

CONTRACT OF PURCHASE AND SALE OF A MANUFACTURED HOME ON A RENTAL PAD

INFORMATION ABOUT THIS CONTRACT OF PURCHASE AND SALE

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. **MANUFACTURED HOME:** (Clauses 4 and 5) It is up to the Buyer to obtain and review the Park Rules, if any, in effect for the Manufactured Home Park. If the consent of the Manufactured Home Park Owner is required under the terms of the Pad Tenancy Agreement, the consent must be obtained before the sale can be completed. The Buyer and Seller are required to apply to the Park Owner for consent, and must use a government-prescribed form for this purpose. (www.rto.gov.bc.ca/documents/RTB-10.pdf). Both must complete and sign the form, and the Seller must deliver the form to the Park Owner, who then has 10 days to give or withhold consent to the Buyer. It is essential that the Seller and Buyer follow the procedure for application for consent carefully and completely. If consent is withheld by the Park Owner, this contract is at an end.
4. **COMPLETION:** (Clause 6) Unless the parties are prepared to actually meet at the Manufactured Home Registry 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'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.
 - (b) 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.
 - (c) The Buyer's Lawyer or Notary then attends to the deposit of the signed title documents (and any mortgages) in the Manufactured Home Registry.
 - (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.
5. **POSSESSION:** (Clause 7) The Buyer should make arrangements through the real estate licensee 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 *Manufactured Home Park Tenancy Act*.
6. **INCLUDED ITEMS:** (Clause 9) The contract should stipulate the outbuildings (garage/carport, shed, lean-to, patio, entrance way, etc.) that are NOT to be sold, by listing them in the "EXCLUDING" portion. Otherwise, all outbuildings will be included.
7. **TITLE:** (Clause 11) 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 the Pad Area or by the Unit and auxiliary structures 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 Clause 11, which are staying on title before becoming legally bound. If you as the Buyer are taking out a mortgage against the Unit, make sure that title, and if necessary, 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.

8. CUSTOMARY COSTS: (Clause 17) 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:	Lawyer or Notary Fees and Expenses:	Costs of Mortgage, including:
- attending to execution of documents.	- searching title,	- mortgage company's Lawyer/Notary,
Costs of clearing title, including:	- investigating title,	- appraisal (if applicable),
- discharge fees charged by encumbrance holders,	- drafting documents,	- Manufactured Home Registration fees.
- prepayment penalties.	- Manufactured Home Registration fees.	Fire Insurance Premium.
Real Estate Commission.	Survey Certificate (if required).	Sales Tax (if applicable).
	Goods and Services Tax.	Goods and Services Tax.
		Cost of getting owner's consent.

9. RISK: (Clause 18) The Buyer should arrange for insurance to be effective on the earlier of the Completion Date or the date the Buyer pays the balance of the funds into trust. The Seller should maintain the Seller's insurance in effect until the later of the date the Seller receives the proceeds of sale, or the date the Seller vacates the Unit.

10. FORM OF CONTRACT: This Contract of Purchase and Sale is designed primarily for the purchase and sale of manufactured homes on rented pads. If your transaction involves:

- a house or other building under construction
- a lease
- a business
- an assignment
- a freehold residence
- a manufactured home on a bare land strata lot also being purchased
- a manufactured home that is to be relocated at Completion
- other special circumstances (including the acquisition of land situated on a First Nations reserve)

additional or different provisions, not contained in this form, may be needed, and professional advice should be obtained.

11. ALTERNATE DISPUTE RESOLUTION: Parties to this contract may pursue alternate dispute resolution if a dispute arises after completion of the transaction. It is recommended that the parties first mediate the dispute. Failing agreement to mediate, or if the mediation fails, then disputes can be submitted to an arbitration under the *Commercial Arbitration Act*. BCREA member boards can provide guidance on the selection of mediation and arbitration services in your area.

