1. PARTIES: The parties to this Option Agreement (“the Option” or “this Option) are firstly,

**Name OF BUYER** who hold this Option (the “Optionee”)

and secondly,

**NAME OF SELLER** who owns the this Land (or OPTION ON THIS LAND) described in this Option (the “Optionor”).

1. LAND: The Land subject to this Option is land, buildings, fixtures and all attached goods, which is the subject of this Agreement and municipally described as: **ADDRESS**

and legally described as:

Strata Lot (if condo)

Section

Strata Plan

Lot Block Plan

PID: PID ##

1. INCLUDED ITEMS: THE PURCHASE PRICE INCLUDES any buildings, improvements, 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 Optionee at the date of inspection, TOGETHER WITH:

**Appliances???**

1. TERM OF OPTION:
	1. THE TERM of this Option to purchase the Land shall commence on **BEGIN DATE** and expires on  **END DATE**“the Term”. Optionee shall have the right to purchase said Land from the Optionor for a total purchase price of **$PRICE**
	2. There shall be no further extension of the Term without the written consent of the Optionor, which may be held without reason; provided consent is provided, the Optionor may require such consent to be conditional on such additional payment or other consideration as the Optionor, in the Optionor’s sole discretion, determines.
2. During the term of the Option, the Optionor shall maintain the Optionor’s mortgage registered against the title to the Property in good standing and to pay and satisfy all financial and other obligations thereunder.

If the Optionor commits an act of breach or default under such a mortgage, or receives a notice of default or demand from any mortgage lender, or otherwise allows a lien, judgment, or other financial encumbrance of any kind to be registered against title to the Property, the Optionor agrees to immediately provide the Optionee with notice thereof and to remedy the breach or default and remove or discharge the encumbrance within 21 days of the Optionor becoming aware of it or within 14 days of receiving notice from the Optionee to do so, whichever first occurs.

If the Optionor fails to remedy the breach or default or to discharge the encumbrance before the expiry of such period, the Optionee may, at the Optionee’s discretion:

1. take such steps the Optionee deems necessary or reasonable to protect the Optionees interests, including without limitation, exercising its option to purchase or acting to remedy the breach or default or to apply to pay or discharge an encumbrance, or to keep the mortgage in good standing, as the Optionee sees fit; provided that any expenditures incurred or amounts paid by the Optionee in the exercise of the option which would not otherwise have been incurred during that process, or to remedy the breach or default or to discharge an encumbrance or to keep the mortgage in good standing, including without limitation, actual legal expenses on a solicitor and own client basis, shall be deemed to be a payment towards the purchase price of the Property under the Option Agreement and be set off from such purchase price on completion of the purchase of the Property;

OR, terminate this option agreement as a result of the Optionor’s breach of this agreement, in which case notwithstanding anything else contained herein, the Optionor agrees that upon such termination, the Optionor is obligated to refund to the Optionee any amount paid by the Optionee to the Optionor as consideration for the option to date.

1. If the land is Used housing, HST is not payable on the Purchase Price. N/A
2. OPTION CONSIDERATION: The consideration payable to the Optionor for this Option shall be called the “Option Deposit”. Subject to the provisions of clause 6 herein, the Option Amount shall be NON-REFUNDABLE under any circumstances and it shall be $OPTION DEPOSIT (MAY INCLUDE MONTHLY OPTION PAYMENTS payable as follows:
	1. The sum of $**REMAINING BALANCE AT END OF TERM** shall be paid at the end of the Term. The Option to purchase price will be payable to **OPTIONOR**

All Option amounts become due and payable in full upon exercising the option.

1. CREDIT TOWARD PURCHASE PRICE OR FORFEITURE OF OPTION AMOUNT:
	1. If the Option is properly exercised and the Optionee does not thereafter commit breach of this option Agreement and completes of the purchase pursuant to the Option, the amounts paid shall be applied toward the down payment or closing costs.
	2. If this Option Expires, or if the Optionee fails to property exercise this Option as provided herein, or if the Optionee commits an act of default in payment of any installment of the Option Amount or fails to comply with any other provision or covenant of this Option, or if the Optionee fails to comply with any provision or covenant of any other agreement between the Optionor or the Optionee, then in any such case and notwithstanding anything else contained herein, this Option shall be considered expired or terminated and or void, as the case may be.

