completion by the Purchaser

have been satisfied or waived, the deposits together with accrued interest thereon shall be forfeited to the Vendor as liquidated damages as a genuine pre-estimate of its damages in full and final settlement of any claim which the Vendor may have against the Purchaser; or

If the Vendor fails or refuses to complete the purchase and sale herein, the deposits together with the accrued interest thereon shall forthwith be refunded to the Purchaser upon demand by the Purchaser, however, without prejudice to any other rights and remedies which the Purchaser may have at law or in equity.

6. vendor representations and warranties

The Vendor represents and warrants that:

(a) there are no service contracts, maintenance contracts, tenancy agreements or Lease Agreements any other contracts pertaining to the operation of the Property which are not cancelable with 60 days notice except for the month-to-month residential tenancies;

(b) from and after the date of this agreement, the Vendor shall operate, repair, replace, maintain, and manage the Property as would a prudent owner in order to maintain the existing state of repair of the Property and will remain the existing insurance in force;

(c) prior to the Closing Date, the Vendor will not enter into or modify any lease agreement without the prior written consent of the Purchaser.

(d) to the best of the Vendor's knowledge, neither the building nor the lands upon which the building is located contain or have a history of containing urea formaldehyde, asbestos, PCB transformer, or other hazardous, toxic or contaminated materials or substances, or underground storage tanks;

(e) the Vendor is the owner of the Lands and has the power to dispose of the same free and clear of all encumbrances save for reservations in the original grant from

the Crown;

(f) there are no expropriation or other proceedings by the City of Vancouver or any other department or government agency or engineering department or any utility company which has jurisdiction over the Lands which may affect the size of the Lands;

(g) there are no outstanding orders against the Lands by the Fire Warden, Health Department, Building or Engineering Departments of the City of Vancouver or any other department or government agency which has jurisdiction over the Lands;

(h) the buildings are located on the Lands are wholly situate within the boundaries of the Lands and comply with all by-laws and requirements of governmental and public authorities;

(i) the Lands will be free and clear of all liens, charges and encumbrances at the time of closing save as aforesaid;

(j) subject to and without in any way limiting the other representations and warranties herein contained, the Lands will be maintained and transferred to the Purchaser in the same condition as inspected by the Purchaser pursuant to Sub-clause 2(a) ;

(k) the Vendor is a resident of Canada within the meaning of the Income Tax Act;

(l) at the time of closing, the Vendor shall deliver a certificate executed by a senior officer of the Vendor familiar with the Lands stating that at such time the above representations and warranties continue to be true and correct or, if not true and correct, stating details thereof; and

(m) the property is not affected by any environmental pollutants or other hazardous

materials.

(n) The Vendor will provide all such documents and other information, which might be reasonably requested within five business days of acceptance.

7. assignment

It is understood and agreed that the Purchaser shall have the right to assign its rights and obligations under this agreement or direct a transfer of the Lands to another individual or corporate body, in such case the Purchaser shall remain liable in respect of its obligations hereunder.

8. general

(a) Time shall be of the essence of this Agreement.

(b) This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.

(c) It is understood that there are no representations, warranties, guarantees, promises or agreements other than those contained in this Agreement.

(d) All deposits will be placed in an interest-bearing trust account with interest to accrue to the Purchaser.

9. liability of damage to lands

The lands shall be at the risk of the Vendor until the time of the closing of the sale and purchase of the Lands, and thereafter at the risk of the Purchaser.

In the event of damage to the Lands occurring before the time of closing by reason

of fire, tempest, lightning, earthquake, flood or other Act of God, fire, explosion, riot, civil commotion, insurrection or war, then the Purchaser may, at its option:

- (a) cancel this Agreement in which case the deposit shall be returned to the Purchaser; or
- (b) close the sale and require the Vendor to assign to the Purchaser the proceeds of any insurance claim.

