

## **CONTRACTS FOR PURCHASING OR SELLING LAND**

In days of old when knights were bold and everyone was illiterate, contracts for the purchase and sale of lands were a fairly elaborate business. The vending and purchasing knights would each gather a few armor-clad buddies and meet on the parcel of land involved. Children from the nearest village were rounded up to act as witnesses. An elaborate ceremony would then be held.

The selling knight would hand over a symbolic clump of dirt to the purchasing knight who would, in turn, then hand over the purchase price. Afterwards, the young witnesses would be given a sound beating about the heads and ears so they would not soon forget the days' proceedings, should their recollection as witnesses be required in the future. While effective enough, the practice was not popular with the kids and may even have inspired more children to achieve literacy so that property transactions could be less painfully recorded.

In any event, by 1512 even the king was getting a bit fed up with the beating method of evidencing transfers (maybe his dad bought a lot of land when he was young) so he passed the Statute of Frauds. This decreed, amongst other things, that no agreement for the sale of land was effective or enforceable unless it was in writing and signed by the parties.

Very shortly thereafter, a wit noted that a verbal agreement for the sale of land wasn't worth the paper it is printed on. This old chestnut continues to be periodically trotted out even today, especially by solicitors, some of whom still feel it deserves to be considered humorous.

Although most contracts take the form of the standard contract that has been jointly prepared by the BC Real Estate Association and the Bar Association, it is not absolutely necessary to use any particular form. Telexes, telegrams, letters back and forth, even the back of an envelope or a napkin, can basically be valid as long as the parties specify and clearly agree on the property involved, the parties to the deal and the price.

In addition to the contract, it is also necessary for amendments to be in writing and signed by all the parties. Otherwise it is not enforceable. Changes of completion date, extra items (such as sheds or pool tables) being transferred and that sort of thing are the usual subjects of such amendments.

For most people, the contract for the purchase or sale of a home will be one of the most important documents they will ever sign. As with all legal agreements, only the most foolhardy will sign without carefully perusing it. The more sensible will check to make sure that all the blanks are correctly filled in.

They will check to ensure that non-fixtures such as sheds, free standing appliances, pool tables and the like are included. They will make sure that there are conditions precedent (ie. conditions that must be satisfied for the contract to come into effect - approved financing, for example) where necessary.

Finally, they will check to see that all of the promises of the other side are set out in writing

and the possession and other dates have been chosen with their convenience in mind. They will also remember that if the promise or the bargain isn't in writing, it isn't enforceable.

That is a lot of stuff to remember, isn't it? If you think it can be expensive forgetting about any of it or extremely difficult to change once the deal is signed, you are right. That's why most people choose to deal through a realtor when buying or selling land. They are trained to remember these details and keep a cool head while you are losing yours. They are also covered by insurance.