Minute No. 541
Report - Standing Policy Committee on Property and Development - May 2, 2006

Item No. 17 **Sale - Swailes Avenue and Carina Cove**
File FI-2.4(34)

COUNCIL DECISION:

Council concurred in the recommendation of the Standing Policy Committee on Property and Development and adopted the following:

1. That the City-owned property, identified as Parcels C and D on Misc. Plan No. 12571/2, be declared surplus to the City's requirements.

2. That the sale of Parcel C to North Grassie Properties Inc. be approved for the price of $15,000.00 in accordance with the terms and conditions of the Offer to Purchase dated April 5, 2006.

3. That the sale of Parcel D to the owners of 4 Carina Cove be approved for the price of $2,500.00 in accordance with the terms and conditions of the Offer to Purchase dated April 18, 2006.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report - Standing Policy Committee on Property and Development - May 2, 2006

DECISION MAKING HISTORY:

Moved by Councillor De Smedt,
That the recommendation of the Standing Policy Committee on Property and Development be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On May 17, 2006, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On May 2, 2006, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

RE: **Proposed Sale of City Property Located at Swailes Avenue and Carina Cove**
Lord Selkirk – West Kildonan Community
Old Kildonan Ward

FOR SUBMISSION TO: Standing Policy Committee on Property and Development

ORIGINAL REPORT SIGNED BY: Director of Planning, Property and Development

REPORT DATE: April 24, 2006

RECOMMENDATION:

1. That Council declare the City-owned property identified as Parcels C & D on the attached Misc. Plan No. 12571/2 surplus to the City's requirements:
2. That approval be given for the sale of Parcel C to North Grassie Properties Inc. for the price of $15,000.00 in accordance with the terms and conditions of the attached Offer to Purchase dated April 5, 2006.
3. That approval be given to the sale of Parcel D to the owners of 4 Carina Cove for the price of $2,500.00 in accordance with the terms and conditions of the attached Offer to Purchase dated April 18, 2006.
4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report Summary

Key Issues:

- The Planning, Property and Development Department have received Offers to Purchase the City-owned property identified as Parcels C & D on the attached Misc. Plan No. 12571/2 from North Grassie Properties Inc. and the owners of 4 Carina Cove.
- The Planning, Property and Development Department are recommending approval of the sales as negotiated.

Implications of the Recommendation(s):

General Implications

(X) None

( ) For the organization overall and/or for other departments

( ) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s):

Policy Implications

(X) No

( ) Yes

Comment(s):

Regulatory Implications

(X) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Environmental Implications

(X) No

( ) Yes

Comment(s): City's standard terms and conditions of sale include provisions to protect the City's interests in the event that environmental contamination is discovered.

Human Resources Implications

(X) No

( ) Yes

Comment(s):

Financial Implications

(X) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s):

Report

REASON FOR THE REPORT:

The Planning, Property and Development Department are in receipt of Offers to Purchase the subject City-owned properties identified as Parcels C and D on Misc. Plan No. 12571/2. Council approval is required to declare the subject City-owned properties surplus to the City's requirements. Approval by the Standing Policy Committee on Property and Development is required for the sale of the subject City-owned properties.

HISTORY:

On September 25, 2002, Council adopted the recommendation of the Standing Policy Committee on Property and Development to legally close a portion of Swailes Avenue east of Carina Cove as shown on the attached Misc. Plan No. 11343. Council passed the closing By-law on December 11, 2002. A portion of the closed Swailes Avenue as shown on the attached Misc. Plan was included in the subdivision and rezoning DASZ 27/2001. The residual portion of this closed area, located west of DASZ 27/2001, remained in City ownership for future disposal.

On November 1, 2005, the Standing Policy Committee on Property and Development approved the sale of a portion of the closed Swailes Avenue right-of-way to North Grassie Properties Inc. for inclusion in its subdivision DASZ 53/04. The portion that North Grassie Properties Inc. purchased from the City reopened Swailes Avenue as identified as "Proposed Opening" on Misc. Plan No. 12571/2. North Grassie Properties Inc. also purchased Parcel A and B from the City for inclusion with DASZ 53/04.

Subsequently, North Grassie Properties Inc. expressed interest in acquiring the remaining City property (Parcels C & D on Misc. Plan No. 12571/2) for inclusion in the next stage of its subdivision at this location.

The Department entered into negotiations with North Grassie Properties for the sale of Parcel C, however, the sale of Parcel D was offered to the owners of 4 Carina Cove as they had previously expressed interest in the possible sale.

Particulars of the subject properties are as follows:

Parcel C

Location:	Swailes Avenue and Carina Cove
Legal Description:	Part Parcel A, Plan 41544
Roll Number:	Part 05009173800
Assessment:	Not apportioned
Zoning:	"R1-5" – Residential District
Site Size:	344.3m² (3,705.8ft²)
Appraised Value:	$15,000.00

Parcel D

Location:	Swailes Avenue and Carina Cove
Legal Description:	Part Parcel A, Plan 41544
Roll Number:	Part 05009173800
Assessment:	Not apportioned
Zoning:	"R1-5" – Residential District
Site Size:	260.7m² (2,805.8ft²)
Appraised Value:	$2,500.00

DISCUSSION:

The Planning, Property and Development Department have concluded its negotiations, with North Grassie Properties Inc. and the owners of 4 Carina Cove, for the sale of the subject properties. The Offers to Purchase, are attached.

