

OFFER TO PURCHASE

TO: THE MANITOBA HOUSING AND RENEWAL CORPORATION

(hereinafter called "MHRC"),

I/WE:

[Name of Purchaser]

[Mailing Address of Purchaser and Telephone no.]

(hereinafter called the "Purchaser"),

hereby offer to purchase from MHRC, the property commonly known as _____
in _____, Manitoba, and legally described as follows:

(the "Land"),

together with all buildings and any other structures or improvements thereon (the "Building(s)"), collectively referred to as the "Property", for the total price of \$_____ (hereinafter called the "Purchase Price") on the following terms and conditions:

1. The Purchase Price shall be payable, in Canadian funds, to **The Manitoba Housing and Renewal Corporation** as follows:
 - (a) By a deposit in the form of a certified cheque, bank draft or lawyer's trust cheque accompanying this offer
(must be at least 5% of the Purchase Price or \$500.00 whichever is the lesser amount). \$ _____
 - (b) By the net proceeds of a mortgage arranged by the Purchaser \$ _____
 - (c) The balance by bank draft or lawyer's trust cheque on or before the Closing Date (see paragraph 5 below) \$ _____

Total Purchase Price \$ _____

If part of the Purchase Price is to be paid from the proceeds of a new mortgage arranged by the Purchaser, payment of that amount may be delayed by the time required for registration of the mortgage to be completed by The Property Registry and reported to the mortgagee. If payment of the mortgage amount is delayed, that amount shall bear interest payable to MHRC at the same rate as the new mortgage calculated from the Closing Date up to and including the date the monies are received by MHRC. MHRC shall have a lien and charge against the Property for the unpaid portion of the purchase price, with interest as mentioned.

2. The Purchase Price shall include all fixtures, as well as any chattels that may be situated on, in or about the Property.
3. This offer is subject to the following conditions:
 - (a) The Purchaser shall have fifteen (15) business days after the date of acceptance of this offer by MHRC (or, if applicable, after the date of acceptance by the Purchaser of any counter-offer by MHRC) to arrange satisfactory financing, if financing is required as indicated in sub-paragraph 1 (b) above. If the Purchaser is not able to arrange satisfactory financing, the Purchaser shall, prior to the expiry of the time limit set out herein, deliver written notice to that effect to MHRC along with a written statement from the financial institution that denied the Purchaser financing indicating that the Purchaser's request for financing was denied and the reasons for the denial. If the written notice and the written statement from the financial institution are delivered to MHRC prior to the expiry of the time limit set out herein, then the Purchaser's right and obligation to purchase the Property, and MHRC's right and obligation to sell the Property, under the agreement created by the acceptance of this offer or, if applicable, the acceptance by the Purchaser of any counter-offer by MHRC (hereinafter sometimes referred to as "**this agreement**") shall be terminated and the deposit shall, subject to paragraph 11.7, be immediately returned to the Purchaser without interest or deduction. If the Purchaser fails to deliver written notice and the requisite written statement from the financial institution to MHRC in accordance with the requirements of this sub-paragraph and paragraph 14, this condition shall be deemed to have been waived by the Purchaser;
 - (b) The Purchaser shall have thirty (30) calendar days after the date of acceptance of this offer by MHRC (or, if applicable, after the date of acceptance by the Purchaser of any counter-offer by MHRC) (the "**Inspection Period**"), at the Purchaser's own expense, to satisfy him or herself concerning any matters relating to the Property, including, without limitation, title, zoning, land size and use, site and soil conditions, survey, subdivision, development, existing infrastructure, servicing, environmental, and other issues. If the Purchaser has a valid reason, based upon his or her inspection and investigations, for not wishing to proceed with the transaction of purchase and sale contemplated herein, the Purchaser shall have the right to terminate his or her obligation to purchase the Property under this agreement by notifying MHRC in writing, in accordance with paragraph 14, prior to the end of the Inspection Period that the Purchaser wishes to terminate his or her right and obligation to purchase the Property under this agreement and setting out the reason or reasons for the Purchaser not wishing to complete the transaction. Any such notice shall be supported by a written report or written confirmation from an authority or a person qualified in that particular area substantiating the unacceptability of the Property for the reason or reasons set out by the Purchaser.

