

Policy Title: RESIDENTIAL LOT SALES

Policy Objective	To establish parameters relating to the manner in which residential lots owned by the Town of Outlook are sold
Authority	Resolution #828/19 Amending Resolution #05/23
Supporting Bylaw	Bylaw No.
Related Policy	Formerly Resolution #828/19

LEGISLATIVE AUTHORITY

The Municipalities Act; The Tax Enforcement Act

OBJECTIVE

This Residential Lot Sales policy is implemented to establish guidance relating to the manner in which the residential lots owned by the Town of Outlook are sold. The purpose of these rules is to ensure that residential lot sales occur in an organized and efficient fashion.

This policy is adopted as an affirmation of Council's belief that managed growth in the community is very necessary. Council also recognizes its commitment to providing and maintaining high quality services to ratepayers in the most economical and efficient manner possible. By implementing this policy, Council seeks to reconcile these two (2) objectives.

SCOPE

This policy applies to all individuals, organizations and businesses that wish to purchase residential property from the Town.

DEFINITIONS

- a) "Contractor" means:
 - a. Any party or person providing a corporate or business name registration valid in Saskatchewan; and
 - b. Is licensed by the Town of Outlook as a General Contractor engaged in the construction of houses for the purpose of resale as their primary business activity; and
- b) "Individual" means:
 - a. Any party or person wishing to purchase a residential property from the Town of Outlook that are not defined as a "Contractor"; and
 - b. Is not licensed by the Town of Outlook as a General Contractor engaged in the construction of houses for the purpose of resale as their primary business activity; and
- c) "Developer" means:
 - a. Any party or person wishing to purchase a tract of residential property from the Town of Outlook wishing to subdivide that tract of land into at least 4 distinct properties or purchasing at least 4 distinct and adjacent properties; and
 - b. Is licensed by the Town of Outlook as a Developer engaged in the development of land for the purpose of resale as their primary business activity; and
- d) "Council" means the Council of the Town of Outlook.
- e) "Town" means the Town of Outlook

POLICY

1. Sale of Lots

- 1.1.** Newly developed residential lots may be offered for sale, from time-to-time, on a tender basis
- 1.2.** Tax title residential properties MUST first, be tendered for sale and follow the regulations set out in the *Tax Enforcement Act*.
- 1.3.** In these cases, the highest bid will not necessarily be accepted
- 1.4.** Following tender opening and rejection, Council may place a reasonable price on the residential lot(s) and offer for sale on an ongoing basis at the reasonable price set by Council. In addition, Council may entertain offers of a reasonable price on the residential lot(s) and reserves the right to take a lower price than advertised at

their discretion.

- 1.5.** Alternatively, newly developed residential lots may be offered for sale on an ongoing basis at the cost of development (determined by Administration) plus a reasonable fee approved by Council
- 1.6.** Once advertised on an ongoing basis, residential Lots will be sold on a first come-first serve basis.

2. Lot Allowance

- 2.1.** Individuals are encouraged to hold only one (1) residential lot by purchase agreement with the Town at any one time without the commencement of a construction start.
 - 2.1.1.** The exception will be made in the case that multiple lots are necessary for the individuals one development project
- 2.2.** Contractors may hold up to four (4) residential lots by purchase agreement with the Town at any one time without the commencement of a construction start.
 - 2.2.1.** As construction commences on each lot to the extent of installing a basement and presenting a Real Property Report as to building location, the contractor may obtain additional lots so long as the number of new vacant residential lots purchased from the Town does not exceed four (4).

3. Terms and Conditions

- 3.1.** Except when specified otherwise in the case of a specific tender, individuals are subject to:
 - 3.1.1.** Making a down payment equal to 25% of the total purchase price plus GST payable to the Town at the time of making an Offer to Purchase;
 - 3.1.2.** Up to four (4) months interest free on the unpaid balance of the lot purchase price, commencing on the day the Offer to Purchase is approved by the Town;
 - 3.1.3.** Interest rate of 2.0 % per month applied to any unpaid balance at the end of the four (4) month period;
 - 3.1.4.** Subject to a cancellation fee of two hundred & fifty (\$250.00) dollars per lot plus accrued interest and taxes

should the purchase agreement be cancelled by the individual prior to the expiration of the 4 month period; subject to a cancellation fee of the 25% down payment should the purchase agreement be cancelled by the individual following the expiration of the 4 month period

- 3.1.5.** Prior to commencement of building of a principal building structure, shall apply and obtain from the Town, approval of a building permit and a development permit in compliance with all bylaws and regulations of the Town and the Province of Saskatchewan and conforming to the National Building Code;
 - 3.1.6.** Commence to build on the said land a principal building structure that conforms to all building/zoning regulations and bylaws/policies of the Town within a period of six (6) months from the date of acceptance of the Offer to Purchase by the Town;
 - 3.1.7.** Completion of principal building eighteen (18) months from the date of acceptance of an offer to purchase by the Town; and
 - 3.1.8.** Transfer of title will not be signed by Town officials until development permit and building permit of property is approved AND the balance of the lot purchase price is paid in full.
- 3.2.** Except when specified otherwise in the case of a specific tender, contractors are subject to:
- 3.2.1.** Making a down payment of ten thousand (\$10,000.00) dollars or 25% of the total purchase price whichever is less plus GST payable to the Town at the time of making an Offer to Purchase;
 - 3.2.2.** No obligation to pay the balance until the principal building is at the substantial completion stage recognized by the Town's duly appointed building official;
 - 3.2.3.** No interest will be calculated on the balance of the purchase until the property is sold or occupied;
 - 3.2.4.** Subject to a cancellation fee of one thousand (\$1,000)

dollars per lot should the purchase agreement be cancelled by the corporation prior to the expiration of a 4 month period following the day the purchase agreement is approved by the Town; subject to a cancellation fee of the full down payment should the purchase be cancelled by the corporation after the expiration of the 4 month period following the day the purchase agreement is approved by the Town.

- 3.2.5.** Prior to commencement of building of a principal building structure, shall apply and obtain from the Town, a building permit and a development permit in compliance with all bylaws and regulations of the Town and the Province of Saskatchewan and The National Building Code.
- 3.2.6.** Commence to build on the said land a principal building structure that conforms to all building/zoning regulations and bylaws/policies of the Town within a period of one (1) year from the date of acceptance of the Offer to Purchase by the Town.
- 3.2.7.** Completion of principal building in an agreed upon reasonable time period (included in the agreement to purchase) from the date of acceptance of an offer to purchase by the Town; and
- 3.2.8.** Transfer of title will not be signed by Town officials until development permit and building permit of property is approved AND the balance of the lot purchase price is paid in full.