

CHAPTER 2 LAND

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Today's home builder has more alternatives than ever before. The choices of building sites and house designs are almost limitless even though a specific type of land may be in short supply at any given time (such as Country Residential Lots in 1992).

This section deals primarily with land, and examines any factor that might influence the selection of a site on which to build a house. Two points of advice: 1. Choose land that reflects the environment you are comfortable with, and then 2. Adopt a home design supporting the lifestyle you lead and in keeping with the land you have selected.

Purchasing land is the single most expensive component of home building projects. Once the building site is purchased the land cost is fixed, unlike other building components where last minute compromises are possible to lower costs. With this in mind, being selective and thorough in land considerations is very important.

The wide scope of choices, facts and information presented in the following pages may be used as a guide to deal with land buying concerns.

SITE SELECTION CONSIDERATIONS

A. LOCATION

The location of the building site has the most influence on the theme of your environment or, in other words, on the type of house, the placing of it on the site and the use of the site to expand living and recreation areas. The setting can be either urban or rural. Further definition of your choice may proceed as follows:

Example #1:

Urban (city) — subdivision (older area, new suburb) neighbourhood (quiet, development complete), block (crescent; keyhole), lot (corner or interior, rectangular or pie shaped)..

Example #2:

Rural (country or small community) — lake, acreage, hamlet or town site. Many towns develop residential subdivisions to urban standards (see Example #1)..

B. CHARACTERISTICS

The type of site will dictate a sense of atmosphere or character. Many factors make one lot different from another, even at the same location. Thorough visual inspection should be performed to complete the choice of environment you want for your home, whether it be a rural or urban setting. Some characteristics may be considered an asset while others an inconvenience or disadvantage. This is a matter of personal preference. Consider the following elements of a building site:

1. Terrain - flat, hill side, waterfront, cliff, sloping to the front, back or side
2. Vegetation - open, sparsely treed, heavily wooded
3. Soil Conditions - sand, clay, rock, quicksand
4. Orientation (north, south, east, west) - view, solar exposure (summer and winter sun), wind protection
5. Size and Shape - long narrow rectangle, shallow wide wedge

C. CONTROLS

Controls may be viewed as things that restrict or limit the land use and the improvements (buildings, etc.) planned for the land. These controls are usually placed by the vendor, developer or municipality for the purpose of maintaining conformity and high value in an area. Land purchase agreements often contain rights to control (conditions) and failure to comply with these documented clauses (however small the print is) could lead to legal (illegal) implications.

The following points should be considered when researching a building site for control restrictions.

1. Costs
 - land (overall cost, down payment and terms of payment on the balance)
 - taxes (back taxes)
 - land taxes plus proposed municipal taxes after improvements (house, garage, fence, pool, etc.)
 - local improvement taxes, offsite levy's

2. Land Use - districts

Each subdivision has designated areas of land use known as districts. Some of these are industrial, commercial, residential, public works and parkland reserves. Each district type is broken down into specific land use categories as illustrated in the example below.

CITY OF WHITEHORSE

Residential Districts

Restricted Residential	RR
Single Family Residential	RS
Country Residential	RC
Multi Family Residential	RM
Downtown Residential	RD
Mobile Home Residential	RH
Mobile Home Park	RP

Parkland Reserves

Public Use	PD
Parks & Recreation	PR
Open Space	OS
Environmental Reserve	ER

Commercial Districts

Central Commercial	CC
Commercial Downtown Mixed Use	CM
Service Commercial	CS
District Commercial	CD
Tourist Commercial	CT
Highway Commercial	CH

Industrial Districts

Service Industrial	MS
Heavy Industrial	MH
Airport Industrial	IA
Railway Industrial	IR
Quarries	QR

3. Architectural Controls

- Regulations governing the appearance of a house and its compatibility in a neighbourhood are often stipulated by the developer or municipality. These controls often consist of minimum or maximum house size, type, style and state exterior finishes to be used.
- For example, if you wish to build a house in Dawson City, your house would have to conform to the Dawson City Historical Facade Bylaw.

Example:

“High Roller’s Hill Estates”

Size - minimum 1600 square feet main floor area

Type - splits, 1 1/2 storey, 2 storey

Roof Lines - 8 in 12 minimum pitch with side gables only

Exterior - roof: cedar shakes or shingles, or tiles

Finishes - walls: wood siding and/or stucco

Architectural controls are set forth as guidelines and usually are flexible to change by appeals to the Regional Planner or Planning Committee.

4. Easements and Right of Ways

Underground services planned to enter or pass through a lot require designated areas to be left undeveloped. Utility companies reserve the right to access those portions of the lot for installation or services. Any easement or Right-of-Way will show up on the title of the lot. Land titles will provide a copy of the title and any easement at a nominal charge.

5. Liens and Caveats

Lien: a claim registered against a property for the satisfaction of a debt. Example: anyone who has an interest in your house, by supplying materials, labour, etc. may register a “lien” if not paid or if there is an unresolved financial dispute.

