

**THE CITY OF CAMROSE
SALE OF LAND AGREEMENT**

DATED THIS _____ day of _____, 2019.

Between:

THE CITY OF CAMROSE
(the "City")

-and-

????
(the "Buyer")

Background

- A. The City has offered the Land for sale by Sealed Tender.
- B. The Buyer provided a 10% deposit and was selected as the successful bidder.

The Property

- 1. The Buyer agrees to purchase the Land for \$ _____, subject to the terms and conditions of this Agreement.

Payment of Purchase Price

- 2. The Buyer shall pay the Purchase Price to the City in the following manner:

\$ XXX Deposit: Deposit equal to 10% of Purchase Price, previously
paid upon tender submission

\$ XXX GST: If applicable and if not a GST Registrant

\$ XXX Balance: Balance of Purchase Price due on Closing

\$ XXX Total Purchase Price

Closing Date

- 3. The Closing Date is the _____ of _____, 2019 or such later date as the parties shall mutually agree in writing.

Transfer of the Property

- 4. The transfer of title to the Buyer shall be affected by the City submitting for registration at Land Titles.

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Purchaser's Obligations

5. The Buyer acknowledges and agrees that it is solely the responsibility of the Buyer to review, investigate and make inquiries into:
 - a. any encumbrances or restrictions which may affect the Land; and
 - b. any other matters that could affect the Buyer's development, use or enjoyment of the Land.

Possession

6. The Buyer shall be entitled to possession of the Land on the Closing Date and upon payment of the Purchase Price.

Default

7. If the Buyer fails to complete the purchase of the Land in the manner and on the date specified in this Agreement, at the option of the City this Agreement shall be terminated, and the Deposit shall be forfeited to the City.
8. In the event of such Default, the City shall be entitled to all costs incurred on a solicitor and client basis as a result of the Buyer's failure to complete.

Adjustments

9. From and after Closing Date, the Buyer shall be responsible for the payment of all taxes, rates, levies, charges, local improvement charges, assessments, utility charges and hook-up fees, with respect to the Land.

"AS IS, WHERE IS" Purchase of the Property

10. Notwithstanding any term or condition of this Agreement, the Buyer shall purchase the Land on the express understanding that:
 - a. there are no warranties or representations being made by the City relating to the Land or land in the vicinity of the Land;
 - b. without limiting the generality of the foregoing, the City specifically does not warrant:
 - i. the quality, condition or sufficiency of the Land for any use or purpose;
 - ii. the adequacy of any or all utility services and municipal improvements and infrastructure either to or on the Land; or
 - iii. the absence or presence of hazardous substances in, on, under, over or adjacent to the Land.
 - c. the Land is being sold to the Buyer on a strictly "as is, where is" basis and the Buyer shall acquire the Land at its own risk, with all faults and imperfections whatsoever, including without limitation, the presence of all

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hazardous substances (if any) in, on, under, over or adjacent to the Land;
and

- d. the Buyer shall satisfy itself as to the fitness and suitability of the Land for the Buyer's intended use.
11. The Buyer agrees to indemnify and save harmless the City from any claims, liability or damages, arising out of or in connection with any environmental contamination or pollution of the Land as a result of the presence of any hazardous substances in, on or under the Land.
12. For the purposes of this Agreement, the term "hazardous substances" includes but is not limited to petroleum products and by-products, any contaminants, pollutants, dangerous substances, hauled liquid wastes, toxic substances, industrial wastes, hazardous wastes, hazardous materials, or hazardous substances as defined in or pursuant to any federal, provincial, or municipal law, bylaw, statute, regulation or order.