Details of the Offer to Purchase for Parcel C is as follows:

Price Offered:	$15,000.00
Purchaser:	North Grassie Properties Inc.
Deposit:	$2,250.00, being 15% of the purchase price
Balance Due:	60 days from date of approval of the Offer by the City

Details of the Offer to Purchase for Parcel D is as follows:

Price Offered:	$2,500.00
Purchaser:	Ernest and Cheryl Hacault
Deposit:	$375.00, being 15% of the purchase price
Balance Due:	60 days from date of approval of the Offer by the City

The Planning, Property and Development Department recommend the sale of the subject properties for the following reasons:

1. The purchase prices are within market value established by an internal appraisal.
2. The sale of the properties will generate realty taxes upon closing.

3. The Ward Councillor has no objections to the sale of the subject City-owned properties.
4. North Grassie Properties Inc. has agreed to include Parcels C and D in its plan of subdivision. It will pay all costs associated with said plan of subdivision and provide the City with title to Parcel D, which will then be transferred to the owners of 4 Carina Cove.
5. As a requirement of the sale, North Grassie Properties Inc. will be required to relocate a fire hydrant and lead, presently located within Parcel C.
6. The sale of the subject properties will eliminate the maintenance and liability issues for the City.

Financial Impact Statement

Date: April 19, 2006

Project Name:

First Year of Program 2006

Proposed Sale of City Property Located at Swailes Avenue and Carina Cove

	2006	2007	2008	2009	2010
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	17,600	200	200	200	200
Net Cost/(Benefit)	$ (17,600)	$ (200)	$ (200)	$ (200)	$ (200)
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (17,600)	$ (200)	$ (200)	$ (200)	$ (200)

Additional Comments: The incremental revenue in 2006 consists of the $17,500 in proceeds of disposition plus $100 in municipal realty taxes. The latter amount is based on the assumptions that the assessed value equals the sale price, the property will be placed on the roll as of July 1, 2006, and the portioning and mill rates remain constant at 45% and 0.025448 respectively. Revenues from 2007 onward represent municipal realty taxes based on the same assumptions. Proceeds of disposition will accrue to the Land Operating Reserve Fund while tax revenues will accrue to the General Revenue Fund.

"Original signed by"
Mike McGinn, CA
Manager of Finance

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

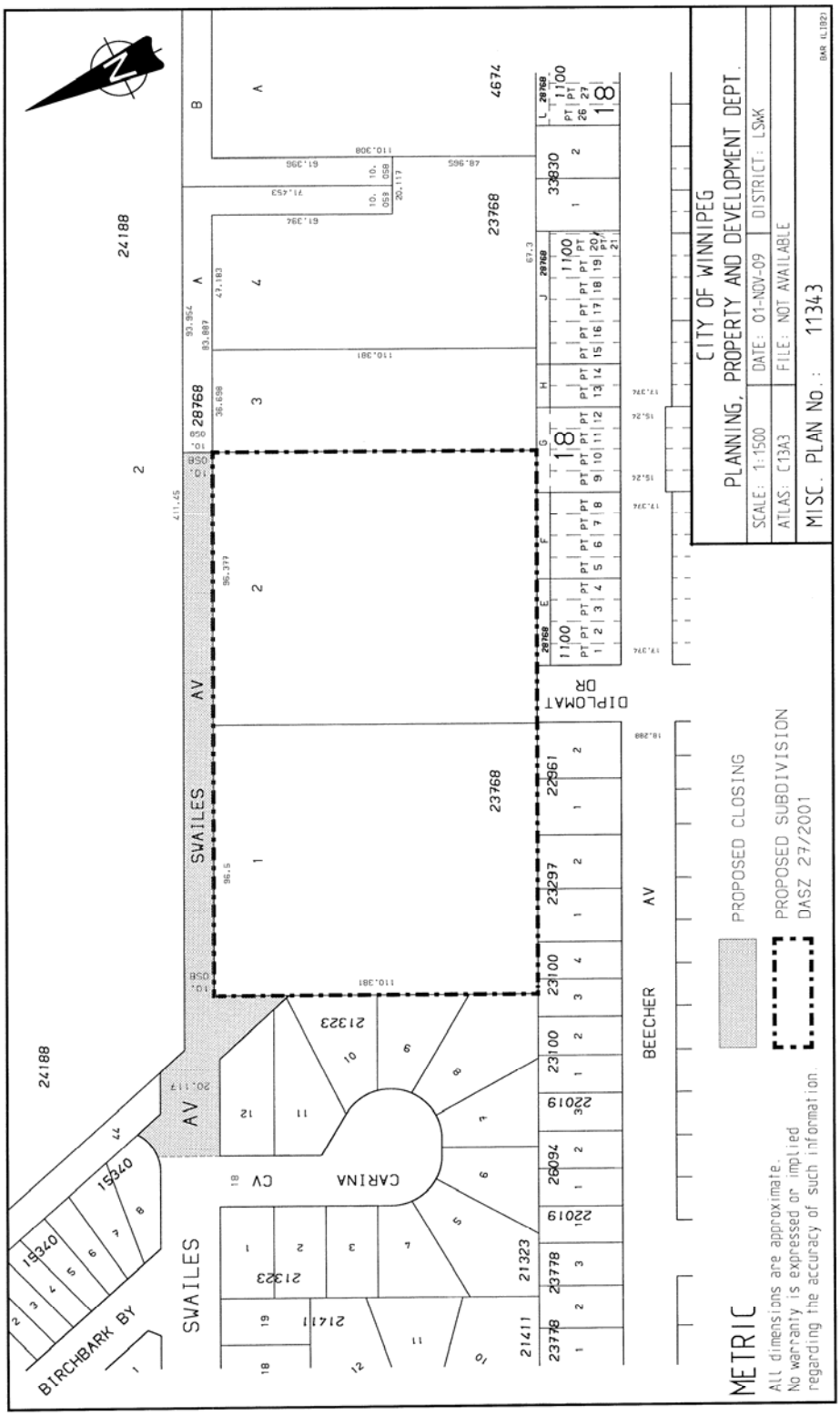
No internal consultation was required in the preparation of this report.

