

BIDDING OPENS: Tues Sep 12, 2023

BIDDING CLOSES: Thurs Sep 14, 2023



GRL 38777

646 acres of long term grazing lease

Sale Managed by:

TEAM
AUCTIONS
Sekura Auctions Since 1966

Head Office - Drayton Valley, AB
780-542-4337
780-834-6888 - Fairview Office

Real Estate Services by:

Moore's Agri-Trade Ltd
Breton, AB
780-696-2249



Highlights of Real Estate Auction Terms

- 1. UNRESERVED:** The seller has agreed to accept the highest bid regardless of price. Property will sell to the highest bidder without minimum or reserve.
- 2. AGENT OF THE SELLER:** Real Estate Brokerage (Moore's Agri-Trade Ltd) acts only as agent of the seller and not as agent of the Buyer. They will provide prospective buyers with all facts known to the agent that will or may affect the marketability or value of the property.
- 3. NO WARRANTY:** The Buyer shall accept the Property as-is where-is and specifically agrees that neither the Seller, Auctioneer or Realtor makes any representations or warranties of any kind as to the condition or fitness of the Property, environmental or otherwise, or any improvements thereon.
- 4.** It is the **RESPONSIBILITY OF ALL BIDDERS** to review all information provided, including "Property Information Package" from the Real Estate Brokerage and the terms of this auction. All information provided is meant as a guide only. Bidders shall have satisfied themselves as to the descriptions, location and condition of the property prior to bidding. If clarification is required, it is the bidder's responsibility to obtain clarification from Real Estate Brokerage **prior to bidding**.
- 5. GST:** Bid price does not include any applicable GST unless announced otherwise by auctioneer.
- 6. DEPOSIT:** Immediately at the close of bidding the successful bidder will make a **NON REFUNDABLE** deposit payable to the real estate brokerage (as listed in the Property Information Package) in the form of a bank draft or other approved payment. Amount is listed in Property Info Package/or as announced by auctioneer.
- 7. PURCHASE CONTRACT:** The Real Estate Purchase Contract that applies to each property will be available for inspection prior to the auction. Title(s) will be clear of encumbrances except those which are to remain on the title. All bidders agree that, should their bid be accepted, they will complete and be bound by the terms of the purchase contract. Buyer will pay the balance of the purchase price to their lawyer on or before Completion Day. Possession will be in accordance with the terms of the Purchase Contracts. **Note: These contracts will not be subject to any buyer's conditions.**

****TEAM SEKURA AUCTION MAIN SALE TERMS ALSO APPLY.**

NOTE TO BIDDERS

- When registering to bid you will be required to have a Letter of Confirmation of Funds from your bank. Letter of Confirmation must be on Bank Letterhead with your name & or company name & amount of funds you have access to that you wish to spend up to. This letter of confirmation will have to be emailed to TEAM Auctions.
- Internet Bidding Fees: 10% up to a max of \$5,000 per item
- If you are the successful bidder, to meet the obligations set by the federal government, you will be asked to verify your identification. You will also need to provide us with your lawyer info to complete the real estate transaction.

HIGHLIGHTS OF PURCHASE CONTRACT – SEE NEXT PAGE

Highlights of Purchase Contract

HIGHLIGHTS OF PURCHASE CONTRACT

Completion Day **April 30, 2024 - see Additional Terms**

Deposit **\$10,000 (non-refundable)** bank draft or approved payment payable to Moore's Agri-Trade Ltd **due from successful bidder upon close of bidding / signing of purchase contract.** Cash and virtual currency will not be accepted.

Conditions There are no Buyer Conditions.

Additional Buyer acknowledges and accepts:

- ⇒ The Property sells as-is with no warranties of any kind whatsoever & specifically agrees that neither the Seller, Auctioneer or Realtor makes any representations or warranties of any kind as to the condition or fitness of the Property, environmental or otherwise, or any improvements thereon.
- ⇒ The Seller has the legal right to sell the assignment of lease.
- ⇒ The Seller is not a non-resident of Canada for purposes of Income Tax Act (Canada)
- ⇒ A Real Property Report will not be provided.
- ⇒ The boundary fences may or may not be on property boundaries.
- ⇒ Assignment of Grazing Lease to Buyer may take one year +/- to complete. Buyer cannot put livestock onto lease until assignment is complete but if all assignment paperwork & fees are submitted and lease is in good standing the Assignor may request approval from the department to allow the assignee to graze the lease with assignee's livestock. New leaseholders must be Canadian citizens over 18 years and must use the land to graze their own cattle or horses. They cannot re-assign the lease to another party for at least 3 years.
- ⇒ Surface lease revenue (Occupant Consent \$1300/ year) will be assigned to the buyer effective when the next payment is due after completion day with no adjustment for any rentals paid in advance

