

Terms of Purchase for Town Lots

Town of Vermilion
(hereinafter referred to as “the Town”)

Standard Policy:

- 10% of the total lot price is the minimum deposit required to enter into a Purchase of Land Agreement. Lots are to be sold on a first come, first choice basis.
- A further 40% of the total lot price **AND** an application for a Development Permit to construct an appropriate building on the property must be submitted, along with all applicable documentation (blueprints, site plan, grading plan, and elevations), within 90 days of the date the agreement is executed.
- Construction is to commence within 90 days of the Development Permit coming into effect.
- All applicable off-site levies are due at the time of applying for a Development Permit. (this may not be needed as off-site levies are included in the purchase price for town-owned lots)
- All adjustments for taxes shall be made on the first day of the month following the date of the agreement.
- The final 50% of the total lot price plus the GST on the total lot price are due within 90 days of the date of the application for the Development Permit.
- The title transfer will be done only after all payments have been made and the building has reached the “Basement Ready for Backfill”¹ stage.
- If the purchaser withdraws from or is in default of the Purchase of Land Agreement in any way, the Town may cancel the agreement and refund to the purchaser the monies paid towards the purchase of land less any taxes owing and a penalty as follows:
 - 2% of the total purchase price if cancelled upon default of the deadline to apply for a Development Permit under the Standard Policy,
 - 5% of the total purchase price if cancelled upon default of the deadline to commence construction, or
 - 10% of the total purchase price if cancelled upon default of the deadline to apply for a Development Permit under the Alternative to Standard Policy.

Alternative to Standard Policy:

- If upon the expiry of the required period to obtain a Development Permit, the Purchaser is not able to apply for a Development Permit, the Purchaser may pay out the balance owing on the lot plus GST (if applicable). In this case, the Purchaser will then be required to obtain a suitable Development Permit within one (1) year of the date of the original deadline to apply for a Development Permit. The transfer of title will not be done until the building reaches the “Basement Ready for Backfill” stage **unless** the Purchaser enters into a Supplementary Agreement, title will not be transferred until application for a Development Permit is received and approved.
- The maximum number of residential lots allowed to be held under the terms of this section is two (2). A lot is considered to be held as long as construction has not reached the “Basement Ready for Backfill” stage.

Winter Policy:

- For Purchase of Land Agreements executed between October 1 and December 31, the application for a Development Permit must be submitted by May 31 of the following year.

1. “Basement Ready for Backfill” stage includes the completion of excavation, foundation, waterproofing and weeping tile.

- For Purchase of Land Agreements executed between January 1 and February 28, the application for a Development Permit must be submitted by May 31 of the same year.

Supplementary Agreement:

- In the case where the Purchaser requires title before construction reaches the “Basement Ready for Backfill” stage in order to obtain finances, a supplementary agreement may be made between the Town and the Purchaser whereby the Town will transfer title upon the Purchaser agreeing to grant the Town the right to re-purchase the property in the event that the Purchaser fails to construct a building as required in the original Purchase of Land Agreement.
- In such a case, the re-purchase price shall be established as the original purchase price less the penalty and taxes due described in the Standard Policy.
- The supplementary agreement shall be registered as a caveat on the title of the property until the building has reached the “Basement Ready for Backfill” stage at which time the Town will remove the caveat. The costs of registering and discharging the caveat shall be charged to the Purchaser.
- In the case where the Purchaser requires financing to pay the balance owing on the lot, the Town may submit the transfer to a law firm representing the Town who will then submit the transfer to the law firm representing the Purchaser under trust conditions that the law firm will remit the balance owing upon registration of the transfer.
- All legal costs incurred as a result of this transaction shall be the sole responsibility of the Purchaser.