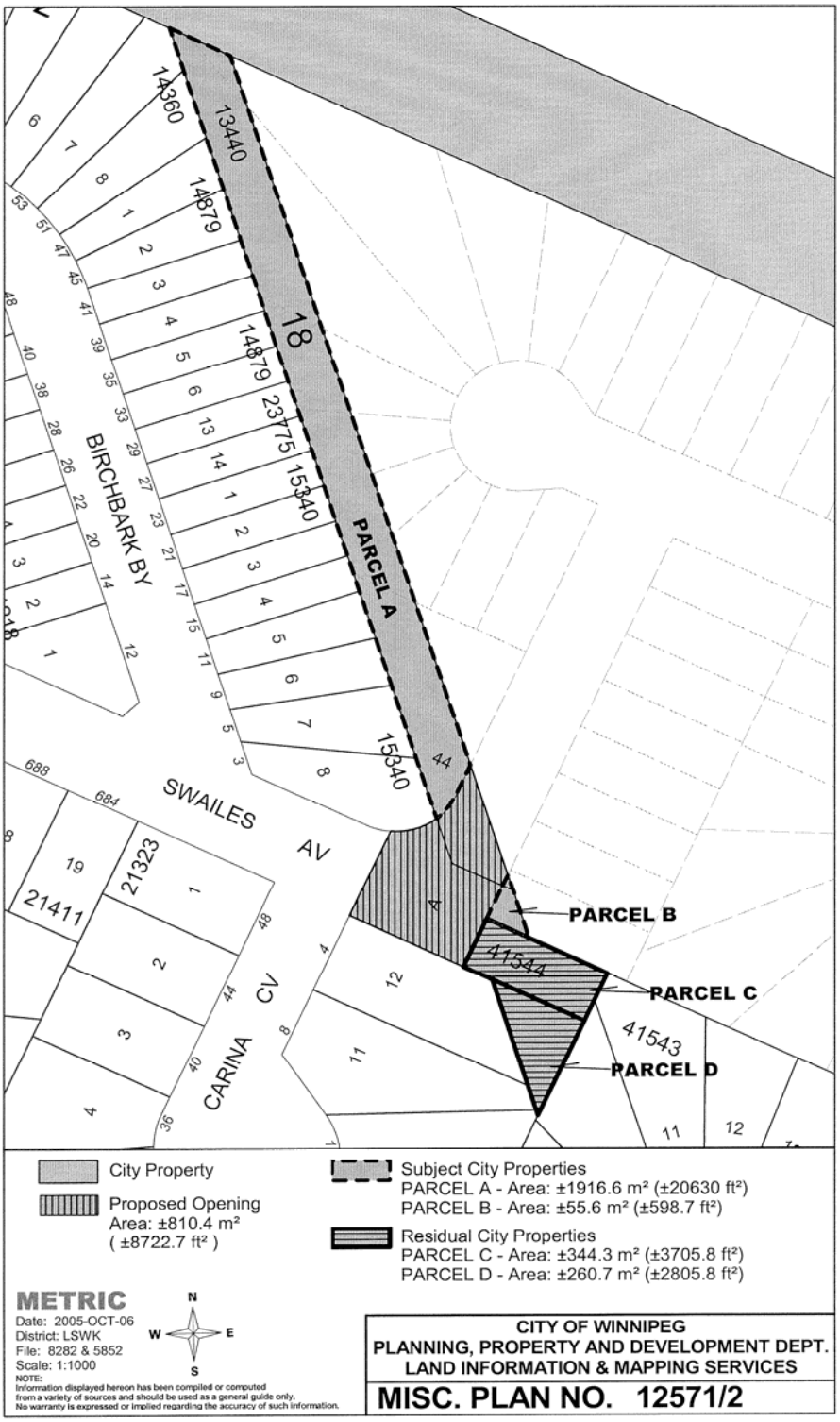
External Consultation With:

No external consultation was required in the preparation of this report.