Subject to provisions in clause 4, upon the expiry or earlier termination, and the Optionee automatically forfeits all his/her rights granted by this Option to purchase the land without recourse against the Optionor on any grounds whatsoever.

If the Optionee is also a tenant under a separate Lease of the Lands which is not part of this Option, Optionee agrees to immediately and mutually terminate any Fixed Term Tenancy, at the sole discretion of the Optionor.

1. LAND MAINTENANCE AND REPAIRS: The Optionee shall be responsible to properly care for the land and Included Items and to repair and maintain it as a diligent property owner would normally do. The Optionee, at the Optionee’s sole expense, shall be responsible for all maintenance of the land and its repairs.

If Optionee or Optionee’s guests or tenants negligently or intentionally cause damages to the property, Optionee is responsible for the full repair.

1. IMPROVEMENTS: If the Optionee desires to make any improvements to the property, Optionee shall obtain Optionor’s written permission to do so and any such improvements shall comply with the then current Building Code and shall be carried out by a professional.

Any capital or major improvement done to the property by the Optionee will be paid for by the Optionee at the Optionee’s sole expense and becomes part of the Optionor’s property. Optionee shall not be entitled to any compensation at any time for such improvements to the Property. Optionee shall arrange and pay for any building permits (if required) and to arrange and pay for all necessary inspections. Optionee shall pay, before delinquency, all costs for work done or caused to the Property which could result in any lien or encumbrance on the Property and shall keep title to the Property free and clear of any lien or encumbrance in respect to such work and shall indemnify and hold harmless Optionor against any claims, loss, costs, demand or legal or other expense arising out of the supply of materials, services or labour for such work.

If the Optionee allow a lien or other encumbrance to be registered against the Land contrary to this Agremeent, Optionee shall take immediate steps to have the same discharged and to pay any and all Optionor’s actual legal expenses and other costs incurred to deal with the same.

1. NOTICE TO EXERCISE OPTION: Subject to this agreement, this Option shall only be exercised by the Optionee providing written notice of exercise of this Option to the Optionor no later than 60 days prior to the expiry of the Term of the Option (the “Notice of Exercise of Option”).

Once Notice of Exercise of Option is given to the Optionor, this Option shall comprise a contract of purchase and sale of the Land and such purchase and sale shall be completed 60 days after delivery of such Notice of Exercise of Option (the “Closing Date”)

* 1. A condition precedent to the Optionee being able to exercise this Option shall be that the Optionee must fully comply with all the terms and conditions of any other agreement between the Optionor and the Optionee, whether it relates to the Land or not.
	2. A further condition precedent to the Optionee being able to exercise this Option shall be that the Optionee must fully comply with all the terms and conditions of this Option.
1. FINANCING: Prior to providing Notice of Exercise of Option, the Optionee shall obtain approval for whatever 3rd party financing required to enable the Optionee to pay the adjusted balance of the Purchase Price to the Optionor on the Closing Date OR may sell the property, whichever the Optionee prefers.
2. CLOSING PROCEDURE: At least 5 business days prior to the Closing Date:
	1. The Optionee will prepare and deliver to the Optionor the standard closing documents as per the standard B.C. “Residential Real Estate Contract” developed by or for the local real estate board applicable to where the Land is situated, which contract is used for purchase and sale transactions of real Land.
	2. If the Optionee is also a tenant under a separate Lease of the lands which is not part of this Option, then the rent payable for the month of closing shall not be prorated and is due in full for the entire month. If this Option is exercised, any fixed Term Tenancy between the parties which is a separate contract from this Option will come to an end on the Closing Date (**CLOSING DATE**) unless otherwise agreed in writing by both parties.
	3. All documents required to give effect to this Contract will be delivered in registerable form where necessary and shall be lodged for registration in the appropriate Land Title Office on or before Completion Date.
	4. If the Optionee is relying upon a new mortgage to finance the Purchase Price, the Optionee, while still required to pay the Purchase Price on completion date, may wait to pay the Purchase Price to the Optionor until after the transfer and new mortgage have been lodged for registration in the appropriated Land Title Office, but only, if, before such lodging, the Optionee has: a. made available for tender to the Optionor that portion of the Purchase Price not secured by the new mortgage, and b. fulfilled all the new lender’s conditions for funding except lodging the mortgage for registration, and c. made available to the Optionor a lawyer’s or notary’s undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage and the advance by the mortgagee of the mortgage proceeds.
	5. If the Optionor has existing financial charges to be cleared from title, the Optionor, while still required to clear up such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Optionee may pay the purchase price to a lawyer or notary in trust, on undertaking to pay and discharge the financial charges, and remit the balance, if any, to the Optionor.
	6. Optionee understands that it is their responsibility to pay the Property Transfer Taxes upon exercising this Option.
3. TITLE: Subject to this Agreement, when title to the Land is transferred to the Optionee, such title shall be free and clear of all encumbrances except: subsisting conditions, provisions, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way, in four of utilities and public authorities, building schemes, easements, existing tenancies, if any and any other Non-Financial charge except as otherwise set out herein.
4. RISK: Subject to this Option, all buildings on the Land and all other items included in the purchase and sale will be and remain at the risk of the Optionor until 12:01 am on the Closing Date. After that time, the Land and all included items will be at the risk of the Optionee. Optionor will take out and maintain full replacement cost insurance on the property until the Closing date and the Optionee will take out and maintain a Standard Tenants Package.