Copy of Purchase Contract is available - call 780-898-0729

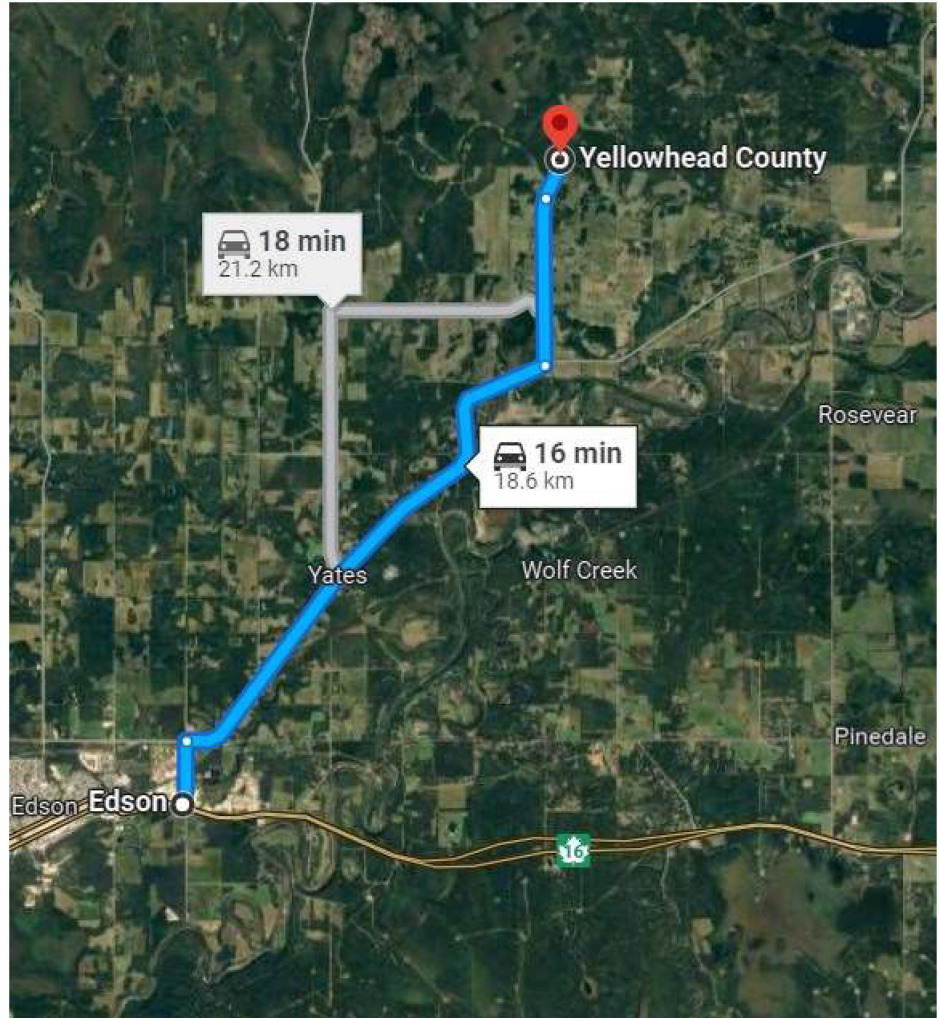
Contract must be signed by successful bidder upon bidding closing

Location & Information

DIRECTIONS: From Edson at Hwy 16 & 25 St intersection (east end of Edson), go north 1.4 km on 25 St to Hwy 748. Turn right on Hwy 748 and continue 12.5 km to RR 162. Turn left onto RR 162 and continue 4.6 km. Road will curve to the east and become RR161. Continue north 0.15 km to lease on your left.