THIS REPORT SUBMITTED BY:

Department Planning, Property and Development
Division Real Estate
Prepared by: Joedi Pruden
PPD File No. 8282


CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
SCALE: 1:1500
DATE: 01-NOV-09
DISTRICT: LSWK
ATLAS: C13A3
FILE: NOT AVAILABLE
MISC. PLAN No.: 11343
PROPOSED CLOSING
PROPOSED SUBDIVISION
DASZ 27/2001
METRIC
All dimensions are approximate.
No warranty is expressed or implied
regarding the accuracy of such information.
SWAILES AV
CARINA CV
BEECHER AV
DIPLOMAT DR
BIRCHBARK BY


14360
13440
14879
18
14879
23775
15340
PARCEL A
BIRCHBARK BY
15340
SWAILES AV
21323
21411
PARCEL B
41544
PARCEL C
41543
PARCEL D
CARINA CV
City Property
Proposed Opening
Area: ±810.4 m²
(±8722.7 ft²)
Subject City Properties
PARCEL A - Area: ±1916.6 m² (±20630 ft²)
PARCEL B - Area: ±55.6 m² (±598.7 ft²)
Residual City Properties
PARCEL C - Area: ±344.3 m² (±3705.8 ft²)
PARCEL D - Area: ±260.7 m² (±2805.8 ft²)
METRIC
Date: 2005-OCT-06
District: LSWK
File: 8282 & 5852
Scale: 1:1000
NOTE:
Information displayed hereon has been compiled or computed from a variety of sources and should be used as a general guide only. No warranty is expressed or implied regarding the accuracy of such information.
N
W
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S
CITY OF WINNIPEG
PLANNING, PROPERTY AND DEVELOPMENT DEPT.
LAND INFORMATION & MAPPING SERVICES
MISC. PLAN NO. 12571/2

Swailes
File: 8282

OFFER TO PURCHASE

The Undersigned (hereinafter called "the Purchaser") hereby offers to purchase from The City of Winnipeg (the "City") the following lands:

Parcel C as shown on the attached Misc. Plan No. 12571/2

(hereinafter called the "Lands")

for the sum of $15,000.00 cash, and upon the following terms and conditions:

1. (1) Attached to this Offer is the Purchaser's certified cheque, bank draft or money order payable to "The City of Winnipeg" in the amount of $2,250.00, and represents an amount equal to fifteen (15%) percent of the purchase price which the Purchaser tenders by way of deposit, and which sum shall be applied to the purchase price if the sale is approved by the City's Standing Policy Committee on Property and Development and/or City Council (in the event that Council approval is required) and/or its delegated authority, hereinafter called the "Date of Approval". The Purchaser agrees to pay the balance of the purchase price, interest and adjustments on or before the date of closing, possession and adjustments.

   (2) If the Purchaser fails to pay the balance of the purchase monies, interest and adjustments on or before the date of closing, possession and adjustments as in sub-clause (1) above provided, the City may, at its option, cancel the sale and retain the deposit as liquidated damages.

2. (1) The date of closing, possession and adjustments shall be sixty (60) days following the Date of Approval or earlier as mutually agreed to.

   (2) The Purchaser agrees to pay as an adjustment an amount equal to the total of such taxes, rates and charges which would have been levied or charged against the Lands as though the Lands had been entered on the assessment rolls of the City as privately owned and subject to taxation, which adjustment shall be calculated from the date of closing, possession and adjustments to and including the last day of the current taxation year.

   (3) The Purchaser shall pay interest in lawful money of Canada on all monies remaining outstanding and payable to the City as of the date of closing, possession and adjustments, which interest shall be calculated at the rate per annum equivalent to the prime lending rate in force by the City's Banker at the date of adjustments plus one (1%) percent, computed from the date of closing, possession and adjustments to and including the date all such monies and interest as aforesaid have been fully paid to the City.

3. <u>Goods and Services Tax</u>

   (1) The Purchaser agrees to pay to the City all Goods and Services Tax applicable on the sale of the Lands or, if the Purchaser is a registrant under the Goods and Services Tax Legislation, the Purchaser shall advise the City in writing of its registration number. The Goods and Services Tax is to be paid, or the registration number provided, to the City on or before the date of closing, possession and adjustments or the date the balance of monies is paid to the City, whichever is the earlier.

   (2) If the Purchaser fails to pay the Goods and Services Tax or fails to provide its registration number as prescribed in sub-clause (1) of this Clause, the Purchaser agrees that all of the Purchaser's rights and interests in respect of the Lands shall, at the City's sole discretion, be fully ended without notice or any formality and all monies paid to the City by the Purchaser shall be retained by the City free from every claim.

4. The Purchaser will obtain possession of the Lands at the Purchaser's own expense, which includes, without limiting the generality of the foregoing, obtaining their own Surveyor's Building Location Certificates, Surveyor's Staking Certificates and Zoning Memorandum and in connection therewith acknowledges and is aware that the City does not provide Declarations of Possession.

5. The Purchaser acknowledges that in submitting this Offer to Purchase, the Purchaser relies entirely upon personal inspection of the Lands, independent of any representation made by or on behalf of the City of Winnipeg. Any error or discrepancy in the description or in the dimensions of the Lands as contained herein shall not entitle the Purchaser to any compensation in respect thereof nor shall it entitle the Purchaser to the cancellation of this Offer to Purchase.

6. It is agreed that no representation, warranty, collateral agreement or condition affecting this offer or the land is expressed herein. The City does not warrant the quality, condition or sufficiency of the Lands for any use or purpose. The Lands are deemed to be taken by the Purchaser in an "as is" condition and at the Purchaser's own risk and with all faults and imperfections whatsoever. The Purchaser agrees with the City that the application of "Buyer Beware" shall apply to the offer in the strictest meaning.

