

Appendix 2B

SAMPLE RIGHT OF FIRST REFUSAL

To secure an interest in a property which the owner expects not to sell either in the immediate future or even in their lifetime, the land trust may pursue a registered Right of First Refusal. This securement tool is registered against the landowner's title, usually for a specified period of time, and a Right of First Refusal provides the land trust with the first option against the purchase of the property. It permits the land trust access before the property moves into the market. This is a case where an eventual sale is desirable to the vendor, but the timing is not known and the proposed sale will occur at an unknown time in the future.

1. If, during the period of _____ years from the date of this Agreement (Right of First Refusal):

(a) [owner's name] _____ receives an offer or offers to purchase all or part of the Property which he/she is prepared to accept; or

(b) [owner's name] _____ makes an offer to sell the property or any part thereof, or grants an option to purchase the Property to any party subject to the right of the [name of land trust] hereinafter set out and accepted by the offeree or grantee;

[owner's name] will forthwith advise the [name of land trust] in writing of all terms and conditions contained in such offer, offers, or options, and the [name of land trust], during a period of twenty (20) business days after the receipt of such written advice, shall have the right to be exercised by written notice to [owner's name] _____ to purchase the Property at the price and subject to the terms and conditions contained in the offer, offers, or options.

2. The agreement of purchase and sale constituted by the exercise of the Right of First Refusal herein contained shall be subject to compliance with Section 50 of the *Planning Act*, R.S.O. 1990, c. P. 13, as amended from time to time.
3. The parties hereto may by mutual consent agree to extend from time to time the period of years referred to in paragraph 1.
4. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given either by delivering the same to the recipient or mailing the same to the recipient.
5. This agreement shall enure to the benefit of and be binding upon the parties hereto and their respective executors, administrators, successors, and assigns.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals.

