

# General Conditions of the Tranquilli-T program



**Tranquilli-T**

1 866 466 1040 • [www.remax-quebec.com/tranquilli-t](http://www.remax-quebec.com/tranquilli-t)

## FREQUENTLY ASKED QUESTIONS

### Delay & Withdrawal

- Q :** Will Tranquilli-T assume the full amount of the client's mortgage payment in the event of delay or withdrawal?
- A :** Tranquilli-T will assume the interest on an additional mortgage or bridge financing. Tranquilli-T does not pay for the full mortgage or bridge financing. They will however cover the additional expenses incurred following a delay or withdrawal.
- Q :** If the Buyer withdraws, will the Tranquilli-T program purchase the property from the Seller?
- A :** In the case of a withdrawal, the property will be put back on the market and Tranquilli-T will reimburse the additional expenses incurred up to the policy limit or 180 days whichever comes first, subject to a \$300 deductible. It is only in the event of death of the Buyer or the Buyer's spouse that the Seller receives the agreed selling price as stipulated on the promise to purchase.
- Q :** In the event of delay or withdrawal, is the loss of income an expense paid by the program?
- A :** No, loss of income is not considered an additional expense.
- Q :** In the event the client must temporarily be relocated, are hotel expenses reimbursed?
- A :** Yes, if these charges are due to a delay or withdrawal in a real estate transaction and in accordance with the limits on the contract.

- Q :** Following the sale of his property, the Seller is advised that there is a penalty for paying off his mortgage. Will Tranquilli-T pay for this penalty?
- A :** No, this is not an unforeseen expense. The client is aware that a penalty is charged when paying off a mortgage before the end of its term.
- Q :** If a property is part of an estate, Tranquilli-T is not applicable. However, are there any exceptions?
- A :** Yes, if the spouse of the Seller still lives on the property, the program will be applicable. Also, it is understood that the Tranquilli-T program applies to the Buyer of such homes.
- Q :** If the Buyer has to store his belongings following a delay or withdrawal caused by the Seller, will this expense be paid by Tranquilli-T?
- A :** Storage cost is considered an additional expense and is therefore covered by the Tranquilli-T program in accordance with the limits on the contract.
- Q :** I have already reserved my movers. A delay caused by the Buyer occurs. The movers are charging me a penalty for cancelling my moving date. Will Tranquilli-T pay for this?
- A :** Yes, this is considered an unforeseen additional expense.
- Q :** Following a delay caused by the Seller, I cannot move into my new property and I must move out of my old property. I need to temporarily place my dog Rufus in a kennel. Would this be covered by Tranquilli-T?
- A :** Yes, this is considered an unforeseen additional expense.

### Death

- Q :** If the Buyer is covered by Tranquilli-T but the Seller is not, how will Tranquilli-T settle the transaction in the event of death of the Buyer?
- A :** The transaction will be settled the same way than if the Seller was protected by Tranquilli-T. The Seller will receive the agreed amount of sale as specified on the promise to purchase and the Buyer (estate) will be released from its obligations.
- Q :** What happens if the Seller dies?
- A :** The death component applies only in the event of death of the Buyer or the Buyer's spouse. However, if the Seller dies, and the Seller's estate chooses not to proceed with the transaction, the Buyer's legal advice and legal fees will be covered by the Tranquilli-T program in accordance with the limits on the contract. Also the delay and withdrawal component could reimburse the additional expenses incurred by the Buyer in the event of death of the Seller.
- Q :** If the Buyer or the Buyer's spouse dies, will the Seller receive the agreed sale price as stipulated on the promise to purchase?
- A :** Yes, the Seller will receive the sale price of his property as stipulated on the promise to purchase. Also, the additional costs incurred to maintain the house in good order for resale purposes are assumed by Tranquilli-T until the resale of the property.
- Q :** If the Buyer or the Buyer's spouse dies and the transaction is cancelled, will I still receive my commission?
- A :** Yes, the listing broker will receive his/her commission as stipulated in the real estate contract. This rule does not apply if the Seller dies.

**Q :** In the event of death of the Buyer or the Buyer's spouse, who will put the property back on the market for resale?

**A :** Relonat will award the mandate to resell the property to the same broker and if the home is sold, the broker will receive a commission based on their terms and conditions.

## Legal Assistance

**Q :** Who answers the legal calls?

**A :** Lawyers from Tranquilli-T.

**Q :** Will the Tranquilli-T lawyers answer only questions pertaining to a real estate transaction?

**A :** They will answer any legal questions related to the real estate transaction but also to subsequent ownership and occupancy of the property for up to 12 months following the signature of the deed of sale.

**Q :** Can the lawyers for the Tranquilli-T program help me draw up a will or help me in my divorce settlement?

**A :** No, Tranquilli-T is an agreement for legal assistance or legal protection in a litigation resulting from the real estate transaction and subsequent ownership and occupancy of the residence.

**Q :** Can you give me some examples of litigation where the Legal Assistance can help me?

**A :** The Buyer withdraws with no valid reason; false declaration by the Seller; presence of a hidden defect; any litigation with neighbours or tenants.

**Q :** Is there a maximum limit of calls made to the legal assistance department?

**A :** The number of calls and the length of time are unlimited and free. Also this service is available for 12 months following the signature of the deed of sale.

