	Policy Number:	DEV07
	Policy Title:	Sale of Lots in Block 7, Plan 132 1854 (Bluesky)
	Policy Category:	Planning and Development
	Approval Date:	August 20, 2024
	Motion Number:	24-363
	Effective Date:	August 20, 2024
	Review Date:	August 20, 2025
	Rescinds Policy:	
	Responsible Department:	Administration

PURPOSE

The purpose of this policy is to:

- Incentivize the development of seven (7) lots located within Block 7, Plan 132 1854 in the Hamlet of Bluesky for residential use;
- Improve availability and affordability of lots for sale within the Municipal District of Fairview No. 136 (the “Municipality”); and,
- Establish a sale process that is transparent and structured to ensure that expectations of prospective purchases are clear and that the interests of the Municipality are adequately protected.

SCOPE

This policy applies only to Lots 2 through 8 of Block 7, Plan 132 1854 in the Hamlet of Bluesky, Municipal District of Fairview No. 136, as depicted in the Plan attached hereto as Schedule “A”.

DEFINITIONS

Council: means the duly elected Council members of the Municipal District of Fairview No. 136.

Municipality: means the Municipal District of Fairview No. 136.

Development: Development of a principal use (as defined by the Municipality’s Land Use Bylaw No. 876) which shall be required pursuant to a Sale & Construction Agreement for an Incentivized Lot.

Incentivized Lots: means Lots 2 through 8 of Block 7, Plan 132 1854 in the Hamlet of Bluesky, Municipal District of Fairview No. 136.

POLICY

1.0 Value of Lots

- 1.1 Council has examined data regarding current market valuation of each of the Incentivized Lots and is setting the sale price of each of the Incentivized Lots below current market valuation to encourage purchase and development of the same for residential use.
- 1.2 Council is setting the sale price of each of the Incentivized Lots at \$1,000.00 (plus GST), which is below established market value of each Incentivized Lot to encourage development for residential use and to improve affordability and availability of lots for sale within the Municipality.

2.0 Condition of Lots

2.1 The approximate square footage of the Incentivized Lots is as follows:

Lot 2: 6,231.2 Square Feet

Lot 3: 7,618.7 Square Feet

Lot 4: 10,596 Square Feet

Lot 5: 9,385.1 Square Feet

Lot 6: 12,514 Square Feet

Lot 7: 7,570 Square Feet

Lot 8: 7,375.4 Square Feet

2.2 Purchases of Incentivized Lots are As Is, Where Is. The Municipality will give no representations or warranties regarding the title to or the condition of the Incentivized Lots or any associated improvements on the same. Purchasers of Incentivized Lots are responsible for and shall rely on their own due diligence investigations respecting the Incentivized Lots.

3.0 Provision of Services

3.1 All Incentivized Lots are serviced with municipal water and sewer systems; purchasers of Incentivized Lots shall be responsible for all costs and construction associated with connecting to municipal water and sewer systems.

4.0 Development Obligations

4.1 As part of the of the consideration of the Municipality's agreement to sell the Incentivized Lots below current market valuations, purchasers of Incentivized Lots shall be required to complete Development in accordance with the terms of a duly executed Sale & Construction Agreement.

4.2 Purchasers are limited to the purchase of two Incentivized Lots per Development, which shall be consolidated as soon as possible following purchase to ensure that all applicable timelines are met.

4.3 All Development of the Incentivized Lots shall be in accordance with all applicable building permits, development permits, development agreements, bylaws, regulations, building and safety codes, and restrictions affecting the Incentivized Lots.

4.4 Purchasers of Incentivized Lots shall be required to apply for and obtain all permits, licenses, and approvals relating to the Incentivized Lot and the construction of the Development when required by any law, bylaw, regulation, or code affecting the Incentivized Lot and the Development.

4.4.1 A Purchaser shall ensure that all necessary permits, licenses and approvals contemplated by section 4.4 are obtained in a timely manner, so as to ensure compliance with the timelines of section 4.5.