10. closing documents

The Vendor will convey the Lands to the Purchaser by delivering to the Purchaser at or before the time of closing a freehold transfer (the "Transfer") in registerable form. The Purchaser shall bear the cost of the conveyance, and the Vendor shall bear the cost of clearing title of any charges and shall be solely responsible for any real estate commission payable.

At least three business days prior to the day of closing the Purchaser shall cause its solicitors to prepare and deliver to the Vendor all documents reasonably required by the Vendor's solicitors to complete this transaction in accordance with its terms including the Transfer, a statement of adjustments, an assignment of the Vendor's interest in any outstanding guarantees, warranties or indemnities with respect to the Lands, any documents and certificates referred to herein and such other documents as may be reasonably necessary for more perfectly and absolutely transferring, assuring and vesting title to the Lands in the Purchaser as contemplated hereby.

If the Vendor has existing financial charges to be cleared from title the Vendor, 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 Purchaser shall pay the purchase price to a lawyer or notary in trust, on undertakings to pay and discharge the financial charges and remit the balance, if any to the Vendor.

If the Purchaser is relying upon a new mortgage to finance the purchase price the Purchaser, while still required to pay the purchase price on the completion date, may wait to pay the purchase price to the Vendor 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 Purchaser has: (a) made available for tender to the Vendor 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 Vendor, 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.

11. Miscellaneous

The Purchaser shall, during the period following acceptance of this Offer to Purchase, have the right to enter the Property to inspect the building and improvements and conduct soils surveys or tests thereon, and the Purchaser covenants and agrees with the Vendor to restore the Property to the condition in which they existed at the date of this Offer to Purchase and will indemnify the Vendor for any loss or damage incurred, in the event the Purchaser does not complete the purchase of the Property on the closing date.

The Vendor shall co-operate with the Purchaser in all respects in connection with the development of the Lands, and without limiting the foregoing, shall execute any applications and forms of approvals, licenses and permits as may reasonably be requested by the Purchaser as part of an application to develop

the Lands provided that all associated costs shall be borne by the Purchaser. The Vendor agrees not to publicly oppose nor take any action which may negatively impact the development of the Lands.

12. disclosure

The Vendor and the Purchaser acknowledge and agree that:

- (i) in accordance with the Code of Ethics of the Canadian Real Estate Association, Colliers Macaulay Nicolls Inc. (the “Agent”) has disclosed that it is representing the Purchaser in the transaction described in this Agreement and Remax Crest Realty (the “Agent”) has disclosed that it is representing the Vendor in the transaction described in this Agreement;
- (ii) the Agents, in order to accommodate the transaction described in this Agreement, were and are entitled to pass any relevant information they receive from either party or from any other source to either of the parties as the Agents see fit, without being in conflict of their duties to either party; and
- (iii) the Vendor shall pay a commission and compensation of Three Percent (3%) of the purchase price due to the Agents pursuant to the transaction described in this Agreement.

13. consideration

For good and valuable consideration of \$10.00 hereby given by the Purchaser and received by the Vendor, the Vendor hereby agrees that its acceptance of this offer will not be withdrawn or revoked before the date and time for subject removal.

14. binding agreement

Upon acceptance by both the Purchaser and the Vendor this offer shall constitute a binding agreement for the purchase and sale of the Lands on the terms and conditions contained herein.

15. date of acceptance

This Offer to Purchase is irrevocable and shall be open for acceptance by the Vendor up to 4:00 p.m. on _____ and, upon acceptance by the Vendor, will constitute a binding agreement for the purchase and sale of the said Lands on the terms and conditions contained herein. In the event that this Offer to Purchase is not accepted by the Vendor on or before the aforesaid time and date, then this Offer to Purchase shall be null and void.

IN WITNESS WHEREOF the Purchaser has executed this Offer the day and year first above written.

_____.

Per:

(Authorized Signatory)

(Name and Title)

Witness

THE VENDOR HEREBY ACCEPTS the above offer on the terms and conditions set out above, this _____ day of _____, _____.

Per:

(Authorized Signatory)

Witness

(Name and Title)

Schedule "A"
Title Search Of Lands

