

**NOTE** – This form is to be used, where applicable, to supplement the mandatory form of the promise to purchase concerning a residential immovable.

**F1. REFERENCE TO THE PRINCIPAL FORM**

**F1.1** The conditions set out in this Annex form an integral part of promise to purchase PP [ ]-[ ]-[ ]-[ ]-[ ]-[ ] concerning the IMMOVABLE located at the following address: \_\_\_\_\_.

**F2. OPTIONAL CONDITIONS**

**IN THIS SECTION, ONLY THE CONDITIONS IDENTIFIED BY A CHECK MARK FORM AN INTEGRAL PART OF THIS ANNEX.**

**F2.1 – PROOF OF AVAILABILITY OF FUNDS OR EQUITY IN CASE OF CASH PURCHASE**

The BUYER undertakes to provide to the SELLER within \_\_\_\_\_ days following acceptance of the promise to purchase:

- any document demonstrating that he has the necessary funds to cover the purchase price;
- any document demonstrating that he has accepted, for an immovable of which he is the owner, a promise to purchase in which all conditions have been fulfilled, excluding the signing of the deed of sale before a notary, as well as a letter from the lending institutions indicating the balance of the loan secured by hypothec on this immovable.

Should the BUYER fail to provide these documents within the time period specified above, the SELLER shall have the right to render the promise to purchase null and void by sending written notification to the BUYER to this effect within four (4) days following the expiry of this time period. The promise to purchase shall become null and void from the time of receipt of such notification by the BUYER. Should the SELLER fail to notify the BUYER within the time period and in the manner specified above, he shall be deemed to have waived the benefit of this condition.

**F2.2 – PENALTY**

Despite the terms of clause \_\_\_\_\_ of the promise to purchase, in the event that the signing of the deed of sale does not take place on \_\_\_\_\_ DATE because the BUYER voluntarily blocks it or otherwise voluntarily prevents it from occurring, the amount of \$ \_\_\_\_\_ held in trust by \_\_\_\_\_ NAME OF BROKER OR AGENCY IN TRUST shall be remitted to the SELLER as liquidated damages.

**F2.3 – ASSUMING OF EXISTING HYPOTHECARY OBLIGATIONS**

**F2.3.1 – TERMS AND CONDITIONS**

The BUYER undertakes to take in good faith, as soon as possible and at his expense, all steps necessary to obtain the hypothecary creditors' consent, where such consent is required, for the BUYER to assume the hypothecary obligations relating to the following loans:

- a) a loan having a balance of approximately \$ \_\_\_\_\_, secured by a \_\_\_\_\_ rank hypothec held by \_\_\_\_\_; that loan, which bears interest at the rate of \_\_\_\_\_ % per annum (calculated semi-annually and not in advance), is payable in instalments of \_\_\_\_\_ (combining principal and interest), the balance becoming due on \_\_\_\_\_.
- b) a loan having a balance of approximately \$ \_\_\_\_\_, secured by a \_\_\_\_\_ rank hypothec held by \_\_\_\_\_; that loan, which bears interest at the rate of \_\_\_\_\_ % per annum (calculated semi-annually and not in advance), is payable in instalments of \_\_\_\_\_ (combining principal and interest), the balance becoming due on \_\_\_\_\_.

**F2.3.2 – CONSENT**

The BUYER undertakes to supply to the SELLER, within \_\_\_\_\_ days following acceptance of the promise to purchase, a copy of the hypothecary creditors' consent. The receipt of such consents within that period shall have the effect of fully satisfying the conditions set out in F2.3.1.

**F2.3.3 – ABSENCE OF CONSENT**

In the absence of proof of such consents, the SELLER may, within a period of five (5) days following the expiry of the period provided in F2.3.2 or following receipt of a notice of refusal:

- a) himself request, for and on behalf of the BUYER, the hypothecary creditors' written consent for the BUYER to assume the SELLER'S hypothecary obligations. Should the BUYER not succeed in obtaining such written consents within a period of five (5) days, the promise to purchase shall become null and void. However, the receipt of such consents within that period shall have the effect of fully satisfying the conditions of this section; or
- b) render the promise to purchase null and void by giving notice in writing to that effect.

Where the SELLER does not avail himself of the provisions of paragraphs (a) or (b) above within the specified time period, the promise to purchase shall become null and void.

**F2.4 – BALANCE OF THE SALE PRICE**

**F2.4.1 – TERMS AND CONDITIONS**

The BUYER shall pay to the SELLER the balance of the sale price of \$ \_\_\_\_\_ as referred to in clause 5.5 of the promise to purchase, which shall be secured by a \_\_\_\_\_ rank hypothec subsequent to one or more hypothecs securing a loan having a capital of not more than \$ \_\_\_\_\_; this balance of the sale price shall bear interest at the rate of \_\_\_\_\_ % per annum (calculated semi-annually and not in advance), calculated according to an amortization plan of \_\_\_\_\_ years, the balance becoming due in a minimum of \_\_\_\_\_ years.

The BUYER shall, at any time, have the right to reimburse in advance, without penalty, all or part of the balance, as long as such reimbursement is by instalments of \$ \_\_\_\_\_ or any multiple thereof.

**F2.4.2 – GUARANTEE AND PRIOR CLAIM**

The deed of sale shall contain a resolutive clause, the clauses usually guaranteeing payment of a balance of the sale price of an immovable, and a clause whereby the SELLER consents to giving up priority of rank should a new hypothec be created in accordance with clause 6.1 of the promise to purchase, or should a hypothec already ranking ahead of the balance of the sale price be renewed or replaced, provided that the balance of the loans secured by such hypothecs is not increased and the BUYER is not in default of fulfilling his obligations.

The BUYER'S first rank hypothec can only be an hypothec with a fixed amortization without a clause allowing him or her to re-borrow from capital. This hypothec can only secure one term debt, excluding future debts and credit lines.

If the SELLER must consent to give up his priority of rank should the property be refinanced by the BUYER, the SELLER shall not be required to give up his rank for a capital amount greater than the outstanding balance on the current first rank hypothec.

**F2.4.3 – TRANSFERABILITY**

This balance of the sale price shall not be transferred without the prior written consent of the SELLER.

**F3. ADDITIONAL TERMS AND CONDITIONS**

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**F4. INITIALS (ALL COPIES MUST BEAR INITIALS)**

BUYER 1	BUYER 2	WITNESS	SELLER 1	SELLER 2	WITNESS