If the Purchaser, having a valid reason for not wishing to complete the purchase of the Property, gives notice of termination of his or her right and obligation to purchase the Property under this agreement, supported by a written report or written confirmation as stated, prior to the end of the Inspection Period, the Purchaser shall no longer be obligated to complete the purchase transaction and the deposit shall, subject to paragraph 11.7, be returned by MHRC without interest or deduction, it being understood and agreed that MHRC shall not be liable to the Purchaser for any costs or damages. If the Purchaser does not so notify MHRC in writing that he or she wishes to terminate his or her right and obligation to purchase the Property under this agreement and provide the supporting documentation required, prior to the end of the Inspection Period, this condition will be deemed to have been satisfied or waived by the Purchaser; and

- (c) In conducting any tests, surveys or other examinations relating to the Property as referred to in sub-paragraph (b) above, the Purchaser undertakes and agrees to ensure that such tests, surveys or examinations will not alter the condition of the Property in any manner. If the Purchaser wishes to conduct any tests or examinations of the Property consisting of more than just visual inspections or examinations, the Purchaser must first obtain the written consent of MHRC to conduct such tests or examinations (“**works**”). The Purchaser agrees that if MHRC provides its consent to such works, the Purchaser must leave the Property in a good and safe condition substantially comparable to the condition of the Property immediately prior to the works occurring. The Purchaser further agrees to indemnify and save MHRC, The Government of Manitoba and its ministers, and their respective officers and employees, harmless from and against any and all claims, actions, costs, damages and liabilities (including, without limitation, legal costs on a solicitor and own client basis) with respect to any personal injury (including, without limitation, death), damage or loss arising out of the operations of the Purchaser, his or her employees, agents or contractors in connection with works carried out on the Property. If the Purchaser fails or neglects to restore the Property as required, MHRC may, after reasonable notice to remedy such default, and the reasonable costs thereof shall be paid by the Purchaser to MHRC. The Purchaser must conclude such works and have all equipment removed from the Property prior to the end of the Inspection Period. The Purchaser acknowledges and agrees that the undertakings, agreements and indemnifications contained in this sub-paragraph are being inserted for the benefit of MHRC and, therefore, they may not be waived by the Purchaser and, further, that such undertakings, agreements and indemnifications shall survive the closing of the transaction of purchase and sale, or the termination of this agreement.

4. Until the Purchaser has given MHRC written notice that the Purchaser waives all of the conditions set out in paragraph 3 of this offer or until such time as all of the conditions set out in paragraph 3 are deemed to have been waived or satisfied, MHRC shall be entitled to continue its efforts to sell the Property. If, before such time, MHRC receives any *bona fide* offer that it is willing to accept (the “**Alternative Offer**”), it may give the Purchaser written notice of the Alternative Offer. The Purchaser shall have until the same time of the day two (2) business days after he or she receives such notice from MHRC to waive the conditions set out in paragraph 3 of this offer. If the Purchaser gives notice waiving the conditions within the two (2) business days, this agreement shall continue in full force and effect. If the Purchaser does not give notice that he or she waives the conditions, then the

Purchaser's right and obligation to purchase the Property, and MHRC's obligation to sell the Property to the Purchaser, under this agreement shall be terminated. Upon termination of the Purchaser's right and obligation to purchase the Property in the manner aforesaid, MHRC shall, subject to paragraph 11.7, promptly return the deposit to the Purchaser without interest or deduction. In this offer, "**business day**" shall mean any day other than a Saturday, Sunday or any other day that MHRC's offices are closed to the public.