4.4.2 The Municipality will give no representations or warranties regarding a purchaser's ability to obtain necessary approvals contemplated by section 4.4 herein.

4.5 Purchasers of Incentivized Lots shall be required to adhere to the following construction timelines:

(a) Application for a Development Permit for the Development must be submitted to the Municipality within 90 days of the Closing Date of the purchase;

- (b) Construction of the Development must commence within **12 months** of the date of issuance of the Development Permit as referred to in Section (a) above; and
- (c) Complete construction of the Development to the point of reaching substantial performance, as that term is defined within the *Prompt Payment and Construction Lien Act*, R.S.A. 2000, Chap. P-26.4, as amended and in accordance with all applicable building permits, development permits, bylaws, regulations, building and safety codes, and restrictions affecting the Property and the Development within **24 months** of the date of issuance of the Development Permit as referred to in Section (a) above.

5.0 Municipality’s Option to Purchase

5.1 If a Purchaser of an Incentivized Lots fails to satisfy the requirements of the Sale & Construction Agreement, the Municipality shall have the option to repurchase the Incentivized Lot for the sum equal to 90% of the Purchase Price, in accordance with an Option Agreement. Purchasers will be required to execute an Option Agreement concurrently with the Sale & Construction Agreement and the Municipality shall be entitled to register the Option Agreement against title to the Incentivized Lot by way of caveat.

6.0 No Sale or Transfer

6.1 Purchasers of Incentivized Lots shall be required to not sell, transfer or lease an Incentivized Lot to any third party without first commencing and completing the construction of the Development in accordance with all applicable building permits, development permits, development agreements, bylaws, regulations, building and safety codes, and restrictions affecting the Incentivized Lot and the Development thereon.

FORMS AND REFERENCES

- Sale & Construction Agreement

DOCUMENT HISTORY

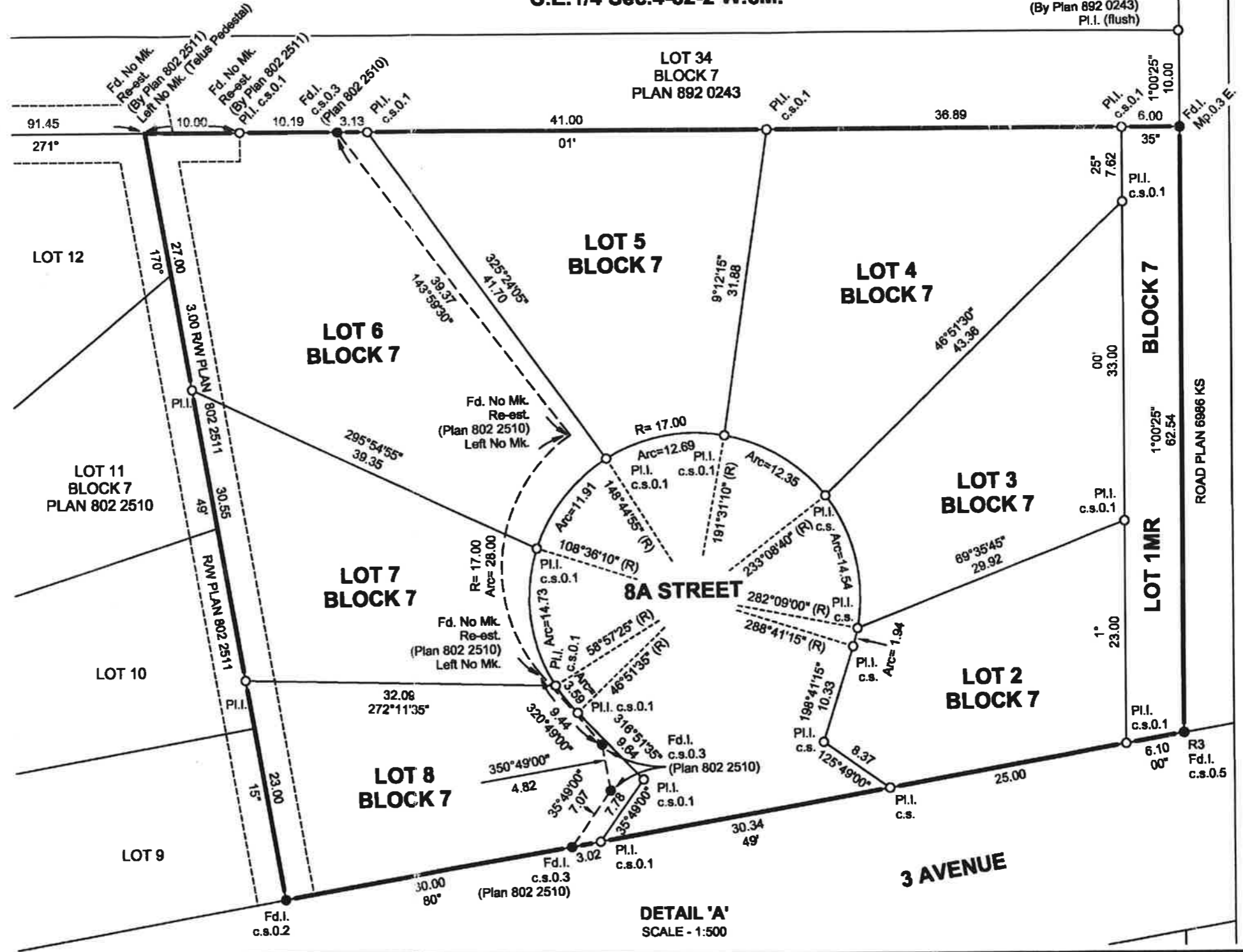
Action	Date
Approved as DEV07 – Sale of Lots in Block 7, Plan 132 1854 (Bluesky)	August 20, 2024
Amended – Motion No. 24-431	October 8, 2024

