

# Using the Notice to Remove Conditions Form

The Notice to Remove Conditions on Residential Contract of Purchase and Sale is a mandatory form to be used by a buyer or seller to remove a condition that he or she has placed on the sale of a property.

It is important to note that this form can only be used to **remove** conditions, and never to add new conditions and terms to a contract of purchase and sale.

In Hearing Committee decision #2009-02, the Hearing Committee noted that conditions in a trade in real estate must be clear and verifiable. Improper use of the Notice to Remove Conditions Form can jeopardize the clarity of which conditions are in place and which have been removed. The Commission reminds all registrants that Notice to Remove Conditions forms must be unequivocal.

## **Example # 1 of what NOT to do:**

Your client has signed a contract of purchase and sale which includes a condition of a satisfactory home inspection that reveals that several items require repair.

It is not appropriate for the Notice to Remove Conditions Form to state that “the home inspection condition is removed pending the buyer and seller negotiating and agreeing to a holdback of a portion of the purchase price”.

## **Example # 2 of what NOT to do:**

In the same scenario mentioned above, imagine that the home inspection is completed, and it reveals that the water heater needs to be replaced.

It is not appropriate for the Notice to Remove Conditions form to state that “the conditions are removed”, and then go on to state that “the seller will replace the water heater prior to the buyer taking possession of the property”.

## **What SHOULD be done:**

Use an Amendment to Contract of Purchase and Sale form to include the new terms or conditions.

For questions on this topic, contact the Compliance Department at [compliance@srec.ca](mailto:compliance@srec.ca) or call 306 374-5233 and select option 3 for Nina Criddle or option 4 for Bill Craik.