Repurchase Rights

13. As an inducement to the Vendor to sell the Purchase Lands to the Purchaser, the Purchaser agrees to achieve substantial completion of the Development on the Purchase Lands as described in the related Tender Submission Form ("*substantial completion*" shall have the meaning set out in the *Builders' Lien Act, R.S.A. 2000, c. B-7*) no later than December 31st, 2021.
14. In consideration for the Vendor transferring title to the Purchase Lands to the Purchaser, prior to completion of the requirements set out in section 13 of this Agreement, the Purchaser grants to the Vendor the Option to Reacquire the Purchase Lands free and clear of all encumbrances to be exercised only, in the event that after transfer of title, the Purchaser defaults in performance of its obligation to achieve substantial completion of the Development on the Purchase Lands as described in the related Tender Submission Form upon the Purchase Lands. If the Purchaser fails to complete development upon the Purchase Lands within the time periods contained in section 13 of this Agreement, the Vendor may, by serving a written Option Notice on the Purchaser on or before three (3) years from the date of this Agreement, exercise the Option to Reacquire the Purchase Lands. If the Option to Reacquire is exercised, the Purchase Price shall be the sum equal to 80% of the amount paid by the Purchaser to acquire the Purchase Lands from the Vendor. The terms of the Option to Reacquire shall be as further described in Schedule "D" to this Agreement.
15. This Agreement and the Option to Reacquire contained herein may be registered as a caveat against the Purchase Lands to ensure the requirements of section 14 are satisfied, and shall be discharged by the Vendor upon completion of such requirements or the expiry of the Option to Reacquire as set out herein.
16. On closing the Purchaser will register the caveat relating to the Option to Reacquire immediately following the transfer of land and provide to the Vendor a fully executed copy of the Option to Reacquire and a Certified Copy of Title showing its registration.

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hereto save where herein contained.

- 24. The terms and conditions of this Agreement shall be binding on the parties and their heirs, executors, administrators, successors and assigns. Prior to the Closing Date, the Buyer shall not assign its interest in the Land without the written approval of the City.

ATTENTION: THE PURCHASER SHOULD CAREFULLY READ THE ENTIRE AGREEMENT (INCLUDING ANY SCHEDULES) BEFORE SIGNING. THIS AGREEMENT WILL TERMINATE AND THE DEPOSIT IS FORFEITED TO THE CITY IF THE PURCHASER FAILS TO PAY THE BALANCE OF THE PURCHASE PRICE BY THE DEADLINE SET OUT IN SECTION 3.

SIGNED AT CAMROSE, ALBERTA WITH EFFECT THE DATE ABOVE

WRITTEN. **CITY OF CAMROSE**

Per: _____ (c/s)
Deputy City Manager

Buyer

_____)	
_____)	
_____)	
Witness _____)	Buyer
_____)	
Witness _____)	Co-Buyer

SCHEDULE "A"

Affidavit of Execution For Individual Buyers

I, _____ of the City of Camrose, Alberta, MAKE OATH AND SAY THAT:

- 1. I was personally present and did see the person(s) named therein, duly sign the instrument.
- 2. The instrument was signed at Camrose, Alberta, and I am the subscribing witness.
- 3. I believe the person(s) whose signature I witnessed is (are) at least 18 years of age.

SWORN BEFORE ME at Camrose, Alberta, this _____ day of _____, 2019.)

)
)
)

Witness

A Commissioner For Oaths in and For the Province of Alberta

SCHEDULE "B"

Affidavit of Execution For Individual Buyers

I, _____ of the City of Camrose, Alberta, MAKE OATH AND SAY THAT:

- 1. I was personally present and did see «First_Name» «Last_Name» «First_name_2» and «First_Name» «Last_Name» «First_name_2» who on the basis of identification provided to me I confirm is (are) the person(s) named therein, duly sign the instrument.
- 2. The instrument was signed at Camrose, Alberta, and I am the subscribing witness.
- 3. I believe the person(s) whose signature I witnessed is (are) at least 18 years of age.

SWORN BEFORE ME at Camrose,
Alberta, this ____ day of _____, 2019.)

)
)
)

Witness

A Commissioner For Oaths in and

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For the Province of Alberta

SCHEDULE "C"

UNDERTAKING

To: The City Of Camrose (Vendor)
Re: Purchase of Lot _____, Block _____, Plan _____ (The Lands)

ADDRESS: _____.

As Purchasers of the above noted property, the undersigned Purchaser acknowledges that the purchase price does not include Goods and Services Tax and that the Vendor has not collected the Goods and Services Tax with respect to the purchase and sale of the lands.

