

Home Buyer Rescission Period

DISCLOSURE: BUYER'S RIGHT OF RESCISSION

This disclosure is being made by your real estate licensee to you, as a client, as required by s. 57.1 of the Real Estate Services Rules. This disclosure must be made by a licensee when:

- Preparing an offer to purchase on behalf of a buyer client; or
- Presenting an offer to purchase to a seller client.

If there are multiple offers and counteroffers made on a property during the negotiation process, your real estate licensee may be required to provide an updated disclosure if the purchase price is amended.

Under Section 42 of the *Property Law Act*, buyers of residential real property are entitled to rescind (cancel) a Contract of Purchase and Sale by serving a written notice on the seller within the prescribed period and in the prescribed manner. The ability to cancel is called a rescission right.

A buyer cannot waive their rescission right.

A buyer may only exercise their rescission right by serving written notice on the seller within the three (3) business days after the date on which the acceptance of the offer was signed. 'Business days' means any day other than a Saturday, a Sunday, or a holiday in British Columbia.

The date that the acceptance of the offer was signed is: _____ . Therefore, the rescission right expires at 11:59:59pm on: _____ .

If the buyer exercises the rescission right, the buyer must promptly pay an amount (or rescission fee) of \$ _____ to the seller. The rescission fee is equivalent to 0.25% of the purchase price agreed to by the buyer and the seller.

If a buyer paid a deposit before they cancelled the contract, the rescission fee will be promptly paid to the seller from the deposit and the balance of the deposit, if any, will be promptly paid to the buyer. If the deposit is less than the rescission fee, the buyer is required to promptly pay the difference.

EXEMPTIONS

Purchases involving any of the following types of residential real property are exempt from the rescission right:

- Residential real property that is located on leased land;
- A leasehold interest in residential real property;
- Residential real property that is sold at auction; and
- Residential real property that is sold under a court order or the supervision of a court.

The rescission right also does not apply to a purchase and sale of a property under the *Real Estate Development and Marketing Act* where Section 21 of that Act applies.

Date disclosure provided

Licensee Name

Licensee Signature

Client's Signature (optional)