Schedule "A"

S.E. 1/4 Sec. 4-82-2 W. 6M.

Fd.l. destroyed
Re-est.
(By Plan 892 0243)
Pl.l. (flush)

1°00'2
392.3



20.12 GOVERNMENT ROAD ALLOWANCE

ROAD PLAN 6886 KS



SALE & CONSTRUCTIONS AGREEMENT

DATED: the ___ day of _____, 20__.

BETWEEN:

MUNICIPAL DISTRICT OF FAIRVIEW NO. 136
(the "M.D.")

-and -

(the "Purchaser")

PROPERTY DETAILS

LEGAL DESCRIPTION OF PROPERTY: _____

PERMITTED ENCUMBRANCES: All those non-financial registrations currently on title, such additional or other encumbrances registered by the Purchaser, and all other encumbrances or other conditions implied under the provisions of the *Land Titles Act* (Alberta), as amended, as well as the M.D.'s Caveat re: Option to Purchase as contemplated in this Agreement.

MUNICIPAL ADDRESS OF PROPERTY: _____

CONTACT INFORMATION FOR PURCHASER

ADDRESS: _____

TELEPHONE NUMBER: _____

EMAIL ADDRESS: _____

LAWYER (IF APPLICABLE): _____

TERMS AND CONDITIONS OF SALE

PURCHASE PRICE: _____

DEPOSIT: _____

BALANCE DUE ON CLOSING: _____

CLOSING DATE: _____

Municipal District of Fairview No. 136
Box 189 | Fairview AB | T0H 1L0

CLOSING PROCESS AND TRANSFER

1. **Purchase of Property:** The M.D. agrees to sell the Property to the Purchaser, subject only to the Permitted Encumbrances, for the Purchase Price, subject to the following terms and conditions:
2. **Payment:** The Purchase Price shall be paid as follows:
 - (a) the non-refundable Deposit, to be held by the M.D. or its lawyer, paid by way of cash or bank draft and delivered concurrently upon execution of this Agreement by the Purchaser; and
 - (b) the balance of the Purchase Price, subject to adjustments described below, together with any applicable Goods and Services Tax and the levies and contributions described within **Section 17** of this Agreement which may be due and payable on the Closing Date, paid on the Closing Date by the Purchaser to the M.D. or its lawyer by way of bank draft or solicitor's trust cheque.
3. **Adjustments:** All normal adjustments for the current year's taxes and local improvement levies, and for rents, security deposits, interest and utilities shall be made as of 11:59 p.m. on the Closing Date. All amounts which cannot be adjusted on the Closing Date by virtue of the same being unknown shall be adjusted on a post-closing basis once the same becomes known.
4. **Possession and Late Payment:** Upon payment of the Purchase Price, and the satisfaction of all other terms and conditions contained within this Agreement, the Purchaser shall be given possession of the Property at 12:00 noon on the Closing Date. If the M.D. agrees to accept late payment of the Purchase Price, the Purchaser shall pay interest at the prime rate of the Alberta Treasury Branches plus 3% to the M.D. calculated daily from and including the Closing Date to but excluding the day that the Purchase Price is paid in full. Payment received after 12:00 noon on any day will be payment as of the next business day which is deemed to mean a day when both the Land Titles Office and the chartered banks are open for business.
5. **Liability of the Property:** The M.D. will remain liable for the Property until the Purchaser has been granted possession of the Property pursuant to **Section 4** of this Agreement, at which point the Purchaser will assume all liability for the Property.