The Undersigned, («Buyer»), confirm that we are registered under Part IX (Goods and Services Tax) Division V, Subdivision "D" of the Excise Tax Act (Canada) and our registration number is _____ . We hereby covenant and agree that we will be responsible for any Goods and Services Tax that may be imposed or levied by Revenue Canada arising out of the sale by the Vendor of the lands, and that we will, as required by law:

1. Register and/or file any documentation required pursuant to any G.S.T. legislation;
2. If any Goods and Services Tax becomes payable respecting the said sale of the lands, we shall pay the same to Revenue Canada;

and that we shall indemnify and save harmless the City from and of any liability for or payment by it of applicable G.S.T.

These undertakings shall survive the close and completion of the within purchase.

DATED at the City of Camrose, in the Province of Alberta, this _____ day of _____, 2019.

<<BUYER>>

Per:

Per:

The City of Camrose
(the "City")

- and -

<<BUYER>>

SCHEDULE "D"

OPTION TO REACQUIRE

This Agreement made this ___ day of _____, 2019.

BETWEEN:

CITY OF CAMROSE

a municipal corporation in the Province of Alberta
(hereinafter together referred to as "Optionee")

-and-

<THE BUYER>

(hereinafter together referred to as "Grantor")

WHEREAS:

- (A) The Grantor is entitled, by way of the Agreement of Purchase and Sale, dated __
_____, 2019 (the "Sale of Land Agreement"), to become the registered
owner of those certain lands in the City of Camrose indicated on **Schedule "C"**,
(the "Lands"); and
- (B) The Sale of Land Agreement proceeded and closed on the basis that the Grantor
would achieve substantial completion of the Development on the Purchase Lands
as described in the related Tender Submission Form upon the Purchase Lands
within the time periods contained in section 13 of that Sale of Land Agreement;
and
- (C) The Optionee wishes to acquire an option to reacquire the Purchase Lands from
the Grantor, to be exercised only in the event the Grantor fails to achieve
substantial completion of the Development on the Purchase Lands as described
in the related Tender Submission Form upon the Purchase Lands within the
required time frames, and the Grantor has agreed to grant to the Optionee an
option to purchase the Purchase Lands pursuant to the terms, provisions and
conditions set forth herein;

NOW THEREFORE this Agreement witnesses that in consideration of the sum of **One (\$1.00)
Dollar** (Canadian) now paid by the Optionee and other good and valuable consideration, the

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receipt and sufficiency of which is hereby acknowledged, the Grantor hereby grants to the Optionee the sole and exclusive option irrevocable within the time for exercise provided herein to purchase the Purchase Lands (the "Option"), free and clear of all encumbrances on the following terms and conditions:

SECTION 1: CONDITIONS PRECEDENT

The Option shall only be available for exercise if the Purchase Lands are transferred by the Optionee to the Grantor and the Grantor defaults in its obligations under section 13 of the Sale of Land Agreement to achieve substantial completion of the Development as described in section 13 of the Sale of Land Agreement (*"substantial completion" shall have the meaning set out in the Builders' Lien Act, R.S.A. 2000, c. B-7*) no later than December 31st, 2021.

SECTION 2: EXERCISE OF OPTION

2.1 This Option may be exercised by the Optionee giving notice in writing (the "Option Notice") delivered or faxed to the Grantor at the following address:

<GRANTOR>
[Add Address]

on or before 11:30 a.m. Mountain Time within Three (3) years of the date of this Agreement (the "Option Exercise Date").

2.2 In the event that the Option Notice is not delivered the Grantor by the Option Exercise Date, this Agreement and everything contained herein shall be at an end and no longer binding on the parties hereto, except that the Grantor shall be entitled to retain the Option Payment.

2.3 Upon the delivery of the Option Notice in the manner set out above, this Agreement and the Option Notice shall become a binding contract of sale and purchase of the Purchase Lands, and such sale and purchase will be completed upon the terms provided in Section 2 herein and in **Schedule "D"** (collectively, the "Reacquisition Agreement").

