

SERVICING AGREEMENT

THIS AGREEMENT MADE this _____ day of _____ A. D. 2004

BETWEEN:

THE RURAL MUNICIPALITY OF LUMSDEN No. 189,
a municipal corporation, (hereinafter referred to as the "*Municipality*"),
OF THE FIRST PART,

-and

XXXXXXXXXX,
(hereinafter referred to as the "*Developer*")
OF THE SECOND PART.

WHEREAS:

- (a) The developer is the owner or is entitled to become the owner of certain properties located within the Municipality, as more particularly described in Schedule "B" hereunto attached and forming a part of this Agreement (the "Land or Lands");
- (b) The Developer wishes to develop the Land for residential purposes, (the "*Development or Project*");
- (c) The Developer, for the purposes of the Project aforesaid has caused to be prepared Development Plans and Proposals;
- (d) The Developer has agreed to construct or cause to be constructed all services in respect to the development of the lands (save and except for those herein specifically excepted) subject to the covenants and conditions hereinafter set forth; now therefore this agreement witnesseth as follows:

ARTICLE 1:00 DEFINITIONS

1.01 In this Agreement:

- (a) "*Contract Document*" shall include this agreement, the schedules hereto and drawings or specifications for standards of material and shall include such amendments to said documents as may be required herein, or as may be agreed pursuant hereto;

- (b) "*Maintenance*" or "*to maintain*" means the undertaking of those services and things for which the Developer has assumed responsibility in accordance with the terms of this agreement, and shall consist of responsibility for failure of or damage to any and all services resulting from defective materials or improper installation, settlement of ditches, grading, graveling, repairs and/or replacement of roads and road surfaces which, because of their design or otherwise, provide inadequate or insufficient services but shall not include any items for which the municipality has accepted responsibility under the terms of this agreement or any other agreement in writing;

- (c) "*Services*" means the services and amenities for which the Developer has assumed responsibility or are agreed to be constructed, installed and/or provided including maintenance thereof by the Developer on or in respect of the land pursuant to the terms of this agreement including, without limitation, the following:
 - electrical power, natural gas and telephone lines (where required);
 - access roads (approach) and roadways;
 - water services, availability and quality studies;
 - amenities.

1.02 Other terms defined in this agreement shall have the meanings ascribed to them as set forth in such definitions.

1.03 In this agreement descriptions of materials or work in words which so applied have well known technical or trade meanings shall be held or refer to such recognized standards.

1.04 The laws of the Province of Saskatchewan shall govern all of the terms of this agreement.

ARTICLE 2:00 DEVELOPERS RESPONSIBILITIES

2.01 The Developer agrees to construct, install, provide and pay the total cost of all services to the project including maintenance as provided for by this agreement. Provided that the Developer represents and the Municipality acknowledges that certain of the services will not be constructed, installed or provided and paid for directly by the Developer but rather will be provided by contractors of the Developer or be contracted for by the Developer.

2.02 The Developer agrees that the services will be designed, constructed and installed in accordance with Province of Saskatchewan, Crown Corporation, Municipal and Provincial Department specifications to the extent that the same may exist, be applicable or lawfully required or (failing the appropriateness of the same, the Municipality's particular specifications for roadways in the Project shall apply in respect to such roadways.) The Developer undertakes to submit its proposals in respect to any service to the Municipality and obtain written approval thereof, prior to commencement.

2.03 Notwithstanding the generality of Paragraphs 2.01 and 2.02, the Developer specifically agrees to provide the following services:

(a) Water Supply

The Developer undertakes to proceed with fully documented identification of water sufficient for the purpose of the Development as may be approved, both as to quantity and quality, by the Municipality.

(b) Access and Roadways

All roads and/or access roadways (approach) to and within the land shall be designed and constructed in accordance with Municipal Standards, at the cost of the Developer, and shall be subject to the approval of the Municipality.

(c) Public Utilities

The Developer shall be responsible for obtaining Public Utility Easements to the project. The Developer acknowledges his responsibility to obtain the approval of Saskatchewan Power Corporation, Saskatchewan Energy Incorporated and Saskatchewan Telecommunications for any such proposed installations.

ARTICLE 3:00 COVENANTS OF THE MUNICIPALITY

3.01 The Municipality, subject to the terms and conditions hereof and the performance of the obligations of the Developer, undertakes to convene all necessary meetings and to take all necessary steps in order to give consideration, where required, to amendment of the zoning bylaw applicable to the Project Lands in order to rezone the same to "*R1 Residential*".

3.02 The Municipality undertakes to signify and provide such of its approvals as may be required by any Provincial Department or Crown Corporation to permit the implementation of this Project.