5. The Closing Date of this transaction of purchase and sale shall be fifteen (15) calendar days after the expiration of the Inspection Period (or if such fifteenth (15th) day does not fall on a business day, the Closing Date shall be on the next following business day), or such earlier or later date as the Purchaser and MHRC may agree to in writing (hereinafter referred to as the "**Closing Date**").
6. Adjustments for real property taxes and such other items as may require adjustment shall be made as of the Closing Date.
7. Intentionally left blank.
8. Subject to all conditions set out herein having been met or waived, or such conditions being deemed to have been satisfied or waived, MHRC shall, either directly or through its legal counsel, provide the Purchaser or the Purchaser's solicitor, on or before the Closing Date, with the transferee's section of the Transfer of Land that when put together with the transferor's section, will create a complete Transfer of Land, which upon registration in The Property Registry Office will vest title to the Property in the name of the Purchaser free and clear of all registered encumbrances or interests except for:
 - (a) any public utility caveats and any easement agreements in favour of any utility company or municipal authority protecting a right-of-way or easement affecting the Property;
 - (b) any private or public building or use restriction caveat affecting the Property;
 - (c) any easement, the existence of which is apparent on inspection of the Property;
 - (d) _____;
[Insert any other exceptions.]and
 - (e) any encumbrances or interests registered against the Property by or on behalf of the Purchaser, or which are otherwise attributable to the Purchaser.
9. The Property, until, but not including the Closing Date, shall remain at the risk and responsibility of MHRC. If the Property suffers substantial damage which is not repaired by the Closing Date, the Purchaser may terminate his or her obligation to complete the purchase of the Property and thereupon have the deposit returned, subject to paragraph 11.7, without interest or deduction.

10. Upon the closing of the transaction of purchase and sale contemplated herein, MHRC shall, unless otherwise expressly set out herein, deliver up vacant possession of the Property to the Purchaser. Where the Purchaser is presently in possession and occupation of the Property as a tenant thereof, the Purchaser shall be entitled to possession and occupation of the Property as its owner upon the closing of the transaction of purchase and sale contemplated herein.
- 11.1 The Purchaser acknowledges and agrees that, in making this offer, the Purchaser is relying entirely on the Purchaser's own inspection and knowledge of the Property.
- 11.2 The Purchaser specifically acknowledges and agrees that:
- (a) MHRC is selling the Property, including the Building(s), on an "as-is, where-is" basis;
 - (b) MHRC makes no representations or warranties, nor are there any collateral agreements or conditions, pertaining to any of the following, either in relation to the Land itself or to the Building(s):
 - (i) the condition of the Property;
 - (ii) the condition of the electrical, plumbing, heating and mechanical systems;
 - (iii) any survey of the Property that may have been carried out;
 - (iv) whether there are any encroachments from the Property onto adjoining properties or encroachments from adjoining properties onto the Land;
 - (v) whether there are any encroachments from the Property onto any public utility right-of-way or easement area;
 - (vi) the purposes for which the Property may be used or whether the Property complies with the applicable zoning regulations and requirements;
 - (vii) whether the Property complies with any existing building restrictions;
 - (viii) whether the Property complies with all applicable federal, provincial and municipal legislation and standards;
 - (ix) any existing infrastructure or servicing on or to the Property, including (without limitation): the source and availability of any wastewater system or service for the disposal of grey water and sewage, including any onsite wastewater management system or any wastewater collection system that may be available; the condition of any onsite wastewater management system; the source and availability of, or the suitability for drinking purposes of, any water that may be available on the Property; and the cost of any wastewater disposal and water services that may be available;
 - (x) the dimensions or area of the Land or the Building(s);
 - (xi) the Property's site conditions or soil conditions;
 - (xii) the possibility that the Property may be subdivided, or whether the Property is required by a relevant authority to be subdivided, or any other matter relating to the development of the Property;
 - (xiii) environmental matters that affect or may affect the Property; or
 - (xiv) unregistered interests that affect or may affect the Property;

and

(c) MHRC makes no representations or warranties, nor are there any collateral agreements or conditions, affecting this offer or the Property whatsoever other than those explicitly set out in this offer and accepted by MHRC.

