OFFER TO PURCHASE

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This Offer to Purchase Agreement (the “Agreement”) is effective [DATE],

**BETWEEN: [FIRST PARTY NAME]** (the "Purchaser"), a company organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

[YOUR COMPLETE ADDRESS]

**AND: [SECOND PARTY NAME]** (the "Vendor"), a company organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

[YOUR COMPLETE ADDRESS]

Reference is made to the Letter of Intent dated [DATE] addressed by [INDIVIDUAL NAME] to [COMPANY NAME] (the “Vendor”) and accepted by the Vendor on [DATE] providing, inter alia, for the purchase by [INDIVIDUAL NAME] or his nominee of the warehouse in [NAME OF THE CITY] used by the Vendor in its [SPECIFY] business.

1. **OFFER TO PURCHASE**

We, [COMPANY NAME], or our nominee to whom we have assigned our rights hereunder, (the “Purchaser”) hereby offer to purchase from you, the Vendor, upon and subject to the terms and conditions herein, the following immoveable property [DESCRIBE]; together with the warehouse thereon erected, situate on the [NAME OF THE STREET], in the City of [NAME OF THE CITY], Province of [STATE/PROVINCE] (the “Warehouse”, the Land and the Warehouse being hereinafter collectively referred to as the “Property”), as the said Property now subsists, including all equipment, furniture, tools and supplies used in the daily operation and administration of the Property, except to the extent not owned by Vendor.

1. **PURCHASE PRICE**

The total purchase price for the Property (the “Purchase Price”) shall be the sum of [AMOUNT] allocated as to [AMOUNT] for the Land and [AMOUNT] for the [BUILDING/WAREHOUSE], and payable as follows:

* 1. The amount of [AMOUNT] shall be paid by certified check or bank draft at Closing to Vendor’s notary in trust, to be released to Vendor upon registration of the deed of sale without adverse entries;
  2. The amount of [AMOUNT] shall be paid by the assumption by the Purchaser of the obligations of the Vendor pursuant to the deed of loan and hypothec between the Vendor and the [SPECIFY BANK] de la [STATE/PROVINCE] signed on [DATE] before [INDIVIDUAL NAME] and registered at the registry office for the registration division of [SPECIFY] under the number [NUMBER], to the complete exoneration of the Vendor;
  3. The amount of [AMOUNT] shall be paid by the delivery by the Purchaser to the Vendor of a promissory note in such amount.

1. **CLOSING**

Subject as herein provided, a Deed of Sale giving effect hereto and containing the standard clauses, representations and warranties and hypothec securing the balance of price, shall be executed before Vendor’s notary at his or her offices and the payment referred to in Section 2(b) above will be made (the “Closing”) on the [NUMBER] day following the date of delivery by the Purchaser to the Vendor of the Certificate of Location contemplated at section 4 hereof (the “Closing Date”) at [HOUR], or at such other time and place as may be mutually agreed upon between us.

1. **CONDITIONS PRECEDENT TO CLOSING**

This Offer is made subject to the following conditions, each of which is of the essence hereof:

* 1. There are no leases, offers to lease, sub-leases or other similar agreements relating to the Property which are currently in force or may come into force prior to the Closing;
  2. There are no hypothecs, charges or other encumbrances on the Property other than the hypothec referred to in subsection 2(b) hereinabove;
  3. All service contracts, insurance policies, and other agreements relating to the Property which are currently in force or may come into force prior to the Closing may be cancelled on not more than [NUMBER] days’ notice without penalty;
  4. Within [NUMBER] days of Vendor’s acceptance hereof, Vendor will, at its expense, furnish Purchaser with copies of

1. an up-to-date Certificate of Location; all service contracts, insurance policies, and other agreements relating to the Property which are then in force or may come into force prior to the Closing;
2. all correspondence, litigation, notices or other documents from any municipal or governmental authority in connection with the Property or work to be done thereon. Purchaser agrees to keep all such information confidential in the event the Closing does not take place.
   1. Purchaser and its agents may, at any time prior to Closing, inspect or survey the Property and Vendor shall grant access to Purchaser and its agents for such purpose;
   2. Purchaser’s legal counsel shall have [NUMBER] days from the date of delivery of the Certificate of Location to review same and to complete their search of title to the Property and to report to Purchaser thereon. If they or Purchaser are not satisfied with the results of such review and/or searches, Purchaser shall have the option to have any title defects so discovered corrected to its satisfaction and that of its counsel, at Vendor’s cost and expense, and deduct such cost from the payment of the purchase price under section 2 hereof, or to cancel the transaction as set out below.
   3. In the event that Purchaser is not satisfied with (i) its inspection of the Property, or (ii) its examination of the foregoing documents, or (iii) the results of the title searches, or (iv) if Purchaser should determine for any other reason not to proceed with the transaction contemplated herein, Purchaser shall give Vendor written notice to such effect at any time prior to Closing. Upon delivery of such notice, the deposit referred to in Section 2(a) above shall be returned to Purchaser with all interest earned thereon, the agreement resulting from Vendor’s acceptance hereof shall be terminated and, subject to the obligations of Purchaser concerning confidentiality set forth above, neither party shall be further obligated hereunder.
   4. At the closing, Purchaser shall have obtained from the Vendor an affidavit, acceptable to Purchaser’s legal counsel, acting reasonably, certifying that at the time of Closing, the Vendor is a resident of [COUNTRY] for the purposes of the [COUNTRY] Income Tax [ACT/LAW/RULE] and the [STATE/PROVINCE] Income [ACT/LAW/RULE].
3. **REPRESENTATIONS AND WARRANTIES**

The deed of sale will contain the standard representations and warranties, including without limitations those as to:

* 1. the Vendor’s title to the Property;
  2. the Property being in compliance with all applicable municipal, provincial and federal legislation, regulations and ordinances;
  3. the absence of any work orders, notices calling on the Vendor to perform any work on the Property, or litigation with respect to the Property;
  4. the Vendor’s residence for federal and provincial income tax purposes;
  5. that no brokers or other persons are entitled to receive any commissions or similar compensation in connection with this transaction.