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I. SELLER'S DISCLOSURE – CLAUSE 4

- (a) For the purpose of this contract, there is no significant difference between the Seller providing disclosure at acceptance and the Seller providing disclosure after acceptance. In either case, the Buyer does not have the information when making the offer.
- (b) If the licensee / Buyer HAS received the disclosure – information about the Pad Tenancy Agreement and the Park Rules - before making the offer, then the licensee ticks the box marked “discloses” in the 1st line of CLAUSE 4 and all the boxes in (a) and (b) that are appropriate at the time of making the offer, and all parties initial at that time.
- (c) If the licensee / Buyer HAS NOT received the disclosure – information about the Pad Tenancy Agreement and the Park Rules - before making the offer, then the licensee ticks the box marked “shall provide” in the 1st line of CLAUSE 4, and no other boxes at the time of making the offer, and the following subject clause should be used. After the offer is made, the Seller or listing agent fills out the boxes in (a) and (b) as required, and has the Seller initial, and then presents the completed offer and the disclosure to the Buyer for review and acceptance. Acceptance is done by the Buyer initialing, and both parties signing a subject removal form.

SUBJECT REMOVAL CLAUSE – SELLER'S DISCLOSURE (Not available at time of offer)

“Subject to the Buyer:

- (a) receiving the Seller's Disclosure as required under CLAUSE 4 of this Contract, within 48 hours of acceptance by the
- (b) reviewing and approving the Seller's Disclosure as required under CLAUSE 4 of this Contract, within 48 hours of delivery to the Buyer.

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

II. PARK OWNER'S CONSENT – CLAUSE 5

- (a) If the Park Owner's consent is required under the Pad Tenancy Agreement, a request must be made by the Seller in the BC Housing Department's form.
- (b) The Park Owner has 10 days to respond to the Seller's request for consent to assignment of the Pad Tenancy Agreement.
- (c) As a matter of completeness for all parties, the following subject may be used, so that satisfaction of the true condition precedent (by the Park Owner giving consent) may be recorded and the parties made aware.

SUBJECT REMOVAL CLAUSE – PARK OWNER'S CONSENT

“Subject to the Park Owner giving written consent to the assignment of the Pad Tenancy Agreement on or before _____ yr. _____. This condition is a true condition precedent, and can only be satisfied by the Park Owner giving consent.”



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PREPARED BY: _____ DATE: _____
(BROKERAGE – PLEASE PRINT)

ADDRESS: _____ PC: _____ PHONE: _____

PER: _____ MLS® No: _____
(LICENSEE – PLEASE PRINT)

SELLER: _____	BUYER: _____
SELLER: _____	BUYER: _____
ADDRESS: _____	ADDRESS: _____
_____ PC: _____	_____ PC: _____
PHONE: _____	PHONE: _____
RESIDENT OF CANADA <input type="checkbox"/> NON-RESIDENT OF CANADA <input type="checkbox"/> as defined under the <i>Income Tax Act</i> .	OCCUPATION: _____

MANUFACTURED HOME ON A RENTAL PAD:

_____ (“Unit”)
Registration No. Serial No. CSA or BC Electric No.

Description: _____
Year Make Model

PAD LOCATION:

_____ (“Manufactured Home Park”)
Name of Manufactured Home Park

Site No. Street City/Town/Municipality Postal Code

_____ (“Park Owner”)
Owner of Manufactured Home Park

Address of Park Owner

The Buyer agrees to purchase the Unit and take an assignment of the existing agreement for rental of the Pad Location (“Pad Tenancy Agreement”, and collectively with the Unit, the “Property”) from the Seller on the following terms and subject to the following conditions:

1. **PURCHASE PRICE:** The purchase price of the Property will be _____
_____ DOLLARS

\$ _____ (Purchase Price)

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2. **DEPOSIT:** A deposit of \$ _____ which will form part of the Purchase Price, will be paid on the following terms:

All monies paid pursuant to this clause (Deposit) 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 or the Park Owner withholds consent under Clause 5, the money should be returned to such party as stakeholder or paid into Court.

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*.

4. **MANUFACTURED HOME PROVISIONS:** The Seller has disclosed shall provide within 48 hours of acceptance of this offer, the following information (the "Seller's Disclosure") to the Buyer, and if disclosed after the Buyer signs this offer, the Buyer shall have 48 hours from delivery to the Buyer to review and approve the Seller's Disclosure, in which case when reviewed and approved by the Buyer, the Seller's Disclosure shall be incorporated into and form part of this contract:

- (a) there is / is not a written Pad Tenancy Agreement for the Pad Location, and if there is, a copy is attached / will be provided by the Seller to the Buyer within 48 hours of acceptance of this offer; and
- (b) there are / are not written rules for the Manufactured Home Park ("Park Rules"), and if there are, a copy is attached / will be provided by the Seller to the Buyer within 48 hours of acceptance of this offer.