Caveat: Latin for “let him beware”. A caveat is a legal warning to a judicial office to suspend proceedings (acts or practices) if certain obligations are not met by the opposition. Similarly, a lien is a type of caveat. As in the above example, a lien could stop the advancement of financing to a builder (mortgaged builder) delinquent in paying his bills. A caveat can also appear in the form of a clause in a land purchase agreement. These should be most carefully examined as they may describe major restrictions or limitations of development to the buyer and/or builder.

D. SERVICES

Urban subdivision services are usually readily accessible. Power, water and sewer can normally be obtained for standard installation fees within a short time after they are requested.

Servicing a home in a small town or on acreage locations however, often means unforeseen costs and time delays. Drilling wells and installing septic fields for sewer drainage can involve major costs. (\$4,000 to \$10,000 is not uncommon for these systems alone.) A waiting period may be experienced for power service to the property. In some areas water is so scarce that a fresh water holding tank and pressure system is the sensible approach.

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Power is not available in many rural areas. **The cost of an acreage parcel should reflect the expense, time and special requirements of providing services.**

E. AMENITIES

Our lifestyles are affected by the amenities of our society. We often take for granted public facilities for shopping, schools, recreation and churches. Consider too the everyday needs of your family, such as public transportation, good roadways, street lighting, snow removal and even garbage pick up. Protective services such as fire and police protection should also be taken into account. (Fire insurance is often double the price if no Fire Department is available.)

MAPS

When choosing a lot, you should make use of all information available. For most subdivisions you will have access to several types of maps that can be helpful in putting a lot to its best use.

A. LAND USE MAPS

These show proposed land use for the subdivision. The location of future schools, parks, shopping centres, churches, etc., may influence your decision about where to build.

B. REGISTERED LEGAL PLAN

This shows lot, block and plan numbers, or lot, block, subdivision, neighbourhood and plan number, to identify the “legal description” for legal documents, permit applications, etc. All lineal measurements, curve radius data and bearings from true north are also recorded.

C. UTILITY MAPS OR STREET FURNITURE MAPS

These designate the location of easements, gas line right-of-ways, power and water services and street furniture (lamp posts, fire hydrants, service pedestals, transformers and bus stops). This information can directly influence the placement of buildings and driveways on your property.

D. DRAINAGE GRADING MAP

This shows proposed finished grade elevations and drainage patterns. In some instances, the location and elevations of sewer main lines are specified as they were laid (as-built). All this information is necessary to plan the siting of buildings and the depth of their foundations while maintaining good surface and sewer drainage.

At times, these various maps can be combined often with drainage, grading, and street furniture information on one map.

ZONING REGULATIONS

Local zoning by-laws govern the type of building, its usage and placement on a lot. By-laws commonly set down varying regulations for each district type.
 Example: City of Whitehorse - RS - Single Family Residential

District Requirements

	metre ²	feet ²
Minimum Lot Area	555	5,975
Minimum Front Yard Setback	6	19.7
Minimum One Side Yard Setback	1.5	4.9
Minimum Other Side Yard Setback	3	9.8
Minimum Exterior Side Setback	3	9.8
Minimum Rear Yard Setback	6	19.7
Maximum Height Above Grade	10	32.8
Minimum Ground Floor Area	80	861
Maximum Site Coverage		35%
Minimum Width of Single Detached Dwelling	6	19.7

ZONING SUMMARY FOR CITY OF WHITEHORSE

House Placement Regulations

Interior Lots (Lane or Laneless)

Setbacks:	Front	20 ft.
	Rear	20 ft.
Sideyards:	1 sideyard a minimum of	5 ft.
	the other sideyard a minimum of	10 ft.
Driveway Requirements:		10 ft.

Corner Lots - House Facing Short Side (Lane or Laneless)

Setbacks:	Front	20 ft.
	Rear	20 ft.

From Corner Cut Off - no requirement

Sideyards:	Sideyard between lots a minimum of	5 ft.
	the sideyard adjoining the roadway a minimum of	10 ft.

Corner Lots - House Facing Long Side (Lane or Laneless)

Setbacks:	From Side Between Lots	5 ft.
	Rear	20 ft.

From Corner Cut Off - no requirement

	From Side Along Roadway	10 ft.
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Sideyards:		20 ft.
(front and back to match the interior lots on the same street)		

Garage Placement Regulations

Maximum or Minimum Size:		
Setbacks:	Front	20 ft.
	Rear (with front driveway)	5 ft.
	Lane (with side drive)	5 ft.
	Lane (with rear driveway)	5 ft.
	House (if detached) (between house and garage)	3ft.
Sideyards:		
	Garage Located in Rear Yard	2 ft.
	Garage Located in Front Yard	5 ft.

OTHER REGULATIONS

Fence:	6 ft max. height on property line. No fence allowed over 4 ft in height, in the 20 ft front setback.
Corner lots:	3 ft height only, 25 ft each way from the corner (for vision) - max. 4 ft in front yard, 6 ft other wise.
Fireplace:	Considered as part of the house, can't encroach into min. sideyards or setbacks.
Carports:	Considered as part of the house, can't encroach into min. sideyards or setbacks.
Decks:	(Over 2 ft above grade) - can't encroach into min. sideyard/setback requirements.
Parking:	Each dwelling requires one off street parking space.
Patio:	below 2 ft above grade or on grade can encroach into sideyards/setbacks.