1. **RISK**

The Property shall remain at Vendor’s risk until the Closing. If more than [PERCENTAGE %] percent of the floor area of the Building is damaged or destroyed, whether wholly or partially, prior to Closing, the Purchaser shall have the option of terminating the agreement resulting from Vendor’s acceptance of this Offer, by notice to the Vendor, without further recourse, in which event the amount referred to in Section 2(a) above and all interest earned thereon shall forthwith be returned to Purchaser.

In the event that [PERCENTAGE %] percent or less of the floor area of the Building is so damaged or destroyed, Purchaser shall, subject to the terms and conditions hereof, proceed with the Closing and shall be entitled to all insurance proceeds payable as a result of such damage or destruction together with an amount equal to the deductible portion of all applicable policies of insurance. In no event contemplated by this Section 6 shall Purchaser have any recourse in damages against Vendor.

1. **COSTS**

Purchaser shall pay the cost of municipal transfer tax on the transfer of the Property. The cost of the Deed of Sale, including, without limitation, all fees and disbursements of Vendor’s notary, registration thereof and authentic copies thereof for the Vendor and the Purchaser, shall be paid by Vendor. Purchaser shall pay only the legal fees and disbursements of its own counsel.

1. **OWNERSHIP, POSSESSION AND ADJUSTMENTS**

Purchaser shall become owner of the Property and be given vacant possession thereof at the time of Closing. All taxes and utilities shall be adjusted as of the date of the Closing. If at Closing there are any items in respect of which adjustments cannot be finally made until a later date, adjustments in respect of such items shall be made on an estimated basis at Closing and the [COMPANY NAME] shall exchange written undertakings at the Closing to adjust such items as soon as the requisite information becomes available.

1. **ASSIGNMENT OF WARRANTIES**

The Deed of Sale shall contain an assignment by Vendor to Purchaser of all assignable existing guarantees, warranties and indemnities respecting the Property or any part thereof, including without limitation, those respecting the condition or ownership of the wiring, heating, ventilating, air conditioning, electrical, plumbing and mechanical systems and equipment (including elevators).

1. **PRIOR AGREEMENTS: LIMIT ON WARRANTIES**

This Offer supersedes all previous agreements, negotiations, statements and undertakings between Vendor and Purchaser or their respective representatives or agents. Both [COMPANY NAME] accept and agree that in connection with the transaction contemplated hereby, neither party has made to the other party any warranties whatsoever other than those expressly set forth in the deed of sale.

1. **NOTICES**

Any notice given pursuant hereto shall be in writing and may be delivered by hand or sent by prepaid registered mail to Vendor or to Purchaser at the following addresses, respectively:

**To Vendor:** [COMPANY NAME]

c/o [INDIVIDUAL NAME], [INDIVIDUAL NAME], [INDIVIDUAL NAME] & Associates

[FULL ADDRESS]

[STATE/PROVINCE]

Attention: [INDIVIDUAL NAME]

**To Purchaser:**  [COMPANY NAME]

c/o [INDIVIDUAL NAME]

[FULL ADDRESS]

[STATE/PROVINCE]

Attention: [INDIVIDUAL NAME]

Such notices shall be deemed to have been received, if hand delivered, when so delivered and, if mailed, [NUMBER] business days after mailing as aforesaid. In the event of postal strike or other interruption, existing or threatened, all notices shall be hand delivered. Any party may give notice to the others changing the address as hereinabove set forth. Notice may be furnished by a party or by its legal counsel.

1. **SUCCESSORS AND ASSIGNS**

The agreement resulting from the acceptance of this Offer shall inure to the benefit of and be binding upon the [COMPANY NAME] hereto and their respective heirs, executors, successors and permitted assigns.

1. **GOVERNING LAW**

The agreement resulting from the acceptance of this Offer shall be governed by and shall be construed in accordance with the [YOUR COUNTRY LAW] of the Province of [STATE/PROVINCE].

1. **ACCEPTANCE**

This Offer is open for acceptance up to but not after [HOUR], [STATE/PROVINCE] time, on [DATE]. If you wish to accept, please return the enclosed copy to us, signed by you prior to such time. It is understood that this Offer will be deemed to have been refused unless you have delivered the enclosed copy duly signed as aforesaid, to us or to our representative, [INDIVIDUAL NAME], prior to such time.

IN WITNESS WHEREOF, each party to this agreement has caused it to be executed at [PLACE OF EXECUTION] on the date indicated above.

# **PURCHASER VENDOR**

Authorized Signature Authorized Signature

Print Name and Title Print Name and Title