11.3 MHRC does not represent or warrant that any improvements to or fixtures comprising the Property (including, without limiting the generality of the foregoing, any of the heating or plumbing fixtures, windows, doors or insulation) are free from encumbrances or rental agreements. The Purchaser agrees to assume payment of the rent or unpaid balance in respect of any such encumbrances or rental agreements.

11.4 MHRC shall have no obligation to remove any chattels as may be situated on the Property.

11.5 The Purchaser, in making this offer, agrees to assume full responsibility for compliance with the following:

(a) all applicable legislation and standards in any way affecting the Property, including (without limitation) those requirements set out in the attached Schedule "A", which the parties agree forms part of this offer, to the extent that they are or may become applicable; and

(b) any and all outstanding work or other orders that have been issued, or that may be issued, by any governmental authority that in any way relate to the Property.

The Purchaser agrees to indemnify and save harmless MHRC, The Government of Manitoba and its Ministers, and their respective officers, employees and agents from any and all losses, costs, liabilities, claims, damages and expenses arising out of the Purchaser's performance of, or failure to perform, any of the obligations that the Purchaser has agreed to assume responsibility for as set out above and in Schedule "A" to this offer including, without limitation, any fines or penalties, the cost of compliance with any court or governmental direction or order, and the costs of responding to, investigating and defending any claim, action, administrative action or order or charge, including the costs of consultants, experts and legal advisors, all on a full indemnity basis. This indemnification shall survive the closing of the transaction of purchase and sale contemplated herein.

11.6 It is understood and agreed that MHRC shall not be responsible for, nor shall it be obligated to reimburse the Purchaser for, any fees, costs, charges, expenses, liabilities or damages of any nature or kind that may be incurred by the Purchaser in carrying out inspections or conducting any tests, surveys or other examinations relating to the Property as contemplated in paragraph 3.

11.7 Notwithstanding anything to the contrary contained herein, where the Purchaser's right and obligation to purchase the Property and MHRC's right and obligation to sell the Property under this agreement are terminated and the deposit is returnable to the Purchaser pursuant to any of the provisions contained herein, MHRC shall be entitled to retain the deposit, or to deduct therefrom, any amounts which may become due and payable by the Purchaser to MHRC pursuant to the provisions of sub-paragraph 3 (c). If the amount owing by the Purchaser to MHRC pursuant to the provisions of sub-paragraph 3 (c) exceeds the amount of the deposit, MHRC shall also have the right to pursue such other remedies as it may have at law or in equity.

- 11.8 It is expressly understood and agreed that the Purchaser shall not be permitted to nominate any person, firm or corporation to take title to the Property in the place and stead of the Purchaser, nor shall the Purchaser have the right to assign, pledge or transfer his or her rights or obligations hereunder to any other party, unless prior written approval is obtained from MHRC, which approval may be withheld for any reason or for no reason.
- 11.9 MHRC shall not be required to provide the Purchaser with a Declaration as to Possession at any time.
- 11.10 The Purchaser shall be responsible for the cost to register the Transfer of Land in The Property Registry, including land transfer taxes.
- 11.11 If this offer is accepted by MHRC and the Purchaser thereafter defaults in any of his or her obligations hereunder, MHRC shall be entitled to retain the deposit as liquidated damages and not as penalty. In addition, MHRC shall have the right to pursue such other remedies as it may have at law or in equity.
- 11.12 On the Closing Date, the Purchaser shall have insurance coverage in place for fire and other hazards on the Property in an amount sufficient to protect the balance due to MHRC as unpaid vendor.
- 11.13 If the Purchaser consists of more than one person, each of them shall be liable for the obligations on the part of the Purchaser contained herein both individually and together with each other Purchaser.
- 11.14 The Purchaser acknowledges and agrees that all of the provisions contained in paragraphs 11.1 to 11.13, both inclusive, and in Schedule "A" are for the benefit of MHRC and may only be waived by MHRC, in whole or in part, in MHRC's sole discretion. The Purchaser shall not have the right to waive any of those provisions.
12. By accepting this offer, MHRC represents and warrants that it is and will be on the Closing Date a resident of Canada within the meaning of the *Income Tax Act* (Canada). MHRC agrees that the representation and warranty contained in this paragraph shall survive the closing of the transaction of purchase and sale.
- 13.1 MHRC is not legally represented in this transaction. MHRC, in its sole discretion, may, at any time, retain a lawyer but is not under any obligation to do so.
- 13.2 The Purchaser, directly, or through the Purchaser's lawyer if any, is not permitted to impose trust conditions upon, or require any lawyer's undertaking from, MHRC, its employees, agents, and representatives, at any time, including when forwarding payment.
- 13.3 MHRC and the Purchaser shall each execute promptly, when prepared, any documents considered by them or their respective lawyers, if retained, to be required to complete this transaction with respect to the Property.
- 13.4 If the Purchaser is not represented by a lawyer, MHRC will, upon receipt of purchase funds, including land transfer tax and applicable registration fees, in full as indicated on the Statement of Adjustments prepared by MHRC and provided to the Purchaser, within

