

Village Of Donalda

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Policy Category: Land Policies

Policy Number: 1

Date Approved by Council: October 20, 2015

Date Reviewed and or Amended by Council: Amended June 21, 2016

Policy Name: Land Sale Policy for Residential Lots

1. Single Lot Purchases

- a) Standard Lot Purchase Agreement – a purchaser shall enter into a Village of Donalda Standard Lot Purchase Agreement in order to purchase a single residential lot from the Village of Donalda.
- b) Letter of Intent – a purchaser may sign a letter of intent with respect to purchasing a single residential lot. Letters of intent shall be in form determined by the Village of Donalda Chief Administrative Officer (CAO) from time to time and shall have the date of signing by the purchaser indicated on them. The Village of Donalda shall hold a single residential lot for seventy – two (72) hours from the date and time of signing, without taking a deposit, in order to allow the purchaser to arrange financing or to verify whether a proposed development is acceptable for the lot.
- c) Down Payment Deposit – a purchaser shall pay as a down payment deposit an amount equal to or greater than ten percent (10%) of the total purchase price, including GST, of the single residential lot at the time that the Standard Purchase Agreement is entered into. Village of Donalda Administration shall ensure that no lot purchase agreements are entered into without receipt of the required down payment.
- d) Balance of Funds – a purchaser shall pay the balance of funds owing on the purchase of the single residential lot (i.e., the balance owing on the lot purchase after that down payment is accounted for) no later than thirty (30) days after the date of the Standard Lot Purchase Agreement is signed.
- e) Building Commitment – a purchaser shall comply with the development/building commitment whereas the purchaser shall take out a development permit within 1 year from the signed date of the Standard Lot Purchase Agreement. Construction must be completed within 2 years from the signed date of the Standard Lot Purchase Agreement. **The new building/structure must have a minimum gross assessment value of \$60,000.** These standard guidelines for development will be included on the Standard Lot Purchase Agreement. If the purchaser has submitted an alternate development schedule that has been approved by council, then that schedule will be included on the Standard Lot Purchase Agreement.
- f) Conditions for Transfer of Title – the Village of Donalda will transfer title to the purchaser when all conditions on the Standard Lot Purchase Agreement are met. Should the purchaser require the transfer of title prior to this for financing requirements the Village shall require the purchaser to execute and deliver a registerable Transfer of Land back to the Village to be held until all conditions are met. The Village of Donalda will also register

a caveat on the title removed only when all conditions outlined in the Standard Lot Purchase Agreement are met.

- g) **Breach of Conditions** – where a purchaser fails to pay the balance of funds as required or fails to comply with the required building commitment, Village of Donalda administration shall take steps to cancel the lot purchase agreement and void the sale.
- h) **Cancellation of Purchase** – should a purchaser fail to comply with the conditions in the Standard Lot Purchase Agreement, or desire to void the sale of the lot for any reason whatsoever, Village of Donalda administration shall take steps to cancel the agreement and void the sale. In the event that an agreement is cancelled or void, the refund to the purchaser by the Village of Donalda shall be the purchase price paid, less 15%, less any costs incurred by the Village in respect to the land and less any taxes and penalties remaining unpaid by the purchaser with respect to the same land, regardless of the date on which is the agreement is cancelled or void.

2. Multiple Lot Purchases:

- a) When a purchaser desires to purchase multiple lots whether for the purpose of placing individual developments on each lot or a single development on multiple lots every single lot with a separate title shall be subject to separate Standard Lot Purchase Agreements. It will be the responsibility of the purchaser to consolidate the titles after purchase if needed.
- b) When a purchaser desires to purchase more than one residential lot at the same time for the purpose of placing a single development on those lots, the purchaser shall prepare a written offer for the multiple lots and deliver it to the Village Office. The CAO shall prepare a recommendation for Donalda Village Council and place this matter on the regular Council meeting agenda for the next following meeting.
- c) **Approval of Offer** – when an offer to purchase multiple lots is placed before Council by the CAO, Council shall approve or reject the offer. Until and unless Council approves the offer, no steps shall be taken by the CAO to enter into an agreement to sell those lots.