



Energy Mines & Resources
Land Management Branch
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BUILDERS' RESIDENTIAL Lot Sale Policy

PURPOSE

This policy provides guidance to Builders for the purchase of multiple residential lots.

OBJECTIVE

This policy is intended to facilitate the purchase of multiple residential lots by Builders, for development and resale.

APPLICATION OF THIS POLICY

This policy applies to the sale of serviced residential lots classified by the Minister of Energy, Mines and Resources, under the *Lands Act* and *Lands Regulations* as “Special” or “Residential”.

This policy is subject to Land Management Branch’s sole discretion whether to offer multiple residential lots for sale to Builders.

BACKGROUND

Yukon government is the primary developer of serviced lots within municipalities (primarily the City of Whitehorse). A large number of new homes are built each year by private contractors (Builders) for resale. Land Management Branch regularly receives requests from Builders to purchase multiple residential lots in order to realize the benefits of economies of scale. The sale of multiple residential lots to Builders supports the construction industry and encourages the development of adequate housing supply.

The *Lands Act*, Section 3, provides authority to the Minister and to Land Management Branch, to sell land. Section 23 of the *Lands Regulations* states that residential lots shall first be made available to qualified individuals for their own residential purposes, then to other registered applicants, (including Builders) and finally by general sale. Consequently, lots are only made available to Builders following public lottery.

DEFINITIONS

Builder

Means:

- a company which has a valid Incorporation Certificate (Corporation) or Confirmation of Registration from Corporate Affairs, Community Services stating the company is in good standing and identifying the principals/agents of the entity authorized to sign legal agreements;
- a partnership; or
- a sole proprietorship,

Engaged in Yukon's home construction industry.

Residential:

A fully serviced lot classified as residential or special as defined in the *Lands Regulations*, located within a municipal boundary or a planned subdivision and intended for residential purposes. This definition **does not** include country residential or rural residential properties.

Clad to the Weather:

Doors, windows and exterior walls protected with cladding, including flashing, trim, and other special-purpose accessory pieces required for the cladding system being used, to restrict the entry of rain and snow into the structure.

POLICY PARAMETERS

- ✓ Only Builders who meet the criteria as a registered applicant (see *Lands Regulations*) may enter into a Builders' lot selection process after lots have first been offered for sale through public lottery to the general public.
- ✓ The method of sale to Builders will be determined by the Land Management Branch.
- ✓ Government of Yukon will not enter into an agreement for sale with a Builder if any of their current agreements for sale are in default.

DISPOSITION TERMS

Each lot sold to a Builder shall be under separate applications and separate agreements for sale. The following terms and conditions shall apply to each agreement for sale:

- ✓ A Builder is permitted two (2) years (from the date of the agreement for sale) to pay the outstanding balance plus any interest accrued for the agreement for sale. Title will not be transferred until **all** conditions of the agreement for sale are met to the satisfaction of the Government of Yukon.
- ✓ A Builder is not permitted to hold more than ten (10) Agreements for Sale at any one time.
- ✓ All Agreements for Sale sold under this policy are for a maximum two (2) year term.
- ✓ A down payment of 20% plus GST on the full purchase price is due immediately;

- ✓ The application fee is \$25.00 plus GST. The Builder must submit a separate application for each lot the Builder wishes to purchase.
- ✓ A residence must be constructed within two (2) years. The residence must be clad to the weather and conform to zoning bylaw requirements, building codes and approved by the Government of Yukon; and
- ✓ The property (i.e. land and building) will be forfeit to the Government of Yukon if the Builder's obligations under the agreement for sale have not been fully discharged.

The Builder shall provide Land Management Branch with a valid Incorporation Certificate (corporation) or Confirmation of Registration (partnership or sole proprietor) from Corporate Affairs, Community Services stating that they are in good standing and identifying the principals/agents of the entity authorized to sign legal agreements.

Builder must be in good standing with Yukon Government, Corporate Affairs.

AUTHORITIES**Acts / Regulations***Area Development Act / Regulations**Municipal Act & Bylaws**Yukon Lands Act/Regulations**Highways Act/Regulations***Policy***Yukon Housing Policy*