7. All existing improvements (if any) in or on the said Lands shall remain as part of the freehold.

8. The Purchaser will accept Title to the Lands subject to all exceptions, reservations and encumbrances expressed or implied in the City's Title.

9. The Purchaser agrees that in the event the Purchaser, at its sole cost, conducts or causes to be conducted an Environmental Site Assessment and/or soil testing of the Lands, and it is determined as a result thereof that contamination levels exceed Provincial Environmental Standards for the intended use of the Lands, and documentation to that effect is produced to the City within sixty (60) days following the Date of Approval, but in any event, prior to closing, the City, at its sole option, shall be entitled to:

   (1) take remedial action to bring the contamination levels within the Provincial Environmental Standards, **or,**

   (2) cancel the sale and return all monies paid in respect of the proposed sale by the Purchaser to that date.

   AND FURTHER, in the event the Purchaser fails to provide such documentation as aforesaid, the Purchaser hereby agrees to complete the purchase as herein contemplated and to indemnify and save harmless the City from and against any and all claims arising from or in any way attributable to the existence of contaminants of any kind whatsoever at, in, or upon the said lands.

10. (1) The Purchaser agrees that the sale of the Lands shall be subject to any easement which may be required by a public utility, including, but not limited to Manitoba Hydro, MTS Allstream Inc., Centra Gas Manitoba Inc., or The City of Winnipeg, and/or any of their respective successors and/or other utilities, for the maintenance of existing and future facilites together with the right to enter upon the Lands at any time, with or without equipment for said purposes and subject to the owner covenanting not to erect or cause to be erected upon the easement area any building or structure without the prior written consent of the utility or The City of Winnipeg requiring such easement.

    (2) Any removal or relocation of a public utility will be at the expense of the developer and/or customer.

    (3) The Purchaser to enter into agreements satisfactory to the said utilities or The City of Winnipeg.

    (4) The Purchaser acknowledges that the City may grant the easement before the Transfer of Land issues.

11. The Purchaser shall include all the lands within the Purchaser's proposed plan of subdivision. The Purchaser shall prepare or cause to be prepared, at the Purchaser's sole cost and expense, all necessary plans that may be required by the Winnipeg Land Titles Office to facilitate the transfer of the subject lands, including the plan of subdivision, and all plans of easement required to grant any utility rights.

12. The Purchaser acknowledges that there may be existing water and sewer utilities contained within the lands. Should the Purchaser develop these lands, the Purchaser would be required to modify, abandon or move the utilities to the satisfaction of the Director of the Water and Waste Department. All to be at the expense of the Purchaser.

13. No commission is payable by the City on the sale of the Lands.

14. No current legal survey was made of the property to determine the nature and extent of any structure thereon or to determine if there are any encroachments from adjoining lands.

15. The City advises that there might be an existing basement in the lands. The removal of any existing concrete or debris and any costs connected therewith will be the responsibility of the Purchaser.

16. The Purchaser is hereby advised that soil conditions in Winnipeg are of the glacial fill variety which is composed of Lacustrine Clays with Silt Intrusions. The Purchaser shall be responsible for any increased costs of development due to this random stratification.

17. The sale of the Lands to the Purchaser shall be subject to the provisions of the By-laws of the City of Winnipeg and all amendments thereto. Furthermore, the Purchaser acknowledges and understands that its proposed use and development of the Lands may require applications for re-zoning, variances or conditional uses, amendments to Plan Winnipeg, which applications, resulting land dedication charges (if any) are to be at the sole cost and responsibility of the Purchaser. Nothing in this Offer shall be construed as placing any duty or obligation upon the City to grant such rezoning, variance or conditional use orders and/or amendments to Plan Winnipeg when the Purchaser's application for same is made to the City.

18. The Purchaser agrees that the City may register Caveat/s against the Lands to ensure the performance of the covenants on the part of the Purchaser herein set forth and the Purchaser agrees to grant and does hereby grant to the City an interest in the Lands according to the tenor of this Offer.

Offer to Purchase Page 4

19. Upon approval of the sale by the City, the Purchaser agrees to make application to the City Assessor (in form set out in Exhibit "A" attached) to have the Purchaser's name added to the Assessment Roll of the City as the Real Owner in respect of the Lands.

20. Time shall be of the essence of this Offer.

21. The Purchaser will not file any caveat or other encumbrance against the Lands before the transfer of the Lands to the Purchaser.

22. The word "Purchaser" shall have a plural meaning in the event that more than one party is making this offer, and the masculine shall mean the feminine or neuter as the case may be.