The Seller will comply with the *Manufactured Home Park Tenancy Act* and Regulations, including providing the Buyer with a copy of each of the Pad Tenancy Agreement (if written) and the Park Rules, if any. The Seller represents that: (i) the Seller is not now and will not at the Completion Date be in breach of the Pad Tenancy Agreement, (ii) that the Park Owner is not entitled to terminate the Pad Tenancy Agreement, and (iii) that the Park Owner has not given notice to terminate the Pad Tenancy Agreement. The Seller will comply at all times with the Pad Tenancy Agreement until the Buyer obtains possession at the Possession Date.

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- 5. **PARK OWNER'S CONSENT:** Where the Park Owner's consent is required, the Seller shall, within five (5) days of acceptance of this offer, prepare, and within two (2) days of the Seller providing the form, the Seller and Buyer will sign a request for the consent of the Park Owner to the assignment of the Pad Location and the Pad Tenancy Agreement from the Seller to the Buyer using the government approved form for this purpose (the "Consent Request"); the Seller will deliver the Consent Request to the Park Owner; both parties shall promptly provide such information as the Park Owner may properly request for this purpose. The consent of the Park Owner is a true condition precedent and if the Park Owner does not provide consent on or before _____, yr. _____, this contract shall become void and the deposit shall be returned to the Buyer unless the parties agree otherwise.
- 6. **COMPLETION:** The sale will be completed at the Manufactured Home Registry and the assignment of the Pad Tenancy Agreement shall be effective on: _____, yr. _____ (Completion Date).
- 7. **POSSESSION:** The Buyer will have vacant possession of the Property at _____ a.m./p.m. on _____, yr. _____ (Possession Date) OR, subject to the following existing tenancies, if any:
- 8. **ADJUSTMENTS:** The Buyer will assume and pay pad rental and any other Manufactured Home Park fees, and all taxes, rates, local improvement assessments, fuel, utilities and other charges (if any), 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).
- 9. **INCLUDED ITEMS:** The Purchase Price includes assignment of the Pad Tenancy Agreement and the following ("Included Items"): all outbuildings, being any garage/carport, shed, lean-to, patio, entrance way and similar structures located on the Pad location, UNLESS listed in "Excluding" below, and all improvements to the Unit and outbuildings, 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:

EXCLUDING: _____

- 10. **VIEWED:** The Unit and the Included Items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on _____, yr. _____.
- 11. **TITLE:** Title to the Unit shall be free and clear of all encumbrances except existing tenancies set out in Clause 7, if any, and except as otherwise set out herein.
- 12. **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.
- 13. **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 Manufactured Home Registry by 4 pm on the Completion Date.

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- 14. TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement 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 absolutely forfeited to the Seller in accordance with the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
- 15. 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 Manufactured Home Registry, 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 as amended to reflect the transfer of the Unit rather than real property (the "CBA Mobile Homes Standard Undertakings").
- 16. 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 Mobile Homes Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 17. 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.
- 18. RISK:** The Unit and the Included Items will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Unit and the Included Items will be at the risk of the Buyer.
- 19. 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.
- 20. 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.
- 21. 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 Clause 22, 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 that Multiple Listing Service®, of personal information about the Buyer and the Seller:
- for all purposes consistent with the transaction contemplated herein;
 - 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;
 - for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®*.

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22. AGENCY DISCLOSURE: The Seller and the Buyer acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled Working With a REALTOR® and acknowledge and confirm as follows:

A. the Seller has an Agency relationship with

_____ and _____
BROKERAGE LICENSEE

B. the Buyer has an Agency relationship with

_____ and _____
BROKERAGE LICENSEE

C. the Buyer and the Seller have consented to a limited dual agency relationship with

_____ and _____
BROKERAGE LICENSEE

_____ LICENSEE

having signed a Limited Dual Agency Agreement dated _____

If only (A) has been completed, the Buyer is acknowledging no agency relationship. If only (B) has been completed, the Seller is acknowledging no agency relationship.

23. 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.

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

25. OFFER: This offer, or counter-offer, will be open for acceptance until _____ o'clock a.m./p.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.

X WITNESS BUYER SEAL PRINT NAME
X WITNESS BUYER SEAL PRINT NAME

26. 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 cash 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. _____

X WITNESS SELLER SEAL PRINT NAME
X WITNESS SELLER SEAL PRINT NAME