



City of Yorkton

POLICY TITLE SALE OF RESIDENTIAL LOTS		ADOPTED BY City Council	POLICY NO. 10.180
ORIGIN/AUTHORITY City Clerk	JURISDICTION City of Yorkton	EFFECTIVE DATE September 14, 1987 Amended June 23, 2014 Amended Nov. 25, 2014	PAGE # 1 of 3

1. **PURPOSE**

To establish a procedure for the selling of inventoried residential lots in the City of Yorkton

2. **DEFINITIONS**

2.1 **INDIVIDUAL** for the purposes of this policy shall mean:

- a) any party or person unable to provide a corporate or business name registration valid in Saskatchewan; or
- b) is not licensed by the City of Yorkton as a General Contactor engaged in the construction of houses for the purpose of resale as their primary business activity; and
- c) has not built any houses in the City of Yorkton in the preceding calendar year.

2.2 **CONTRACTOR** for the purposes of this policy shall mean:

- a) any party or person providing a corporate or business name registration valid in Saskatchewan; and
- b) is licensed by the City of Yorkton as a General Contractor engaged in the Construction of houses for the purpose of resale as their primary business activity; and
- c) has built no less than one house in the City of Yorkton.

2.3 Offer to Purchase Residential Property Agreement, known as the “Agreement” in this policy.

3. **GENERAL POLICY**

3.1 Lots will be sold on a first come first serve basis, available to Individuals and Contractors at the same time using the same process.

3.2 Lots are sold at the prices set by Council and advertised on the City of Yorkton website.

4. **PURCHASE OF A LOT – TERMS AND CONDITIONS**

4.1 Upon the signing of an Agreement an amount equal to 10% of the purchase price of the lot including GST is payable.

4.2 The balance owing is due in 30 days from the date of the signed Agreement.

4.3 If the Agreement is cancelled within 3 days of signing, the City will keep \$250 and refund the balance and once again offer the property for sale to the general public.

4.4 If the Agreement is cancelled after 3 days but prior to 30 days, the City will keep \$500 and refund the balance and once again offer the property for sale to the general public.

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- 4.5 The City also collects the following fees as part of the Agreement.
- 4.5.1 ISC charges the amount of 0.3% for transferring title into the name of the Purchaser. The City will collect this fee and upon payment of the lot in full we will then transfer title directly into the name of the Purchaser.
- 4.5.2 The City has also entered into an Agreement with a Surveyor to prepare a Real Property Report (RPR) for each lot sold. The price of the RPR is collected at the time of sale of the property. Once the RPR is prepared, the City receives four originals; we provide three originals to the Purchaser and keep one original in the property file.
- 4.6 Once title is transferred the Purchaser is responsible for taxes at the vacant land rate until such time as the home is built and ready for occupancy. (90 days after the vapour barrier inspection the property reverts to a residential rate for tax purposes)
- 4.7 Construction may not commence until the lot is paid in full and a building permit is issued.
- 4.8 There are no time lines for construction to begin after purchase of a lot, however, once a building permit is issued, the build is to be completed within one year.

5. HOLDS

- 5.1 Any Individual or Contractor may place a lot on hold without payment of any fee upon providing a contact name(s) and phone number(s) in case the hold is called in. You must be prepared to release the hold or enter into an agreement to purchase the lot within 24 hours if the hold is called in. A hold on a lot does not give the right of possession or any legal claim to that lot. It is intended to allow for a maximum period of 30 days right of first refusal on a lot to allow potential purchasers a short period of time to finalize their decision to purchase. The City of Yorkton will call the phone numbers that are given at the time a lot is placed on hold; however the City accepts no responsibility if they are unable to contact the Individual or Contractor at the numbers provided.
- 5.2 If an Individual or Contractor wishes to put more than one lot on hold – they may do so subject to payment of \$5,000 per lot (maximum 5 lots) which will be deposited into the City of Yorkton bank account. The City Manager may designate certain lots that cannot be placed on hold.
- 5.3 If someone wishes to call in a hold on a lot – they must provide a cheque equal to 10% of the purchase price plus GST. The City will then call the Individual or Contractor that has the lot on hold. If the person with the hold on the lot proceeds with purchasing the lot, then the cheque is returned back to the person who called in the hold. In the case of an Individual or Contractor that has paid the \$5,000 to put more than one lot on hold – if they release the hold rather than proceeding to purchase the lot, the City will keep \$500 from the \$5,000 deposit and return the balance, otherwise the \$5,000 deposit will be applied to the price of the lot.
- 5.4 An Individual or Contractor may exercise a second hold term as provided for in Clause 5.1 immediately following the expiration of the first hold term on the same property. After the second hold period of time (30 + 30 = 60 days) the applicant must then wait a period of one year to re-apply for a hold on that same property.

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6. RESALE OF LOTS:

6.1 Once the lot is paid for in full and the title has been transferred into the name of the purchaser, the purchaser may sell the lot rather than build. No lots may be signed for sale until an Agreement is signed.

7. RESPONSIBILITY:

7.1 The City Clerk or her designate shall be responsible for administering the sale of lots and the allocation of lots to Individuals and Contractors.

7.2 Review of and recommendations in change of policy shall be the responsibility of City Council on the recommendation of the City Manager and may be changed at the City's sole discretion.