23. The full, true and correct name of the Purchaser is as follows:

North Grassie Properties inc.
Name (Please Print) Address

Purchaser's Registration No. (G.S.T.) 12269 7972 RT001

IN WITNESS WHEREOF the Purchaser has signed this document in

Kelowna, BC, this 5 day of April 2006

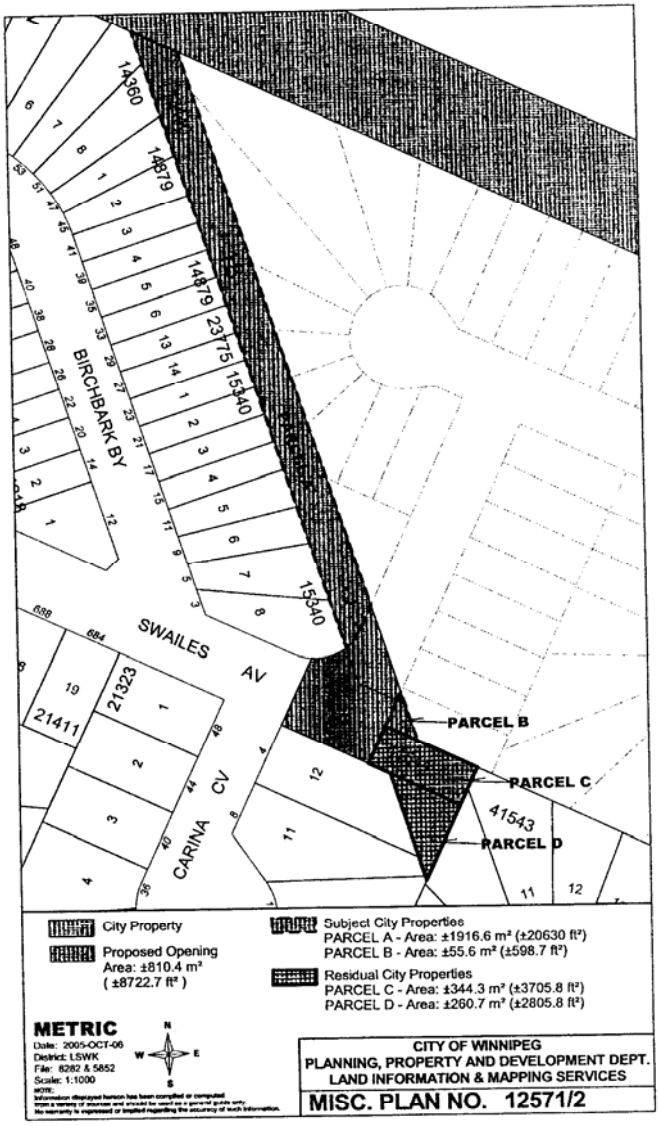
Witness

North Grassie Properties inc
Purchaser

Witness

per:
Purchaser

Offer to Purchase



Offer to Purchase

Example Only

Real Owner Application

To the City Assessor

_____ Roll No. _____

(Name of Municipality)

1. I/We_____

(Print Full Name)

request that my/our name(s) appear in the Assessment Roll of the City of Winnipeg in respect to the following property, pursuant to Section 12(1) of "The Municipal Assessment Act", Cap. M 226 S.M.

2 Description of Properties: (Give description of all property in respect of which you wish your name to appear).

Part of Lot or Section	Lot or Section	Block or Township	Plan or Range	Interest In Property

3. Mailing Address_____

4. Place of Residence_____

5. Name and Address of Registered Owner_____

(Print)

_____

(Print)

6. Description of building on property:

Dwellings _____

Other Buildings _____

7. Date of Purchase _____ 8. Purchase Price_____

Date: _____ 19 ___ _____

(Signature of Applicant)

Office of the City Assessor

The City of Winnipeg

_____

(Signature of Registered Owner)

Carina
File: 8282

OFFER TO PURCHASE

The Undersigned (hereinafter called "the Purchaser") hereby offers to purchase from The City of Winnipeg (the "City") the following lands:

Parcel D as shown on the attached Misc. Plan No. 12571/2

(hereinafter called the "Lands")

for the sum of $2,500.00 cash, and upon the following terms and conditions:

1. (1) Attached to this Offer is the Purchaser's certified cheque, bank draft or money order payable to "The City of Winnipeg" in the amount of $375.00, and represents an amount equal to fifteen (15%) percent of the purchase price which the Purchaser tenders by way of deposit, and which sum shall be applied to the purchase price if the sale is approved by the City's Standing Policy Committee on Property and Development and/or City Council (in the event that Council approval is required) and/or its delegated authority, hereinafter called the "Date of Approval". The Purchaser agrees to pay the balance of the purchase price, interest and adjustments on or before the date of closing, possession and adjustments.

   (2) If the Purchaser fails to pay the balance of the purchase monies, interest and adjustments on or before the date of closing, possession and adjustments as in sub-clause (1) above provided, the City may, at its option, cancel the sale and retain the deposit as liquidated damages.

2. (1) The date of closing, possession and adjustments shall be sixty (60) days following the Date of Approval or earlier as mutually agreed to.

   (2) The Purchaser agrees to pay as an adjustment an amount equal to the total of such taxes, rates and charges which would have been levied or charged against the Lands as though the Lands had been entered on the assessment rolls of the City as privately owned and subject to taxation, which adjustment shall be calculated from the date of closing, possession and adjustments to and including the last day of the current taxation year.

   (3) The Purchaser shall pay interest in lawful money of Canada on all monies remaining outstanding and payable to the City as of the date of closing, possession and adjustments, which interest shall be calculated at the rate per annum equivalent to the prime lending rate in force by the City's Banker at the date of adjustments plus one (1%) percent, computed from the date of closing, possession and adjustments to and including the date all such monies and interest as aforesaid have been fully paid to the City.