two business days of the Closing Date, forward an executed Transfer to the applicable office of The Property Registry for registration.

13.5 If the Purchaser is represented by a lawyer, MHRC will, prior to the Closing Date, submit the transferee's section of the Transfer to the Purchaser's lawyer under the following trust conditions:

- (a) The documents forwarded will not be used in any way:
 - (i) unless the Purchaser's lawyer has funds in that lawyer's trust account that will be sufficient to complete this transaction; and
 - (ii) unless the Purchaser's lawyer confirms that the Purchaser has in place insurance coverage for fire and other hazards on the Property effective as of the closing of this transaction in an amount sufficient to protect the balance due to MHRC as unpaid vendor and that you ensure MHRC is listed as second loss payable on the Purchaser's insurance policy.
- (b) Upon satisfaction of Trust Condition (a) above, the Purchaser's lawyer will complete the transferee's section of the Transfer and put the pages together with the enclosed transferor's section to create a complete Transfer, and will forthwith, within two business days of the closing of this transaction, submit for registration at The Property Registry the Transfer and other documents as maybe required in a specified order and in series. Immediately upon completion of the registration, you will forward to our office the amount then owing.
- (c) The Purchaser's lawyer will notify MHRC immediately in the event the documents are rejected for any reason by The Property Registry or if there is any event that will cause an unusual delay in the registration of the documents.
- (d) Once title has issued in the name of the Purchaser, the Purchaser's lawyer shall promptly remit the balance of the Purchaser funds, as shown on the Statement of Adjustments, to MHRC.

14.1 Any notices which may be given under the provisions of this offer shall be in writing and shall be addressed and personally delivered, sent by prepaid registered mail, or sent by facsimile transmission, or such other means that the parties may agree to in writing, as follows:

(a) to the Purchaser:

[mailing address]

Attention: _____

[Street address, if different from mailing address]

Facsimile Number: _____

(b) to MHRC:

The Manitoba Housing and Renewal Corporation
700 – 352 Donald Street
Winnipeg MB R3B 2H8
Attention: Director, Financial Services
Facsimile Number: (204) 945-4710

14.2 Any notice or communication that is:

- (a) delivered, shall be deemed to have been received on the date of the delivery; or
- (b) sent by registered mail, shall be deemed to have been received on the third business day of MHRC following the date of mailing; or
- (c) sent by facsimile transmission, shall be deemed to have been received on the date indicated in the facsimile transmittal confirmation sheet if during regular business hours of MHRC; otherwise, it shall be deemed to have been received on the next business day of MHRC.

14.3 If mail service is disrupted by labour controversy on or within three (3) business days from the date of mailing, the notice or communication shall be delivered or sent by facsimile transmission.

14.4 The Purchaser or MHRC may change his or her or its own address and other information set out in paragraph 14.1 by giving notice in writing to the other party.

15. This offer is open for acceptance by MHRC for a period of fifteen (15) business days following receipt by MHRC of this offer, signed by the Purchaser, and the deposit referred to in paragraph 1. If not accepted within that period of time, or such longer period of time as the Purchaser may agree, this offer shall be null and void and the deposit shall be returned to the Purchaser without interest or deduction.

