

Proposed Amendments – Council Policy No. C09-006,  
Residential Lot Sales General Policy

3.7 Cancellations -

- i) **Prior to Agreement for Sale:** When a cancellation occurs before the Agreement for Sale has been signed, the purchaser's down payment and GST will be fully refunded less an administration fee.
- ii) **Purchaser Initiated Cancellation:** When a cancellation occurs after the Agreement for Sale has been signed, the purchaser, after 30 days, will be charged a penalty of 1 percent per month of the lot selling price for the period during which they possessed the lot, plus an administration fee. If applicable, the purchaser will receive a refund equal to the difference between the down payment and the cancellation fees. The purchaser is required to pay the difference in situations where cancellation fees are greater than down payments received.
- iii) **Administration Initiated Cancellation:** When all other efforts to conclude the agreement have failed, the Administration may negotiate the cancellation of the Agreement for Sale based on what is most favourable to the City in consideration of, but not limited to, the following factors:
  - Administrative time and effort;
  - Ability to successfully re-offer and market the lot;
  - Consistent treatment of similar files;
  - Litigation risk; and
  - Business relationship with the purchaser.

**All Administration initiated cancellations must be approved by the CFO/General Manager, Asset and Financial Management Department.**

~~When a cancellation occurs before the lease-option agreement has been signed, the purchaser's down payment and any taxes paid during the lease period will be fully refunded. When a cancellation occurs after the lease-option agreement has been signed, the purchaser will be charged rent at a rate of 1 percent per month of the selling price for the period during which he/she possessed the lot. The purchaser will receive a refund equal to the difference between the down payment (including any taxes paid during the lease period) and the rent charged.~~