3. Goods and Services Tax

   (1) The Purchaser agrees to pay to the City all Goods and Services Tax applicable on the sale of the Lands or, if the Purchaser is a registrant under the Goods and Services Tax Legislation, the Purchaser shall advise the City in writing of its registration number. The Goods and Services Tax is to be paid, or the registration number provided, to the City on or before the date of closing, possession and adjustments or the date the balance of monies is paid to the City, whichever is the earlier.

   (2) If the Purchaser fails to pay the Goods and Services Tax or fails to provide its registration number as prescribed in sub-clause (1) of this Clause, the Purchaser agrees that all of the Purchaser's rights and interests in respect of the Lands shall, at the City's sole discretion, be fully ended without notice or any formality and all monies paid to the City by the Purchaser shall be retained by the City free from every claim.

4. The Purchaser will obtain possession of the Lands at the Purchaser's own expense, which includes, without limiting the generality of the foregoing, obtaining their own Surveyor's Building Location Certificates, Surveyor's Staking Certificates and Zoning Memorandum and in connection therewith acknowledges and is aware that the City does not provide Declarations of Possession.

5. The Purchaser acknowledges that in submitting this Offer to Purchase, the Purchaser relies entirely upon personal inspection of the Lands, independent of any representation made by or on behalf of the City of Winnipeg. Any error or discrepancy in the description or in the dimensions of the Lands as contained herein shall not entitle the Purchaser to any compensation in respect thereof nor shall it entitle the Purchaser to the cancellation of this Offer to Purchase.

6. It is agreed that no representation, warranty, collateral agreement or condition affecting this offer or the land is expressed herein. The City does not warrant the quality, condition or sufficiency of the Lands for any use or purpose. The Lands are deemed to be taken by the Purchaser in an "as is" condition and at the Purchaser's own risk and with all faults and imperfections whatsoever. The Purchaser agrees with the City that the application of "Buyer Beware" shall apply to the offer in the strictest meaning.

7. All existing improvements (if any) in or on the said Lands shall remain as part of the freehold.

8. The Purchaser will accept Title to the Lands subject to all exceptions, reservations and encumbrances expressed or implied in the City's Title.

9. The Purchaser agrees that in the event the Purchaser, at its sole cost, conducts or causes to be conducted an Environmental Site Assessment and/or soil testing of the Lands, and it is determined as a result thereof that contamination levels exceed Provincial Environmental Standards for the intended use of the Lands, and documentation to that effect is produced to the City within sixty (60) days following the Date of Approval, but in any event, prior to closing, the City, at its sole option, shall be entitled to:

   (1) take remedial action to bring the contamination levels within the Provincial Environmental Standards, **or,**

   (2) cancel the sale and return all monies paid in respect of the proposed sale by the Purchaser to that date.

   AND FURTHER, in the event the Purchaser fails to provide such documentation as aforesaid, the Purchaser hereby agrees to complete the purchase as herein contemplated and to indemnify and save harmless the City from and against any and all claims arising from or in any way attributable to the existence of contaminants of any kind whatsoever at, in, or upon the said lands.

10. (1) The Purchaser agrees that the sale of the Lands shall be subject to any easement which may be required by a public utility, including, but not limited to Manitoba Hydro, MTS Allstream Inc., Centra Gas Manitoba Inc., or The City of Winnipeg, and/or any of their respective successors and/or other utilities, for the maintenance of existing and future facilites together with the right to enter upon the Lands at any time, with or without equipment for said purposes and subject to the owner covenanting not to erect or cause to be erected upon the easement area any building or structure without the prior written consent of the utility or The City of Winnipeg requiring such easement.

    (2) Any removal or relocation of a public utility will be at the expense of the developer and/or customer.

    (3) The Purchaser to enter into agreements satisfactory to the said utilities or The City of Winnipeg.

(4) The Purchaser acknowledges that the City may grant the easement before the Transfer of Land issues.

11. The Purchaser acknowledges that there may be existing water and sewer utilities contained within the lands. Should the Purchaser develop these lands, the Purchaser would be required to modify, abandon or move the utilities to the satisfaction of the Director of the Water and Waste Department. All to be at the expense of the Purchaser.

12. In consideration of the sale of the lands by the City to the Purchaser, the Purchaser covenants and agrees as follows:

(1) The Purchaser shall at its sole cost, effort and expense, do all things as are necessary, including but not limited to causing to be prepared and registered at the Winnipeg Land Titles Office, such documentation as may be required to ensure that the lands to be conveyed by the City and the Purchaser's adjoining property legally described as Lot 12, Plan 21323 (herein called the "Purchaser's adjoining property") are consolidated so as to constitute a single and indivisible parcel. The Purchaser does hereby acknowledge that in complying with this obligation it may be required to arrange for the discharge and re-registration of existing encumbrances against the Purchaser's adjoining property or the registration of an agreement amending existing encumbrances.

(2) The Purchaser to pay the all Land Titles Office registration fees and Land Transfer Tax in respect to this transaction

13. No commission is payable by the City on the sale of the Lands.

14. No current legal survey was made of the property to determine the nature and extent of any structure thereon or to determine if there are any encroachments from adjoining lands.

15. The City advises that there might be an existing basement in the lands. The removal of any existing concrete or debris and any costs connected therewith will be the responsibility of the Purchaser.

16. The Purchaser is hereby advised that soil conditions in Winnipeg are of the glacial fill variety which is composed of Lacustrine Clays with Silt Intrusions. The Purchaser shall be responsible for any increased costs of development due to this random stratification.