PURCHASING

A. SOURCES

Lot shopping may lead you to several dealers (vendors). The land market generally is controlled by three landowners: private owners, developers and government agents. Often a realtor is involved as the representative of the vendor.

B. SELECTION

Become familiar with all land/lots available in the area of your interest. It may be necessary to inquire at the Land Titles Office to determine the owner. Obtain or look at all plans and maps (registered, land use, utility, drainage) documenting existing and proposed development of the lot and area (subdivision). Be sure to check on the availability of basic services - sewer, water, and power.

C. PURCHASE PROCEDURES

Upon finding a suitable lot, negotiate the price. Discuss the terms and conditions of the sales agreement. Some items may be negotiable which, in conjunction with a negotiated price, may present an attractive sales agreement. You may want to take the Contract of Purchase and Sale to your lawyer before you sign it. The lawyer can provide insight into what is in the agreement and what is missing from the contract. The lawyer will advise you how to proceed with the Contract of Purchase and Sale. Be sure you understand the entire agreement before you sign. Once signed the contract is binding, you will have to live with the terms and conditions it contains.

D. CONTRACT OF PURCHASE AND SALE

1. Interim Agreement

The interim agreement is the first step between the purchaser (buyer) and the vendor (seller). The vendor sets the terms and a price for his property. The purchaser either accepts the price, but usually “counter-offers”, along with a “deposit”, to temporarily protect the offer. When the vendor and purchaser agree on the terms and price, they sign a document that is legally binding. That is called the “interim agreement”.

The deposit is an indication of your “good faith” to purchase the property. If the purchaser does not fulfill the conditions of the interim agreement, the vendor may keep your deposit. If the agreement is subject to certain conditions (i.e. mortgage approval) and the conditions are not fulfilled, then the purchaser may have his deposit returned.

2. Contract of Purchase and Sale

The interim agreement becomes the Contract of Purchase. The Contract of Purchase should include:

Name and address of the purchaser

Legal and civic description of the property

Financial details:

The price, down payment, mortgage details, deposit, etc.

“Subject to” clauses:

These include any conditions that the buyer may wish to specify. If the conditions are not met, the contract becomes void. The property may be purchased “subject to” some improvements, finding suitable financing, approval of lawyer, or inspection by appraiser or engineer. “Subject to” clauses may protect you, but they may also lose the property. The vendor is more likely to accept a simple offer that does not tie up the property. Protect yourself with “subject to” clauses, but keep the time limits reasonable.

Expiry date

Adjustment date

The date that the purchaser assumes responsibility for any prepaid expenses such as taxes.

Possession date

The date upon which physical possession is transferred to the new owner.

Completion/closing date

The date by which all documents must be signed, and when the title is transferred and the purchase price is paid.

E. LAND FINANCING

There are many financing alternatives available when purchasing land. It is important to keep in mind the overall picture of your financial plans if immediate construction on the property is desired. Avoid using all of your available cash for the purchase of land. If this happens, you have to rely entirely on the bank to provide cash flow during construction.

The developer or vendor may offer to finance the purchase, based on a down payment and balance payments over a fixed time period. The developer will hold title to the property until the land is paid in full with you having only a registered interest against the property. Possibly you may not be allowed to begin construction until the land is fully paid.

You may decide to include the land purchase with your overall construction costs and arrange for a bank mortgage. In this instance a Contract of Purchase may be suitable in order to hold the land until a specified date. This allows for financial arrangements to be made or other conditions of the agreement to be met. The option or down payment should be kept as low as possible as this money is usually forfeited if something goes wrong and you are unable to fulfill the agreement conditions.

Investigate all the opportunities first, and then start to make arrangements with the best financing source. As the land financing plays a large role in the purchase of a building lot, a lawyer should be consulted to ensure that you know what you're getting into. The purchase of land is just too big of an investment to be done totally by do-it-yourselfers.

YTG LOT SALES PROCEDURES

LOTTERY SALES

The process to purchase land through YTG in a lottery is as follows:

1. The specific lots being offered, and the Lottery will be advertised in the paper.
2. Anyone wishing to take part in the Lottery will go to YTG Land Sales (top floor of YTG Building) and pay a \$300.00 application fee and list 1st, 2nd, 3rd 50th, etc choices of the lots desired.
3. All applicants' homes are placed in a "Hat".
4. On the draw date, names are drawn and the applicant is awarded the first lot available from the priority list they provided. Depending on the specific lottery, applicants may have to attend the draw.
5. Applicants have seven days to pay the down payment required (20% of the lot price less the \$300 application fee), plus 7% GST. An applicant also pays to YTG, by way of separate cheque, the City's Development Cost Charge (offsite levy).
6. The balance of the lot price is financed by YTG over 5 years at 9% (the current interest rate), with a yearly payment to be made on the anniversary date of the Lottery.

OVER THE COUNTER SALES

The process for the over-the-counter sales through YTG begins with step 5 as noted above - the applicant pays a down payment, GST and offsite levy (if in Whitehorse), and the remainder of the lot price is financed over 5 years.