## Legal Fees

**Q :** Are hidden defects covered under the Tranquilli-T program?

**A :** If the property is sold with full legal warranty, legal fees pertaining to the hidden defect are covered up to \$5,000 per event for a maximum aggregate of \$10,000. The repairs of the hidden defect are not covered.

**Q :** In the event there is litigation concerning the real estate transaction, can the client choose his own lawyer or must the lawyer be provided by the Tranquilli-T program?

**A :** The client can choose his own lawyer. If he does not have one, Tranquilli-T can refer him to one.

**Q :** Is there a deductible that applies in the legal component?

**A :** There is no deductible to this component.

## Eligibility

**Q :** If the property is a secondary home for my client, is it eligible?

**A :** If the property is for the client's exclusive use, kept open all year long and not leased to a third party, it is eligible.

**Q :** I am representing both the Seller and the Buyer of a foreclosure. Is the transaction Tranquilli-T eligible?

**A :** It is not eligible to the Seller, only to the Buyer as long as he purchases it with the intention of living in it.

This rule also applies for a vacant home, a home that is part of an estate or a rental property.

**Q :** Is a mobile home eligible?

**A :** Yes, as long as it has a civic address, and that it is evaluated and taxed by the city. It must be located on residential land or a mobile home park. It must be the principal or secondary home of the owner.

**Q :** Is a property sold without Legal Warranty eligible?

**A :** This type of property is eligible to the Tranquilli-T program. However, a claim resulting from a latent defect will be excluded.

## The advantages of the program

- A one-of-a-kind offer
- A complete tool
- A listing tool

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## General Conditions of the Tranquilli-T program

This coverage applies to a residential real estate transaction involving a participating RE/MAX broker taking part in this program. It comes into effect the moment the promise to purchase becomes firm and **all** the conditions have been met.

## DELAY AND WITHDRAWAL

Features: Coverage for the additional expenses incurred when an unforeseen situation delays or even cancels a real estate transaction. The additional charges incurred over and above \$300 are covered by the program for a period of 180 days, up to the limit stipulated in the contract, whichever comes first.

### Examples of eligible expenses:

- Interest fees on an additional mortgage or bridge financing; banking and legal fees; taxes; insurances; upkeep and maintenance; electricity; heating; other unforeseen additional costs.

### Examples of a delay or withdrawal:

- Withdrawal of financing; death of the Seller; inconsistencies with deeds or land surveys; destruction of property.

## DEATH

Features : The death component protects the RE/MAX client (Buyer or Seller) in the event of the death of either the Buyer or the Buyer's spouse. If the Buyer's estate chooses not to proceed with the transaction, it will be released from its obligations.

Tranquilli-T will take charge of the entire transaction and pay the Seller the agreed amount of sale as specified on the promise to purchase.

If however the estate decides to proceed with the original transaction, there may be a delay. In this case the delay component will come into effect.

### Examples of eligible expenses:

- Commission to the RE/MAX broker. The broker also receives the mandate to resell the property.
- Additional expenses related to the resale of the property.

## LEGAL

Features: This protection begins when the purchase becomes firm and all conditions have been met and continues for 12 months after the signing of the deed of sale. It consists of two different services. These services are:

- Free unlimited telephone consultation with a Tranquilli-T lawyer;

- Legal fees pre-authorized by our legal department up to:
  - > \$5,000 per incident;
  - > Maximum of two incidents;
  - > Maximum \$10,000 for the entire period.

### Applies to:

Legal assistance and legal fees for a litigation resulting from the real estate transaction and subsequent ownership and occupancy of the residence.

### Examples of litigation:

- Litigation with a neighbour, a service provider or a tenant; false declaration from the Seller or hidden defect.

### Eligible expenses:

- Professional consultation fees and expert's fees in relation to litigation. Legal fees for consultation purposes only and not for the actual work performed.

## CLAIMS

To report a claim for delay, withdrawal, death, legal consultation or to claim for legal fees, the client must contact the program's legal support service at: **1 866 466 1040**

## Eligible Properties

### Sale

Owner-occupied residential building of 5 units or less  
Secondary home occupied year-round by the owner  
Condominium  
Property of \$3,000,000 in value or less

### Purchase

Owner-occupied residential building of 5 units or less  
Secondary home occupied year-round by the owner  
Condominium  
Property of \$3,000,000 in value or less  
Purchase with the intention of occupying: a vacant property, a property that is part of an estate or a foreclosure

## Excluded Properties

### Sale

Newly built home  
Land  
Rented property  
Property that is part of an estate (unless the spouse still lives on the property)  
Foreclosure

Vacant property prior to the binding promise to purchase

3 exceptions for vacant property:

- Military
- Transfer to different city or country for work
- Transfer of an elderly person in a care facility

### Purchase

Newly built home  
Land

## Eligible Clients

### Seller

Individual  
Client must be represented by a participating RE/MAX broker  
Occupy the property at the time of the binding promise to purchase  
An estate (only if the spouse still lives on the property being sold).

### Buyer

Individual  
Client must be represented by a participating RE/MAX broker  
Buying with the intention of occupying the property

## Excluded Clients

### Seller

An estate (unless the spouse still lives on the property)  
Real estate developer  
A company or corporation

### Buyer

An estate  
Real estate developer  
A company or corporation