17. The sale of the Lands to the Purchaser shall be subject to the provisions of the By-laws of the City of Winnipeg and all amendments thereto. Furthermore, the Purchaser acknowledges and understands that its proposed use and development of the Lands may require applications for re-zoning, variances or conditional uses, amendments to Plan Winnipeg, which applications, resulting land dedication charges (if any) are to be at the sole cost and responsibility of the Purchaser. Nothing in this Offer shall be construed as placing any duty or obligation upon the City to grant such rezoning, variance or conditional use orders and/or amendments to Plan Winnipeg when the Purchaser's application for same is made to the City.

18. The Purchaser agrees that the City may register Caveat/s against the Lands to ensure the performance of the covenants on the part of the Purchaser herein set forth and the Purchaser agrees to grant and does hereby grant to the City an interest in the Lands according to the tenor of this Offer.

19. Upon approval of the sale by the City, the Purchaser agrees to make application to the City Assessor (in form set out in Exhibit "A" attached) to have the Purchaser's name added to the Assessment Roll of the City as the Real Owner in respect of the Lands.

20. Time shall be of the essence of this Offer.

21. The Purchaser will not file any caveat or other encumbrance against the Lands before the transfer of the Lands to the Purchaser.

Offer to Purchase Page 4

22. The word "Purchaser" shall have a plural meaning in the event that more than one party is making this offer, and the masculine shall mean the feminine or neuter as the case may be.

23. The full, true and correct name of the Purchaser is as follows:

Cheryl Hacault, Ernie Hacault 4 Carina Cove; Wpg, MB, R2V 4N6

Name (Please Print) Address

Purchaser's Registration No. (G.S.T.) _____

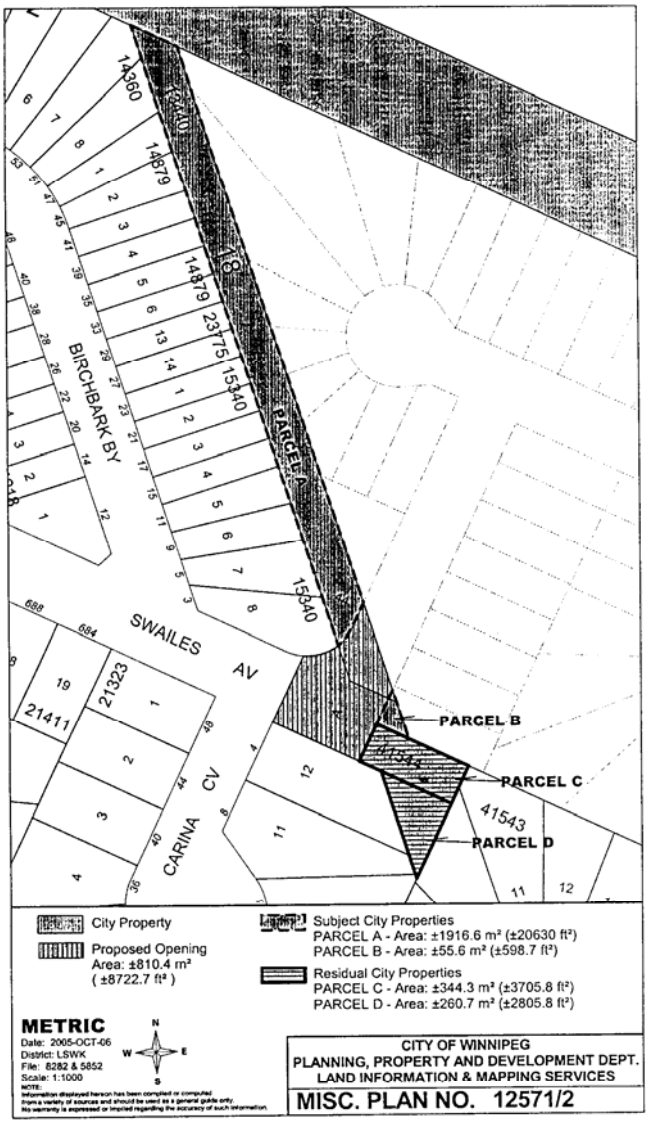
IN WITNESS WHEREOF the Purchaser has signed this document in

Winnipeg, Manitoba, this 18th day of April 2006

Witness Purchaser

Witness Purchaser

Offer to Purchase Page 5



Offer to Purchase Page 6

Example Only

Real Owner Application

_____

To the City Assessor

_____ Roll No. _____

(Name of Municipality)

1. I/We_____

(Print Full Name)

request that my/our name(s) appear in the Assessment Roll of the City of Winnipeg in respect to the following property, pursuant to Section 12(1) of "The Municipal Assessment Act", Cap. M 226 S.M.

2 Description of Properties: (Give description of all property in respect of which you wish your name to appear).

Part of Lot or Section	Lot or Section	Block or Township	Plan or Range	Interest In Property

3. Mailing Address_____

4. Place of Residence_____

5. Name and Address of Registered Owner_____

(Print)

_____

(Print)

6. Description of building on property:

Dwellings _____

Other Buildings _____

7. Date of Purchase _____ 8. Purchase Price_____

Date: _____ 19 ___ _____

(Signature of Applicant)

Office of the City Assessor _____

The City of Winnipeg (Signature of Registered Owner)