ARTICLE 4:00 GENERAL PROVISIONS

4.01 The Developer and Municipality further agree that the following general terms and conditions shall be applicable to this subdivision and development agreement namely:

(a) **Right to farm**

The Developer and subsequent residential lot owners are hereby notified that the right to farm all land is hereby recognized to exist as a natural right and is also hereby ordained to exist as a permitted use everywhere in the Rural Municipality of Lumsden No. 189, subject only to the restrictions and regulations for intensive fowl or livestock farms and subject to Provincial and Municipal Bylaws and Regulations. The Right To Farm shall include all generally accepted agricultural practices including the spraying of herbicides and insecticides, subject to Provincial regulations governing the use of approved chemicals for this purpose. Furthermore, it is understood that the activities associated with the Right To Farm may occur on holidays, Sundays, weekends, at night, and in the day and the noise, odors, fumes and dust that are caused by them are also specifically permitted as part of this right.

(b) **Minimum Development Standards**

The Developer and subsequent lot owners are hereby notified that minimum development standards to assure an equitable tax return to the municipality shall be required as follows: Single-family detached dwellings shall have a minimum appraised value of Fifty thousand dollars (\$50,000.00) or Fifty dollars (\$50.00) per square foot whichever is the greater. The municipality **will** not be required to issue building permits for residential development on parcels in the subdivision unless the building meets the foregoing standards. Furthermore, it is understood that this requirement is necessary to insure that a standard of development is maintained to give an equitable tax return for residential services as provided throughout the municipality to farmers and country-residents alike.

(c) **Off-Site Servicing Fees**

An off-site servicing fee of \$2,500.00 for each new parcel created in the “Project” shall be due and payable to the municipality prior to subdivision approval and as shown on Schedule “B” to this agreement.

(d) **Public Reserves**

In accordance with the subdivision regulations of the Province of Saskatchewan, the Municipality agrees to accept \$500.00 as cash-in-lieu for Public Reserve for this project as deemed applicable by the Community Planning Branch of Sask. Municipal Government and shown on Schedule “B” to this agreement.

ARTICLE 5:00 DEVELOPMENT CONTROL

5.01 The Developer acknowledges that the Municipality may rescind the Development Permit issued by it in such circumstances aforesaid and further may issue such Stop Order as it may lawfully be empowered to do, including applying for and obtaining an Injunction from the Court of Queen’s Bench for the Province of Saskatchewan enjoining further development respecting the Project and any costs including legal costs on a solicitor and client basis incurred by the Municipality in enforcing its rights hereunder shall be paid by and be the responsibility of the Developer

5.02 Lot Sales Conditions and Agreement

The Developer agrees with the Municipality that with respect to the subdivision and sale of a residential lot that all construction of buildings upon said lot shall comply with any existing building bylaws of the municipality and applicable provisions of the Municipal Development Plan and Zoning Control Bylaws, as identified by the municipality and that a copy of this agreement will be provided by the Developer to the lot purchaser.

5.03 The Developer further agrees to review the following sections of this servicing agreement with the lot purchaser prior to signing an Agreement for Sale or Offer to Purchase:

Section 2.03 (a) Adequate supply of potable water,
(b) location of approach or access road, (*any location change to be approved by council*)

Section 4.01 (a) Right to Farm,
(b) Minimum Development Standards,
(c) Off-Site Servicing Fees,
(e) Geotechnical survey report,

ARTICLE 6:00 AGREEMENT WITH LAND

6.01 This Agreement shall run with the Land and shall constitute the acquisition, by the Municipality, of an interest in land and in any event be subject to the right of the Municipality to file a Caveat against the title to the Land to preserve the interest obtained by it hereunder and as may be available to it pursuant to the Planning and Development Act, 1983.

ARTICLE 7:00 BINDING AGREEMENT

7.01 This Agreement shall be binding upon the parties, their heirs, successors and lawful assigns. The Developer may not assign the terms and conditions of this Agreement in whole or in part without the approval of the Council of the Municipality. The Municipality may require, as a condition to the grant of its consent to any assignment or transfer, that the Assignee or Transferee execute a copy of this Agreement and agree to be bound thereby.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

RURAL MUNICIPALITY OF LUMSDEN NO. 189,

PER: _____
Reeve

S E A L

PER: _____
Administrator

DEVELOPER,

PER: _____

Witness

PER: _____

SCHEDULE "B"

<i>Description of land:</i> A) XXXXXXXX	
1. .	
<i>OFF SITE SERVICE FEE DUE:</i>	<i>\$ <u>XXXXXX</u></i>
<i>CASH-IN-LIEU OF PUBLIC RESERVE DUE:</i>	<i>\$ <u>XXXX</u></i>