

THE RURAL MUNICIPALITY OF PINEY

“Land Sales Policy”

Subject: Land Sales

Effective Date: February 10th, 2021

Replaces Policy: May 28th, 2019 Resolution No. 147

Resolution No.: 31 **Resolution Date:** February 9th, 2021

PURPOSE

The purpose of the Land Sales Policy is to outline the policy to follow when dealing with RM land sales.

POLICY

Properties with Set Prices

- Several lots within R.M. subdivisions have prices set by resolution of Council;
- council may set prices by resolution whenever they deem necessary;
- any land with a price set by resolution of Council are not open for offers;
- an “Offer to Purchase – Land” is to be filled out and accompanied by a deposit in the amount of \$1,000.00 in order to start the sale process;
- the purchaser is responsible for all costs which will include the set price, GST on set amount, land transfer fees, and the municipality’s legal costs; base cost of RM legal services will be fees of \$350.00 plus taxes, in cases where the purchaser does not use a lawyer; if the purchaser uses a lawyer (which will be required if getting a mortgage for the purchase), the fees will be \$600.00 plus taxes;
- once the RM receives a total from our lawyer, a letter will be sent to the purchaser stating the total costs owing to the RM, which must be in the form of a certified cheque or bank draft;
- the purchaser must have total payment to the RM of Piney on or before the agreed upon possession date; but
- except in the case of a mortgage, the mortgage proceeds will follow in due course.

Properties without Set Prices

- Properties that do not have a price set by resolution are open for offers;
- an “Offer to Purchase – Land” is to be filled out and accompanied by a deposit in the amount of 2% of the offered amount;
- Once the deposit and offer are received, the offer will be presented to council for their decision:
 - If the offer is accepted, the deposit amount will go towards the price offered;
 - If the offer is rejected, a cheque for the same amount as the deposit will be issued back to the purchaser within twenty-one (21) days from the date on the resolution;
- On accepted offers, the purchaser is responsible for all costs which will include the set price, GST on set amount, land transfer fees, and the municipality’s legal costs; base cost of RM legal services will be fees of \$350.00 plus taxes, in cases where the purchaser does not use a lawyer; if the purchaser uses a lawyer (which will be required if getting a mortgage for the purchase), the fees will be \$600.00 plus taxes;
- a preliminary letter will be sent to the purchaser within five (5) business days after a resolution is passed stating whether or not the offer was accepted; this letter will also state the process and an estimate of cost;
- Questions that must be asked of the purchase are:
 - Do you need a mortgage?
 - Do you have a gst #?
 - Will you be using your own lawyer?
 - Will you be using the property as farmland?
- once the RM receives a total from the lawyer, a final letter will be sent to the purchaser stating the total costs owing to the RM;
- payment must be in the form of a certified cheque or bank draft;
- the purchaser must have total payment to the RM of Piney on or before the agreed upon possession date; but
- except in the case of a mortgage, the mortgage proceeds will follow in due course.
- If multiple offers are received on the same parcel of land:
 - All offers received will immediately be rejected and;
 - a reserve price will be set by council using the highest offer received or at the determination of council;
 - a public notice will be posted on our website, Facebook, in office, and posted at a minimum of ten (10) locations/businesses within the RM;
 - once a reserve price is set, all offers **MUST BE** received by sealed bid only within a twenty-one (21) day period from the date on the resolution;
 - sealed bids must include the written offer and 2% deposit in the form of a certified cheque;
 - the envelope **MUST** include the bidders name, legal address, and date;
 - offers not presented in sealed envelope will automatically be rejected; and
 - if no sealed bids are presented during the twenty-one (21) period, the land will be taken off sealed bid and any offers presented after that time will follow this policy.
- Other Policies that pertain to offers for purchase or sale of property remain in effect.

OFFER TO PURCHASE - LAND

DATE: _____

I/We _____
of _____ Manitoba, offer to purchase from the Rural Municipality of Piney the
following land:

Legal Description: _____

for \$ _____, (plus GST if the purchaser is not a GST-registrant), payable as follows:

- A deposit of \$ _____ (2% of the purchase price) with this Offer.
- The balance, including the Municipality's costs (below), by certified cheque on the possession date.

Possession date: _____

I/We will be responsible for land transfer fees and taxes and the Municipality's legal costs. The base cost of the Municipality's legal services will be fees of \$350 plus taxes, in cases where I/we do not use a lawyer. If I/we use a lawyer (which will be required if getting a mortgage for the purchase), the Municipality's legal fees will be \$600 plus taxes.

Title will be free of encumbrances except utility and municipal easements (if any).

I/We rely entirely upon my/our personal inspection and knowledge of the property independent of any representation made by or on behalf of the Municipality.

Witness

Signature of Purchaser

Witness

Signature of Purchaser

The Municipality accepts the above offer on ___ day of _____, 20__.

THE RURAL MUNICIPALITY OF PINEY

Reeve

Chief Administrative Officer