6. **Closing:** The M.D.'s lawyer shall provide the Purchaser's lawyer with a signed Transfer of Land and any other documentation reasonably required to give effect to the terms hereof within a reasonable amount of time prior to the Closing Date, on reasonable trust conditions which allow the transaction to close in accordance with the terms hereof including registration of the M'D.'s caveat re: Option to Purchase as contemplated under Section 14 and the delivery of the executed transfer back as contemplated under Section 4 of the Option to Purchase Agreement attached as **Schedule "A"** to this Agreement (the "**Option Agreement**"). In the event that the M.D.'s lawyer does not provide the Purchaser's lawyer with said Transfer of Land and other documentation in sufficient time to allow for registration on or before the Closing Date, then the Purchaser shall be released from the payment of interest pursuant to **Section 4** of this Agreement until the Purchaser has had a reasonable amount of time within which to obtain registration.
7. **Forfeit of Deposit:** In the event that the Purchaser fails to perform its obligations under this Agreement, the M.D. will be entitled to keep the Deposit as liquidated damages without prejudice to any other rights or remedies which the M.D. may have pursuant to this Agreement, in law or in equity.

SALE & CONSTRUCTION AGREEMENT

8. **Costs:** The Purchaser shall be responsible for the cost of registration of documents at Land Titles and all other Land Titles costs.
9. **As Is, Where Is:** The Purchaser acknowledges that the M.D. has given no representations or warranties regarding the title to or the condition of the Property or any associated improvements on the Property. The Purchaser acknowledges and agrees that it shall accept the Property and any improvements on an "as is, where is" basis. Specifically, but not limited to, the M.D. makes no representations, warranties or collateral agreements with respect to:
- (a) the presence or absence in, on or upon the Property of any unregistered utility lines, easements or rights of way, nor any hazardous substances, hydrocarbons, or any other form of environmental contamination whatsoever;
 - (b) the acreage or area of the Property, and that the Purchase Price shall be paid by the Purchaser regardless of the actual acreage or area of the Property;
 - (c) any approval of or consent to any proposed subdivision, use or development of the Property;
 - (d) the current servicing of the Property, nor whether or not the Property is currently serviced with any municipal or other services; or
 - (e) the suitability of the Property for the Purchaser's intended use and development, or the Property' current or future compliance with laws, bylaws, regulations or codes applicable to the Property;

and in all respects the Purchaser has relied upon its own due diligence investigations respecting the Property. Without restricting anything contained within this Agreement, the Purchaser acknowledges and agrees that it shall accept, and be responsible for, any and all latent and patent defects which may affect the Property (regardless of representations and disclosures by the M.D., or lack thereof), and waives any and all present and future claims or causes of action in contract or in tort in relation to all or any of the forgoing.