16. Upon acceptance of this offer within the time prescribed herein, this offer shall constitute a binding contract of purchase and sale, which shall be binding upon and enure to the benefit of the Purchaser and MHRC, and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.

17. Words in the singular include the plural, and words in the plural include the singular, as required by the context. The masculine, feminine and neuter genders include the other genders as may be required.

18. Time shall in all respects be of the essence.

[NOTE: This offer, if accepted, is a legally binding contract. The Purchaser should read it all before signing. It is also recommended that the Purchaser seek professional (including legal) advice before submitting this offer if he or she has any questions regarding the Property or the contents of this offer.]

IN WITNESS WHEREOF the Purchaser has signed this offer, this ____ day of _____, 20__.

SIGNED IN THE PRESENCE OF:

Witness

Purchaser

Witness

Purchaser

Name of Purchaser's Solicitor

ACCEPTANCE

MHRC hereby accepts the offer made by the Purchaser dated _____, 20__ and agrees with the Purchaser to complete the sale on the terms and conditions therein mentioned.

IN WITNESS WHEREOF MHRC has signed this ____ day of _____, 20__.

THE MANITOBA HOUSING AND RENEWAL CORPORATION

Per:

Name:

Office Held:

Per:

Name:

Office Held:

APPENDIX "1" TO OFFER TO PURCHASE

1. This is Appendix "1" to the Offer to Purchase submitted by _____, as Purchaser, to The Manitoba Housing and Renewal Corporation, as Vendor, dated _____, 20__ (the "Offer").
1. Except as otherwise expressly set out herein, the phrase "this agreement" and all capitalized terms contained in this Appendix shall have the meaning ascribed to them in the Offer document itself.
2. Without limiting the generality of paragraph 11.5 of the Offer document itself, the Purchaser, in making this offer, agrees to assume full responsibility for compliance with the provisions of *The Environment Act* (Manitoba) and the Onsite Wastewater Management Systems Regulation thereto, being Regulation 83/2003, and any similar or other legislation that may be in effect as of the date of the transfer of title to the Property to the Purchaser, including, without limitation, those provisions of the said Act and Regulation requiring:
 - (a) an owner of land to connect his or her wastewater sources to a wastewater collection system if one is available, or becomes available, in the area where the land is located; and
 - (b) an owner of land to take any onsite wastewater management system (including, without limitation, any sewage ejector system) or privy located on the land out of service and decommission it within a specified period of time.
3. Notwithstanding paragraph 2 but subject to paragraph 4 of this Appendix, if there is a sewage ejector system located on the Property, or if it is unknown whether or not there is a sewage ejector system located on the Property, the Purchaser must, unless otherwise agreed in writing by MHRC, proceed, in a timely manner, at the Purchaser's sole cost and expense, to make a joint application with MHRC for approval by the director appointed under *The Environment Act* (Manitoba) for the assumption by the Purchaser of responsibility for taking the sewage ejector system (if any) out of service and decommissioning it, after the transfer of the Property to the Purchaser, in accordance with the said Act and the Regulation(s) thereto.
4. If an application for approval by the director appointed under *The Environment Act* is required pursuant to paragraph 3 and the director's approval for the Purchaser to assume responsibility for taking the sewage ejector system (if any) out of service and decommissioning it is not obtained by the Closing Date, the Purchaser's right to purchase the Property, and MHRC's obligation to sell the Property to the Purchaser, under this agreement shall be terminated and the deposit shall, subject to paragraph 11.7 of the Offer document itself, be returned to the Purchaser without interest or deduction.

It is understood and agreed that MHRC shall not be responsible for, nor shall it be obligated to reimburse the Purchaser for, any fees, costs, charges, expenses, liabilities or damages of any nature or kind that may be incurred by the Purchaser in any way relating to any sewage ejector or other onsite wastewater management system that may be located on the Property or any wastewater collection system that may be available, including (without limitation) any application fees and other costs incurred in connection with an application made to the director appointed under *The Environment Act* as contemplated herein.