Section 3: Representations, Warranties and Covenants

3.1 In this Agreement and the Purchase Agreement, the Grantor makes the following representations and warranties in respect of the Purchase Lands effective as of the date hereof and the Closing Date or Dates:

- (a) The Grantor is a resident of Canada for the purposes of Section 116 of the *Income Tax Act* of Canada;
- (b) The Grantor is not aware of the presence of any Contaminants upon, within or under the Purchase Lands;
- (c) To the best of the Grantor's knowledge, information and belief, but without independent investigation, the Purchase Lands have not been subject to any prior use which might reasonably be expected to have resulted in Contaminants having been deposited or accumulated upon, within or under the Purchase Lands;
- (d) To the best of the Grantor's knowledge, information and belief but without independent investigation, there are no active or inactive above-ground or below-ground storage tanks within or under the Purchase Lands;
- (e) There are no claims, actions, prosecutions, charges, hearings or other proceedings of any kind (collectively, "Proceedings") in any court or tribunal by or against the Grantor or, to the best of the Grantor's knowledge, any other person and the Grantor has received no notice of any such proceedings which relate to the presence of Contaminants within, upon or under the Purchase Lands or from the Purchase Lands or any violation of any Environmental Law relating to the Purchase Lands and to the best of the Grantor's knowledge, information and belief there is no basis for any Proceedings or the issuance of any notice thereof.
- (f) Subject to closing the purchase of the Purchase Lands, the Grantor will have good title to the Purchase Lands, and is ready, willing and able to convey title to the Purchase Lands free and clear from any liens and encumbrances apart from the Permitted Encumbrances, and also free and clear from any charges, claims, or obligations of any party claiming by, through, or under the Grantor;

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- (g) The Grantor has used no real estate agent in connection with this Option Agreement or the Purchase Agreement for which commissions are or may become payable;
- (h) To the best of the Grantor's knowledge, information and belief, the Purchase Lands have only been used for purposes of a municipal road; and
- (j) In this Clause 3.1:
 - (i) "Contaminants" means substances, pollutants and wastes which (A) pollute or are otherwise harmful to the Environment, (B) are defined as contaminants, pollutants, radioactive waste, hazardous substances, hazardous waste, hazardous or toxic under any applicable Environmental Law, or (C) are construed as having an adverse effect, through impairment of or damage to the Environment, human health or safety or Purchase Lands under any applicable Environmental Law;
 - (ii) "Environment" means all components of the earth including all layers of the atmosphere, air, land, soil, water (including, without limitation, surface and underground water), organic and inorganic matter and living organisms and the interacting natural systems that include the components referred to above;
 - (iii) "Environmental Law" means any federal, provincial, municipal or other governmental or regulatory statutes, bylaws, regulations and rules in effect relating to the Environment, occupational safety, health or transportation.

Each of the representations and warranties in Clause 3.1 will expire one (1) year following the Closing Date (as defined in section 3 of the Land Sale Agreement) unless action is commenced by the Optionee in a court of competent jurisdiction with respect to such representation or warranty.

- 3.2 The Grantor hereby agrees to indemnify and save harmless the Optionee from and against any claims, demands, actions, suits, losses, costs, damages and expenses (including, without limitation, legal fees and disbursements on a solicitor and his or her

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own client indemnity basis) arising from or relating to the breach of any representation or warranty set forth in Clause 3.1, except where such breach or non-compliance is the result of the act or omission of the Optionee.

Section 4: Miscellaneous Provisions

- 4.1 The Grantor and the Optionee shall execute all further deeds, documents and assurances and will do all further things as may be reasonably required for the purpose of carrying out this agreement according to its true meaning and intent.
- 4.2 The Optionee shall have the right to assign any of its rights and obligations under this Agreement.
- 4.3 Time shall be of the essence. This Agreement shall enure to the benefit of, and be binding upon, the parties hereto and their respective heirs, personal representatives, successors and assigns.
- 4.4 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta.
- 4.5 This is the entire agreement between the parties respecting the Option granted by the Grantor to the Optionee to purchase the Purchase Lands. Except as expressly provided herein, there are no representations, warranties, collateral agreements or conditions respecting the purchase and sale of the Purchase Lands.
- 4.6 This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties hereto have duly executed this Option Agreement by the hands of their proper officers, as of the day and year first above written.

CITY OF CAMROSE

Per: _____ (c/s)

<BUYER>

Per: _____ (c/s)