10. **Purchaser's Due Diligence:** Upon the M.D.'s prior written approval, acting reasonably, as to the nature, extent and scope of proposed access and testing, the Purchaser and its authorized representatives shall be permitted reasonable access to the Property for the purpose of making soils, ground-water, environmental or other non-destructive testing, investigations, measurements or surveys in, on or below the Property which the Purchaser in its sole discretion deems necessary. The Purchaser shall do such testing and investigations at its own expense and at its own risk and, in the event the transaction contemplated by this Agreement does not close, shall return the Property substantially to the state in which it was before the commencement of such action. The Purchaser shall completely indemnify the M.D. against any and all damages or claims arising from the Purchaser's activities on the Property under this Section.
11. **Permits and Approvals:** Notwithstanding anything contained within this Agreement, the Purchaser shall promptly apply for and obtain all permits, licenses, and approvals relating to the Property and the construction of the Development (as defined below) when required by any law, bylaw, regulation, or code affecting the Property and the Development. In this regard, nothing contained within this Agreement shall be interpreted in such a manner so as to constitute a consent to, or approval of, or a representation, warranty or covenant by, the M.D. with respect to any proposed use, subdivision or development of the Property, nor an obligation on the part of the M.D. to consent to or approve any proposed use, subdivision or development of the Property.

CONSTRUCTION OF DEVELOPMENT & OPTION TO PURCHASE

12. **Development Obligations:** The Purchaser acknowledges that as part of the consideration of the M.D.'s agreement to sell the Property to the Purchaser, the Purchaser is required to complete the following development on the Property in accordance with the terms of this Agreement:

in accordance with all applicable building permits, development permits, development agreements, bylaws, regulations, building and safety codes, and restrictions affecting the Property (the "**Development**").

13. **Construction Timelines:** The Purchaser shall:

- (a) apply for a Development Permit for the Development within **90 days** of the Closing Date;
- (b) begin construction of the Development within **12 months** of the date of issuance of the Development Permit as referred to in Section 13(a) above; and
- (c) complete construction of the Development to the point of reaching substantial performance, as that term is defined within the *Prompt Payment and Construction Lien Act*, R.S.A. 2000, Chap. P-26.4, as amended and in accordance with all applicable building permits, development permits, bylaws, regulations, building and safety codes, and restrictions affecting the Property and the Development within **24 months** of the date of issuance of the Development Permit as referred to in Section 13(a) above.

14. **M.D. Option to Purchase:** The Purchaser further acknowledges and agrees that if the Purchaser fails to satisfy any of the requirements prescribed above, the M.D. shall have the option to repurchase the Property for the sum equal to \$_____ (being 90% of the Purchase Price), subject to adjustments in accordance with the Option Agreement attached hereto as **Schedule "A"**. Concurrently with this Agreement, the Purchaser shall execute and deliver the Option Agreement to the M.D., and the M.D. shall be entitled to register the Option Agreement against title to the Property by way of caveat, as per the form attached as **Schedule "B"** to this Agreement or as per the form required by the Land Titles Office from time to time.

15. **No Sale or Transfer:** In addition to the Purchaser's agreement to construct the Development as set out above, and in furtherance of that agreement, the Purchaser covenants and agrees that it shall not sell, transfer or lease the Property to any third party without first commencing and completing the construction of the Development in accordance with all applicable building permits, development permits, development agreements, bylaws, regulations, building and safety codes, and restrictions affecting the Property and the Development. The Purchaser further acknowledges that M.D. shall also have the option to repurchase the Property in accordance with the Option Agreement attached hereto as Schedule "A", in the event that the Purchaser sells, transfer or lease, or purports to sell, transfer or lease, the Property prior to commencement and completion of the Development as required within this Agreement.

GENERAL TERMS AND CONDITIONS

- 16. **GST:** The Purchase Price does not include Goods and Services Tax ("G.S.T.") which shall be payable by the Purchaser to the M.D. on the Closing Date. If the Purchaser is properly registered for the purposes of the Goods and Services Tax pursuant to the *Excise Tax Act* of Canada, and prior to the Closing Date the Purchaser has provided to the M.D. (in a form satisfactory to the M.D.) confirmation of a G.S.T. registration number, confirmation that the Purchaser is such a registrant, and a covenant by the Purchaser to indemnify the M.D. with respect to any and all costs relating to the G.S.T. payable with respect to this transaction, G.S.T. shall not be payable on the Closing Date. However, the Purchaser shall be responsible for filing all reports or documentation necessary in order to satisfy the requirements of Section 228(4) of the *Excise Tax Act*, including the remittance of any G.S.T. payable by the Purchaser.
- 17. **Other Fees:** The Purchase Price does not include off-site levies, redevelopment levies, local improvement levies (other than adjustment as to current year local improvement levy), recreation facility contributions, or other levies or contributions applicable to or payable in respect of the Property, which levies and contributions shall be paid by the Purchaser as and when required by the applicable statutory authority or bylaw.
- 18. **Survival:** The provisions of this Agreement shall survive the execution and delivery of any transfer of land and other documents, the registration of any such documents, the taking possession of the Property by the Purchaser, and the Closing Date. Any provision or portion thereof determined by a court to be unlawful or unenforceable shall be severed from the balance of this Agreement without prejudice to all remaining terms, covenants and conditions.
- 19. **Assignment:** The Purchaser shall not be entitled to assign this Agreement, either in whole or in part, without the prior written consent of the M.D.
- 20. **Notices:** Any notices to be given pursuant to this Agreement shall be in writing and shall be given and deemed to have been received as provided herein at the following addresses:
 - (a) to the M.D at: Box 189, Fairview, AB T0H 1L0
Attention: _____
Email: _____
 - (b) to the Purchaser at the address first written above, or at the following email:

Email: _____or such address as either party may designate from time to time by written notice to the other. Any notice shall be either emailed or delivered to and left at the address for notice of the party to whom it is to be given during normal business hours on a business day and shall have been deemed to be received on the date of delivery.
- 21. **Binding Agreement:** This Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators and permitted assigns of the individual parties and the successors and permitted assigns of corporate parties.
- 22. **Time:** Notwithstanding anything contained herein, time shall in every respect be of the essence.
- 23. **Entire Agreement:** This Agreement shall constitute the entire agreement between the parties and the parties acknowledge that there are no other representations, conditions, or warranties with

SALE & CONSTRUCTION AGREEMENT

respect to this Agreement other than those which are contained herein. The following schedules shall form a part of this Agreement:

- (a) Schedule "A" – Option to Purchase Agreement; and
- (b) Schedule "B" – The M.D.'s Form of Caveat.

24. Applicable Law: This Agreement shall be governed by the laws of the Province of Alberta.

25. Authority to Buy and Sell Property: The M.D. represents and warrants that it is not a non-resident within the meaning of the *Income Tax Act of Canada*, nor is it an agent or a trust for any person with an interest in the Property who is a non-resident. The Purchaser warrants that it is not now, and will not be on the Closing Date, prohibited from purchasing the Property pursuant to the *Prohibition on the Purchase of Residential Property by Non-Canadians Act (Canada)*, and accompanying regulations.

26. Legal Advice: The parties hereby acknowledge and confirm that each was advised by the other to obtain independent legal or other professional advice, and that each has had an opportunity to read, review and understand the nature and effect of the provisions of this Agreement prior to executing this Agreement. Each hereby confirms that it has had the opportunity to seek independent legal or professional advice prior to executing this Agreement and has either:

- (a) obtained such legal or other professional advice; or
- (b) waived the right to obtain such independent legal or other professional advice.

