

FREQUENTLY ASKED QUESTIONS

What happens if my Purchaser Application Form is accepted?

The Sales Representative will respond with a Proposal letter outlining the fundamental terms and conditions for signature as to acceptance by the proposed purchaser. The accepted Proposal letter shall be returned to the Sales Representative together with a deposit cheque representing 10% of the purchase price, within a defined time period.

Timeframe: c. 1 week

Once signed and returned, the Sales Representative will then prepare a Land Report which is presented to the Management Real Estate Review Committee (MRER) for approval. Upon approval, the Purchaser will be informed in writing.

Timeframe: c. 3-5 weeks from receipt of Executed Proposal Letter and deposit

Prior to the Purchaser entering upon the Property to commence their due diligence, The City will provide written consent to access City-owned land.

Once the Land Report is approved, The City's Law Department prepares the Agreement of Purchase and Sale and forwards it to the Purchaser's solicitor for review and execution by the Purchaser.

At the time of closing/possession, the remainder of the purchase price is due and payable. Title to the Property is transferred to the Purchaser upon payment in full. The sale is subject to the parties formalizing an Agreement of Purchase and Sale prepared by The City of Calgary Law Department.

Timeframe: Closing Period – c.60 days from MRER approval and / or satisfaction of Purchasers conditions, (if any)

Default under the terms of the Agreement of Purchase and Sale has serious consequences. Purchasers need to ensure they are familiar with their responsibilities as described in the executed agreements.

Does The City pay finder's fees, if applicable?

Finder's fees will be paid by The City of Calgary to a registered brokerage for any sale where the brokerage is considered a "cause of sale". This fee will be calculated as follows:

- From \$0 to \$100,000: 3.5%
- Balance of the sale price: 1.5%

No Finder's Fee is payable to a realtor who is a purchaser or director of the purchaser corporation. Finder's Fees will not be paid on any transactions that do not close. Finder's Fees will only be paid to a licensed brokerage registered under the *Real Estate Act*. The Finder's Fee plus GST is payable after Closing.

When can I apply for Subdivision / Development permit?

Once the due diligence period has been waived, the Purchaser can move forward with development plans.