

THIS AGREEMENT MADE THE ____ DAY OF _____,20____

BETWEEN:

TOWN OF CRAIK

(Hereinafter referred to as "the Town")

OF THE FIRST PART

-and-

OF THE SECOND PART

OPTION TO PURCHASE AND AGREEMENT FOR SALE

1. OPTION TO PURCHASE

Subject to the terms and conditions of this Agreement, the Town hereby grants the Developer an option to purchase from the Town the land legally described as follows:

2. PURCHASE PRICE

The purchase price for the lot shall be the sum of _____

(purchase price includes \$_____ GST calculated at 5% of the purchase price).

This option shall be exercised by the Developer on or before the ____ day of _____,20____, OR before the Developer begins construction, whichever comes first, by payment of the Town the full balance of the purchase price outstanding. Upon exercising the option as herein before provided, this option to purchase shall become an agreement of purchase and sale binding upon the parties on the terms and condition as herein provided.

Upon request by the Developer, the Town may, in its sole discretion:

- (a) Provide a transfer to the Developer prior to completion of the structure, on such terms or conditions as the Town may require.

3. DEVELOPER COVENANTS

The Developer covenants and agrees;

- (a) To be responsible for the installation and payment of all services in respect of the lot(s).
- (b) To construct improvements on the land as approved by the Town of Craik; if construction is not started within 52 weeks of the date of this agreement the Town may, at the Town's option, terminate this agreement by notice in writing to the Developer and if so terminated, the lot(s) and 10% of the total price of the lot(s) shall be forfeited to the Town as liquidated damages and 90% of the total price of the lot(s) shall be refunded back to the Developer.
- (c) The Purchaser(s) shall have completed construction to a level of taxable Assessment value of 25% (floor joists and subfloor) within 18 months from the date of execution of the purchase agreement. The Purchaser shall complete construction to a taxable assessment value of 75% (flooring, cupboards and plumbing) within 24 months of execution of the purchase agreement.

If the Purchaser(s) default(s) in meeting their obligations as outlined above, they shall be charged a penalty fee of \$5.00 per day, invoiced monthly to the Purchaser(s) of the Purchaser(s) may terminate the contacts, the purchase price shall be refunded to the purchaser less the downpayment of 10% plus GST.

- (d) That prior to the construction of any building or other structure upon the lot(s) the Developer shall:
 - (1) obtain a development permit from the Town to construct the proposed building as approved
 - (2) deliver two sets of blueprints of the proposed building to the Town or its designate, along with a list of all contractors and subcontractors,
 - (3) obtain a building permit from the Town to construct the proposed structure as approved;

- (4) obtain the written approval of the Town as to the size, design and site plan of the proposed building site;
- (e) to ensure that all buildings or other structures erected on the lot(s) comply with all bylaws of the Town of Craik, include the Building Bylaw and Zoning Bylaw;
- (f) to ensure that all buildings or other structures erected on the lot(s) comply with the National Building Code Regulations; and that all Federal, Provincial laws and standards are adhered to; and that any builders or workers who enter upon the lot(s) abide by the law and the terms and conditions of this agreement;

To assume responsibility for any damage to public property which may result from construction or other activity at the lot(s), include damage to public utility lines and connections, street or sidewalk pavement, curb and gutter, street signs and survey stakes, and to pay for the cost of repair of the damage or replacement within thirty (30) days of receipt of invoice for the cost. Interest of 12% per annum shall be added to any unpaid balance outstanding after the thirty (30) days;

- (g) to notify the Town in writing upon completion of the building construction and to submit the building and lot(s) to a physical inspection to ascertain and that no damage to Municipal Property remains outstanding; and that terms and conditions of this Agreement have been faithfully observed;
- (h) to indemnify and save harmless the Town of any and all manner of claims, damages, loss, costs, charges, judgements or awards whatsoever occasioned to, suffered by or imposed upon the Town or its property, either directly or indirectly in respect of any matter or things in consequence of, in connection with or arising out of the occupancy or use of the lot(s) by the Developer, including the construction of any structure on the lot(s)

4. TOWN'S COVENANTS

The Town covenants and agrees to:

- (a) To do nothing to encumber title to the lot(s) after execution of this Agreement,
- (b) Provide to the Developer or the solicitor for the Developer a registerable transfer of title to the lot(s) upon purchasers exercising its option as herein provide subject only to the encumbrances, reservations and easements existing at the date of this Agreement.

5. CONDITIONS OF SALE

1. The Town agrees to sell this property on the condition that:
 - (a) Land Titles Office will register the proposed property transfer.
2. In the event the Land Titles Office does not register the proposed transfer the Town shall refund all monies received from the Developer.

6. CONDITIONS

There are no representations, warranties, agreements or conditions relating to the property except as stated herein and this document constitutes the whole of the Agreement between the parties and any amendment to the Agreement must be in writing and signed by the parties to be of any effect.

The Town does not provide a Real Property Report (Surveyors Certificate) and DOES NOT recommend building on any particular lot based on basic pin locates. A Real Property Report (Surveyors Certificate) should be obtained before and construction is started. Construction on land that does not have a Real Property Report (Surveyors Certificate) is done solely at the Developers risk.

IN WITNESS WHEREOF the Town of Craik has caused to be affixed its corporate seal under the hands of the Mayor and the Administrator, and the Developer has hereunder affixed their hands and seal the day and year first above written.

TOWN OF CRAIK

Developer

Mayor

(SEAL)

Developer

Administrator