27. Execution: This Agreement may be executed in counterpart and conveyed to the other party by fax or other electronic means.

The parties have executed this Agreement to be effective the date first above written, notwithstanding the actual date of execution hereof.

M.D. OF FAIRVIEW NO. 136

Per: _____ (c/s)

Per: _____

[CORPORATE NAME]

Per: _____ (c/s)

Per: _____

[OR]

Witness:

[Name of Individual]

SCHEDULE "A"

Municipal District of Fairview No. 136
Box 189 | Fairview AB | T0H 1L0

SALE & CONSTRUCTION AGREEMENT

TO THE SALE & CONSTRUCTION AGREEMENT

OPTION TO PURCHASE

BETWEEN:

(the "Grantor")

- and -

MUNICIPAL DISTRICT OF FAIRVIEW NO. 136

(the "Grantee")

W

WHEREAS:

A. Pursuant to a Sale & Construction Agreement dated _____, 20____, between the Grantor and the Grantee (the "Sale Agreement"), the Grantor purchased from the Grantee all those Property and premises legally described as follows:

[insert legal description]

(the "Property");

B. The Grantee agreed to sell the Property to the Grantor on the express obligation and condition that the Grantor commence, diligently and continuously pursue, and complete the construction of the following:

(a) _____;

(b) _____;

and as may be more particularly described within the Sale Agreement, the Development Permit issued in favour of the Grantor respecting the Property (the "Development Permit"), as well as any Development Agreement thereafter executed between the Grantor and the Grantee respecting the Property and the Development (the "Development Agreement"), all of which must be completed to the point of issuance of a Certificate of Substantial Performance under the Prompt Payment and Construction Lien Act, and in accordance with the terms, covenants and conditions set forth within the Sale Agreement, the Development Permit and, if applicable, the Development Agreement, as well as in accordance with all applicable building permits, development permits, bylaws, regulations, building and safety codes, and restrictions affecting the Property and the above-noted improvements (the "Development");

C. The Grantor has agreed to grant the Grantee the option to re-purchase the Property upon the terms and conditions contained herein.

The Grantor and the Grantee therefore agree as follows:

1. The Grantor hereby grants the Grantee the irrevocable option to purchase the Property at and for the sum of \$ _____, (which equals 90% of the purchase price paid by the Grantor to the Grantee under the Sale Agreement) less adjustments in favour of the Grantee as provided for herein, subject only to the following permitted encumbrances:

(a) _____

Municipal District of Fairview No. 136

Box 189 | Fairview AB | T0H 1L0

(b) CAVEAT
RE: OPTION TO PURCHASE
(TO BE REGISTERED PURSUANT TO THE
OPTION AGREEMENT)

Upon closing, an adjustment shall be made in favour of the Grantee for any and all expenses incurred by the Grantee in the negotiation, preparation, execution and performance of this Agreement and the Sale Agreement, adjustments in favour of the Grantee equal to the principal and interest outstanding under all financial encumbrances which may be accepted by the Grantee, and adjustments in favour of the Grantee for any and all costs incurred by the MD in restoring the Property to the condition that existed as of the date of the Sale Agreement (including, without restriction, all legal costs on a solicitor and his own client full indemnity basis, and all costs incurred in discharging non-permitted encumbrances).

2. This Option to Purchase may only be exercised by the Grantee:

- (a) if the Grantor fails to apply for a Development Permit for the Development **within 90 days** of the Closing Date under the Sale Agreement;
- (b) if the Grantor fails to begin construction of the Development within **12 months** of the date of issuance of the Development Permit as referred to in Section 13(a) of the Sale Agreement; and
- (a) if the Grantor fails to complete the construction of the Development on or before 12:00 noon within **24 months** of the date of issuance of the Development Permit as referred to in Section 13(a) of the Sale Agreement; and
- (b) if the Grantor sells, leases or otherwise transfers, or purports to sell, lease or transfer, the Property or any portion thereof prior to the completion of the Development in accordance with the terms of the Sale Agreement and the Development Agreement.