If the property is substantially damaged prior to the Closing Date due to fire, natural causes such as storm or earthquake, structural collapse, or other reason and by virtue of such damage, it becomes uninhabitable, then the Optionor shall, within 30 days upon receiving of notice in writing from the Optionee to do so, refund Optionee the entire Option Consideration paid to the date of such election in full satisfaction of the termination for this Option Agreement, and neither party will have any further recourse against the other with respect to this Option.

1. RISK: OPTIONEE AND Optionor are aware that the Fair Market Value of this option may or may not be more or less than the Option Exercise Price at the time of exercising the Option. Optionee and Optionor further acknowledge that the option price is locked and cannot be increased during the Option Term.
2. ADJUSTMENTS: The Optionee will assume and pay all Land taxes, rates, local improvement assessments, and other charges from, and including the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the Closing Date.
3. ASSIGNMENT BY OPTIONEE: This agreement may be assigned, transferred or sold by the Optionee to another party at any time during the term of this Option with the written consent of the Optionor, which consent shall not be unreasonably withheld by the Optionor. Such consent shall not have any conditions other than the assignee must agree to assume and abide by all the Optionee’s obligations under this Option Agreement. Once an assignment is completed, the original Optionee shall be released from any further obligations to the Optionor under this Option Agreement and the Optionor shall be released from any further obligations to the Optionee under this Option Agreement.
4. ASSIGNMENT BY OPTIONOR: If Optionor wants to assign its interest in the land to a third party or sell the land to a third party before the expiry of the Term, the Optionor must first provide such third party with a copy of this Option and obtain such third party’s agreement to assume all the Optionor’s duties and responsibilities under this Option and to be fully bound by this Option as Optionor. The Optionor shall not assign or sell the Land to a third party who does not agree to be fully bound by this Option.
5. LEGAL REPRESENTATION: All parties entering into this contract are hereby advised to seek and obtain independent legal advice before signing and entering into this option
6. TIME is of the essence of this Option Agreement and all the payments required to be made hereunder.
7. INTERPRETATION: In this Contract, the singular includes the plural and masculine includes the feminine and visa versa. If a party comprises more than one individual, the covenants of such party are joint and several between them.
8. REPRESENTATIONS AND WARRANTEES: This is the entire agreement between the parties concerning the Option and there are no representations, warranties, guarantees, promises or agreements other than those set out above, and, subject to the expiry or earlier termination of this Option as provided herein, all the provisions herein survive the exercise of the Option and closing of the purchase of the Land.
9. BINDING ON HEARS AND ASSIGNS. This agreement shall bind and enure to the benefit of the parties to this Option and their respective heirs, personal representatives, successors, and permitted assigns.
10. RECEIPT OF OPTION TO PURCHASE REAL ESTATE: Optionee hereby acknowledges that it has received either 1. A signed original, 2. A copy, 3. An acceptable facsimile or, 4. An email scan of this Option to Purchase Real Estate agreement.
11. THIS IS A LEGAL DOCUMENT, READ THE ENTIRE DOCUMENT BEFORE YOU SIGN.
12. ACCEPTANCE: Optionee and Optionor hereby agree to be bound to this Option to Purchase Real Estate on the terms and conditions set forth,

Optionee’s acceptance is dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_

WITNESS: OPTIONEE

WITNESS: OPTIONEE

Optionor’s acceptance is dated:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_

WITNESS: OPTIONOR: