



# *TOWN OF THREE HILLS*

## **POLICY # 380-A1**

### **NON-RESIDENTIAL LOTS HELD FOR RESALE POLICY**

Adopted by Council on: **May 25, 2020**

Resolution No.: **264-2020**

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#### **1. PURPOSE**

- 1.1. The purpose of this Policy is to formalize the manner to be employed by Administration for the selling of non-residential Lots held in inventory, to prospective purchasers.
- 1.2. This Policy shall apply to those Lots held in inventory for future development and resale. Such Lots where never part of, nor intended to be part of, a Municipal Reserve, an Environmental Reserve, a Public Utility Lot, or long-term municipal assets.

#### **2. AUTHORITY**

- 2.1. The authority for this Policy is by resolution of the Council of the Town of Three Hills.
- 2.2. The CAO is accountable and responsible for the development, evaluation and implementation of this Policy.
- 2.3. The CAO reserves the right to exercise appropriate managerial judgement to take such actions as may be necessary to achieve the purpose of this Policy.

#### **3. DEFINITIONS**

- 3.1. Whenever the singular masculine gender is used in this Policy, the same shall include the feminine and neutral gender whenever context requires.
- 3.2. In this Policy, unless the context otherwise requires:
  - 3.2.1. "CAO" shall mean Chief Administrative Officer for the Town of Three Hills or his designate.
  - 3.2.2. "Council" shall mean the body of elected officials who govern the Town.
  - 3.2.3. "Lots" shall mean those non-residential lots as identified in Schedule A.
  - 3.2.4. "Town" shall mean the Town of Three Hills.

#### **4. POLICY**

- 4.1. Lots will be sold to purchasers in a fair, timely and consistent manner. The process and

general terms for purchasing a Lot will be set out in this Policy.

4.2. Pricing

- 4.2.1. All prices for Lots will be approved by Council resolution.
- 4.2.2. All prices for Lots shall be set in accordance with Section 70 of the *Municipal Government Act*, as amended.

4.3. Advertising

- 4.3.1. One or a combination of the following means of advertising shall be used:
  - i. Town website;
  - ii. On site signage;
  - iii. Newspaper advertisements.

4.4. Sales

- 4.4.1. Lots will be sold on a first-come, first served basis.
- 4.4.2. There shall be no options to purchase or expressions of interest considered.
- 4.4.3. Offers less than ninety-five percent (95%) of the listed price shall be subject to Council approval.

4.5. Terms of Purchase

- 4.5.1. Eligible purchasers shall execute a completed purchase agreement and provide a fifteen percent (15%) deposit.
- 4.5.2. If the purchaser requires time to secure financing, a “subject to” clause, will be included in the agreement, but must not exceed thirty (30) days.
- 4.5.3. The balance of the purchase price, and any applicable GST, will be due 90 (ninety) days from the date of execution of the agreement by the Town.
- 4.5.4. Notwithstanding the above, the CAO has the authority to allow up to a sixty (60) day extension.
- 4.5.5. Purchasers must obtain development and building permit approval and commence development on the Lot within 12 (twelve) months of the date of title being transferred to the purchaser.
- 4.5.6. If for any reason the purchaser does not commence development within the period specified in section 4.5.5., the Town has the option to purchase the Lot at the equal purchase price less legal fees and expenses incurred by the Town. A caveat will be

registered on title.

4.5.7. Purchasers shall ensure that all development and/or construction complies with the bylaws and policies of the Town of Three Hills, other governing bodies, boards and entities or agencies.

4.5.8. The sale of Lots for land banking shall not be allowed. For the purpose of this policy, land banking shall mean an area of land owned by a person or organization that is considered an asset because it could be used for building property on in the future or for its sale for profit at a higher value than the original purchase price.

4.6. Deposits:

4.6.1. Full deposit refunds will be issued to the purchaser upon receipt of a letter from a financial institution denying the purchaser financing.

4.6.2. A purchaser requesting a refund of a deposit for any other reason will be issued the refund less a 15% administration fee in the first ninety (90) days.

4.6.3. After the first ninety (90) days no refund shall be issued.

4.7. Title Transfer:

4.7.1. The Town shall transfer title of the Lot to the purchaser when the purchase price has been paid in full.

4.8. Commissions:

4.8.1. The Town will pay a three percent (3%) commission to any licensed realtor holding a valid Town of Three Hills business license that accompanies and assists a purchaser in entering a purchase agreement with the Town. This commission will be payable upon transfer of title of the selected Lot to the purchaser.

**5. PRIOR POLICY**

5.1. This policy shall supersede and replace all prior policies, oral or written, regarding non-residential lots held for resale within the Town of Three Hills, including but not limited to, Policy 380 – Non-Residential Lots Held for Resale.

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### SCHEDULE A

Zoning	Lot Size +/-	Civic Address	Lot	Block	Plan
Industrial	4.71 Acres	413 – 3 St SW	2	1	0713636
Commercial	.97 Acres	131 – 1 Ave NE	1	1	0914955
Commercial	.73 Acres	101 – 1 Ave NE	3	1	0914955
Hwy Commercial	.845 Acres	138 – 17 Ave NE	6		9912141
Hwy Commercial	.845 Acres	228 – 17 Ave NE	7		9912141

