

THIS AGREEMENT REGARDING PURCHASE AND LOT DEVELOPMENT

MADE THIS _____ DAY OF _____, 2009

BETWEEN:

TOWN OF DAYS LAND
(hereinafter called the "Town")

of the First Part

- and -

, in the Province of Alberta
(hereinafter called the "Purchaser")

of the Second Part

WHEREAS the Town is the registered owner of the following lands, namely:

PLAN _____

BLOCK _____

LOT _____

EXCEPTING THEREOUT ALL MINES AND MINERALS

(Hereinafter called the lands)

AND WHEREAS the Town and the Purchaser have entered into an Offer to Purchase Agreement dated _____, 2009, whereby the Town has agreed to sell the lands to the Purchaser;

AND WHEREAS it is a condition of the Offer to Purchase that the Town and Purchaser must enter into an agreement whereby the Purchaser agrees to commence construction of their single family dwelling residential building on the lands immediately following the development permit approval, and shall continue uninterrupted such that the single family dwelling residential building on the lands shall be completed within 18 months of _____, 2009;

NOW THEREFORE this Agreement witnesseth that in consideration of the premises, covenants and agreements herein contained, and contained in the Offer to Purchase, the parties hereto covenant and agree together as follows:

1. For the purposes of this Agreement;
 - a) Approved building shall mean a building which complies in all respects with the Bylaws of the Town and has been approved by the Town;
 - b) Commenced construction shall mean that the site grading and foundation of an approved building has been completed and that work is ready to begin on the erection of the Building;
 - c) Completion of single family residential dwelling shall mean the house is 100% complete and ready for use for the purpose intended.

2. For the purposes of this Agreement, the parties agree that the lands are purchased in their present state and the purchase price includes:
 - a) Standard sanitary sewer and water services in close proximity to the lands;
 - b) Natural gas and primary electric power utilities in close proximity to the lands, but does not include:
 - i. The cost of any sewer, water or natural gas service connections or secondary electrical power supplier service connections;
 - ii. The cost of sewer, water, back-flow preventers for sewer and water service, natural gas or electrical service from the property line to service the approved building;
 - iii. The cost of stripping and grading of the lands that the Purchaser may require to facilitate development;
3. The water service connection to the lands shall have a back-flow preventer installed to prevent contamination of Town water source. The sanitary service to the lands shall have a back-flow preventer installed to prevent sanitary sewer backup into the approved building. The Purchaser shall be responsible for the expense of both back-flow preventers and installation.
4. The Purchaser shall obtain from the Town the appropriate development permit and building permits from an accredited safety codes company for the approved building prior to commencing construction of the same and shall construct the building in accordance with the permits and approved plans and specifications.
5. The Purchaser shall be responsible for arranging and paying for all necessary water and sewer service lines and natural gas and telephone services required by the approved building from the existing lines to point of construction.
6. The Purchaser covenants to commence construction on the lands of an approved building immediately following the development permit approval and to complete construction by _____, **20**_____.
7. The Purchaser is encouraged to have performed a professional legal land survey prior to the commencement of any construction or landscaping to ensure the integrity and location of the corner lot pins and to protect their own interest and investments from any potential encroachment violations.
8. The Purchaser shall comply with all bylaws and resolutions of the Town, and all other applicable laws, statutes and regulations.
9. Unless and until the Purchaser has commenced construction of an approved building, the Purchaser shall not assign this Agreement nor transfer, convey or assign the lands or any interest herein or therein without the written consent of the Town first being obtained.

10. The Development Officer or Building Inspector of the Town may enter upon the lands at all reasonable times for inspection purposes during the construction period.
11. Grading and landscaping shall conform to the Town of Daysland's grading plan and design of the subdivision in which the lands are located.
12. Within two years of commencement of construction the front and back yards must be landscaped.
13. Should the Purchaser default in completing lot grading and landscaping in accordance with the plans and within the time approved by the Development Authority of the Town, the Town and any persons or independent contractors employed by it, shall have the right to enter on the lands and complete such lot grading and landscaping. The Purchaser covenants to pay on demand by the Town, all expenses so incurred. In default of payment such expenses shall be added to the tax roll and shall be levied against the lands and be recoverable as taxes and arrears under the provisions of the *Municipal Government Act*, RSA. 2000, c.M-26.
14. GST shall apply in accordance with s.221(1) and s.221(2) of the *Excise Tax Act* in that the Purchaser shall self-assess and report the GST where the purchaser is registered for the GST.
15. Time shall be of the essence of this Agreement and this Agreement shall enure to the benefit of, and be binding upon and enforceable by the parties hereto and their respective successors, and where permitted assigns.
16. The obligations, covenants, warranties and agreements herein expressed, whether on the part of the Town or on the part of the Purchaser, shall not merge in but shall survive any closing, transfer of title, or other completion of this transaction.
17. If the Purchaser:
 - a) commences construction on the lands as required by paragraph 6;
 - b) completes building construction on the lands within one year, by _____, 20____; and
 - c) complies with paragraph 9 of this Agreement,

the Purchaser shall be entitled to a completion refund of \$10,000.00 (ten-thousand dollars) of the Purchase Price. The eligibility for such refund shall be determined by the Town upon written application by the Purchaser.

If no written application for a completion refund is made prior to 20 months of the date of this agreement no refund shall be made nor be available.

18. If the Purchaser:

- a) commences construction on the lands as required by paragraph 6;
- b) completes building construction on the lands within 18 months or by _____, **20**____; and
- c) complies with paragraph 9 of this Agreement,

the Purchaser shall be entitled to a completion refund of \$5,000.00 (five-thousand dollars) of the Purchase Price. The eligibility for such refund shall be determined by the Town upon written application by Purchaser.

If no written application for a completion refund is made prior to 20 months of the date of this agreement no refund shall be made nor be available.
Paragraph 18 does not apply if paragraph 17 does apply.

19. If any provision hereof shall be found by a court of competent jurisdiction to be in any way illegal, unenforceable or otherwise invalid, such provision shall for all purposes be deemed to be struck out and deleted from this Agreement, but the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect.

IN WITNESS WHEREOF the Town, by its proper officers, has affixed its corporate seal, the day and year first above written.

TOWN OF DAYSLAND

Per: _____

Per: _____

IN WITNESS WHEREOF the Purchaser has signed their name the day and year first above written.

Witness

Witness

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, _____,
) of the _____ of _____,
) in the Province of Alberta,
) _____,
MAKE OATH AND SAY:

1. THAT I was personally present and did see _____, named in the within instrument, on the basis of the identification provided to me, duly sign and execute the same for the purpose named therein;
2. THAT the instrument was executed at the _____ of _____, Alberta and that I am the subscribing witness thereto;
3. THAT I believe _____, whose signature I witnessed, is at least eighteen (18) years of age.

Sworn before me at the Town of Daysland,)
in the Province of Alberta)
this ____ day of _____, 20____)
_____)

A Commissioner for Oaths in and for the
Province of Alberta