In each such case the Grantee shall be entitled to repurchase the Property pursuant to the exercise of the option granted within this Option to Purchase.

3. The Grantee may exercise this option to purchase by giving notice in writing to the Grantor (or to the then current owner of the Property) which shall be sent to the address for service of the registered owner of the Property as listed on the title to the Property, and shall be deemed to have been received by the recipient on the third day following the sending of the said notice by single registered mail.

4. The transaction of purchase and sale shall be completed on the 60th day following the date upon which the option is exercised as aforesaid (the "Completion Date"). All normal adjustments shall be made as of the Completion Date. The Grantor shall provide the Grantee with a registrable transfer of land with respect to the Property not less than ten (10) days prior to the Completion Date upon reasonable trust conditions. As part of closing under the Sale Agreement, the Grantor shall provide the Grantee with a registrable transfer back of land to be held in trust by the Grantee pursuant to the terms of this Agreement and utilized for the purposes of completing the purchase of the Property in the event that the Grantee exercises its option to purchase and contained herein.

5. The Grantee shall be entitled to register a caveat against the title to the Property pursuant to this Option to Purchase. In this regard, the Grantor covenants not to take any steps whatsoever to discharge this registration including, without restriction, the service of any notice to take proceedings on such caveat.

6. Upon the exercise of this Option to Purchase, the Grantor shall immediately cause to be discharged all builders' liens or other non-permitted encumbrances which may have been registered on

SALE & CONSTRUCTION AGREEMENT

the title to the Property. The Grantor shall upon demand indemnify and save harmless the Grantee from and against any and all claims, damages, demands, costs (including all legal costs on a solicitor and his own client full indemnity basis), and expenses of any kind whatsoever made or incurred against the Grantee as a result of any builders' liens or other non-permitted encumbrances which may be registered on the title to the Property, or as a result of the Grantor's failure to perform any of its obligations under this Option to Purchase. Any and all such claims and costs shall, at the sole option of the Grantee, be adjusted as a credit to the Grantor upon closing.

7. This Agreement may not be assigned by the Grantor, either in whole or in part, without the prior written consent of the Grantee.

8. This Agreement shall enure to the benefit of and be binding against the parties hereto and their respective successors and permitted assigns. Specifically, and without limiting the generality of the foregoing, this option shall bind the Grantor and all future owners of the Property.

The Grantor and the Grantee have executed this Option to Purchase this ____ day of _____, 20__.

MUNICIPAL DISTRICT OF FAIRVIEW NO. 136

Per: _____

(c/s)

Per: _____

[CORPORATE NAME]

Per: _____

(c/s)

Per: _____

[OR]

Witness:

[Name of Individual]

SALE & CONSTRUCTION AGREEMENT

**SCHEDULE "B"
TO THE SALE & CONSTRUCTION AGREEMENT**

CAVEAT

TAKE NOTICE THAT **MUNICIPAL DISTRICT OF FAIRVIEW NO. 136**, Alberta (the "Caveator"), hereby claims an interest in the Property described within this Caveat as the holder of an option to purchase the said Property pursuant to an Option to Purchase agreement between the Caveator and _____ dated the ____ day of _____, 20__, all of which relates to the following Property:

*PLAN
BLOCK
LOT
EXCEPTING THEREOUT ALL MINES AND MINERALS*

standing in the register in the name(s) of _____, and it forbids the registration of any person as transferee or owner of, or of any instrument affecting the said estate or interest, unless the instrument or certificate of title, as the case may be, is expressed to be subject to its claim.

The Caveator designates the following address as the place at which notices and proceedings relating hereto may be served: **Municipal District of Fairview No. 136, Box 189 FAIRVIEW AB T0H 2L0.**

DATED this ____ day of _____, 20_.

MUNICIPAL DISTRICT OF FAIRVIEW NO. 136

Per: _____ (c/s)

Per: _____