

Residential Real Estate

Top 3 Clauses to insert in the Standard Purchase and Sale Agreement

1. Completion of a home inspection and for condominiums the right to examine, and approval of, the estoppel certificate and condominium documents ;
2. Requirement to pay interest accrued on the deposit, especially if there is a long time before the closing date;
3. Condition that the purchaser obtains satisfactory financing from a third party lender.

Other issues to consider:

4. Condition requiring the sale of the purchaser's existing home, or a condition that the purchaser be released from a prior agreement to buy a home;
5. Obtaining a committee of adjustment consent to the severance of the property or to a minor variance, the issuance of a building permit for the renovation of the property or the completion of an addition to the building, the rezoning of the property to permit a varied use, etc;
6. Requiring an up-to-date survey of the property of the date of acceptance of the offer;
7. Description of any tenancies to be assumed by the purchaser on closing;
8. Warranty that the property has never been insulated with urea formaldehyde, and that the warranty shall survive closing of the transaction;
9. New Homes confirmation regarding a) registration of the builder and the dwelling unit with the Ontario New Home Warranty Program; b) registration status of the plan of subdivision; and c) status of the building permits;
10. For new home purchases liability for GST and the mechanics of payment;
11. Particulars of any easements or encroachments.