

Real estate acquisition process

Residential real estate

Once City Council approves a project for a business unit (e.g. road widening) and a budget, Corporate Properties & Buildings will contact the property owners within the project boundaries to discuss the acquisition of the affected real estate.

Consideration for real estate is based on market value and should be the same as the price that would normally be negotiated with any other prospective purchaser. Frequently, an independent appraisal will be commissioned in order to provide an assurance as to the value of the real estate.

The City may cover various costs associated with the purchase where they are a reasonable consequence of the acquisition. These would normally include reasonable legal and appraisal costs, plan registration and/or the registration of the land transfer with the Land Titles office.

Commercial real estate

All factors that affect the real estate value of commercial property are considered in negotiating a sale price. Items such as rents, impact on the business and goodwill are taken into consideration.

City Council approval

Upon completion of negotiations, a Land Report detailing the terms of the transaction is presented to the approving authority based on Council policy for Real Estate Transaction approvals. This process takes approximately four to eight weeks, however at any time during the approval process it may go back to Administration for further clarification.

Expropriation

The City of Calgary has the right to expropriate lands (Alberta Municipal Government Act Section 14) following the requirements of the Alberta Expropriation Act.

If no agreement can be reached between Corporate Properties & Buildings and the property owner, The City can begin expropriation proceedings to acquire the real estate. Once Council approval is obtained, a notice of intention to expropriate is registered on title. The City makes every effort to avoid taking such action.

In an expropriation, The City will propose a payment for a property based on the market value of the real estate, which has been established by an independent fee appraisal. In some instances, compensation for other damages may be considered. By agreement under Section 40 of the Alberta Municipal Government Act can be negotiated whereby The City obtains title and the owner reserves the right to make a claim for compensation before the Land Compensation Board.

Fair and reasonable

The City's intent in acquiring real estate is to be fair and reasonable with the property owner. The City will make every effort to be flexible in considering negotiable items such as the possession date, chattels, and general disruption to the owner.

For more information

See $\underline{\text{Contact Us}}$ for more information.















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