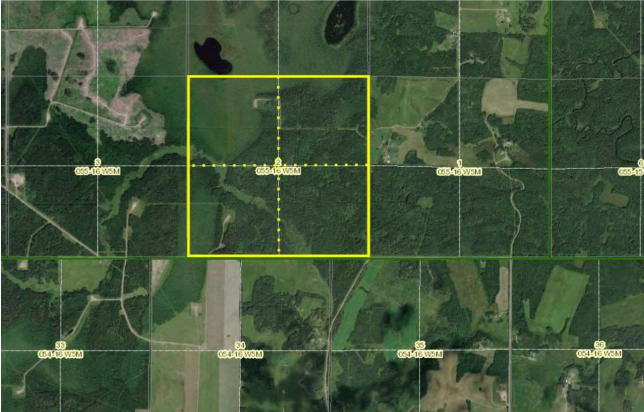
Googlemap link:
<https://goo.gl/maps/47hKyK9bQWCaSrtKA>

Googlemap Coordinates:
 53.716978, -116.256827



	GRL 38777
Municipality	Yellowhead County
Legal Description	SE2-55-16-W5(163 ac), SW2-55-16-W5 (163), NE2-16-W5 (160 ac), NW2-55-16-W5 (160 ac)
Land Size	646 acres
Land Use Zoning	Grazing Lease
Property Taxes	\$25.00 per quarter (\$100)
Deposit	\$10,000
Possession	Assignment of Grazing Lease to Buyer may take a few weeks to complete. Buyer cannot put livestock onto lease until assignment is complete but if all assignment paperwork & fees are submitted and lease is in good standing the Assignor may request approval from the department to allow the assignee to graze the lease with assignee's livestock. New leaseholders must be Canadian citizens over 18 years and must use the land to graze their own cattle or horses. They cannot re-assign the lease to another party for at least 3 years.

AERIAL GRL 38777 (Long Term Grazing Lease)

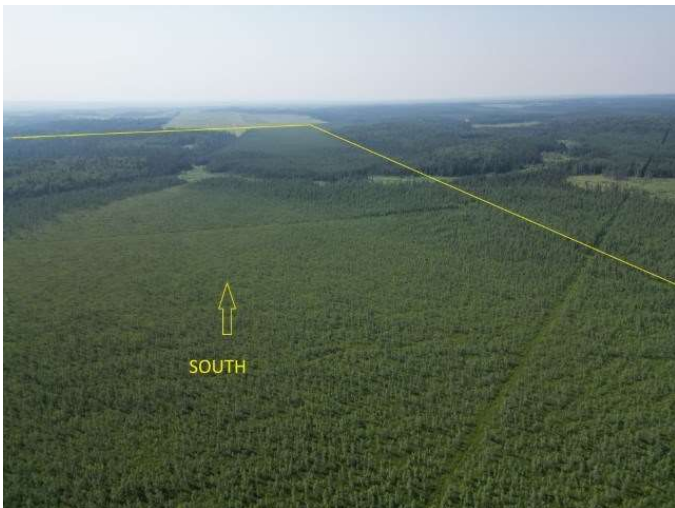


GRL 38777 (Long Term Grazing Lease)

- Section 2-55-16-W5 - 646 acres
- 50 AUMs
- Expiry Date: 30 Sep 2023 Renewal fee to be paid by seller.
- 10 Year Term
- Transfer fee of \$3,150 is payable by the buyer.
- Grazing lease is perimeter fenced.



Property Photos



Property Photos



Property Photos



Highlights of Long Term Grazing Leases

- Grazing leases are **assigned to individuals for the purpose of grazing their own livestock**. You cannot build a home, or cultivate the land or log off the timber. Leases are generally renewed for 10 year terms provided the leaseholder is in compliance with regulations. Many have been in the same family for generations.
- All improvements done by the leaseholder are the property of the leaseholder.
- When lands within the lease are used by registered trap line license holder, the leaseholder must cooperate with that trapper.
- Leaseholders may sell (assign) their rights to another person or company provided they comply with assignment regulations. **New leaseholders must be Canadian citizens over 18 years and must use the land to graze their own cattle or horses. They cannot re-assign the lease to another party for at least 3 years.**
- When a lease is transferred an "assignment fee" is payable to the government. (Standard fee across Alberta: \$3150)
- Grazing Leases are governed by the Public Lands Act and administered by Alberta Environment & Parks.
<https://www.alberta.ca/assets/documents/ep-grazing-disposition-standards-fact-sheet-2019.pdf>*only leases and licenses are assignable
<https://www.alberta.ca/grazing-and-range-management.aspx>
<https://www.alberta.ca/environment-and-parks.aspx>
<https://www.alberta.ca/public-land-grazing-rent-and-assignment-fee.aspx>
<https://www.alberta.ca/recreation-on-agricultural-public-land.aspx>
- Assignment of Grazing Lease to Buyer may take a few weeks to complete. Buyer cannot put livestock onto lease until assignment is complete but the Assignor may request approval from the department to allow the assignee graze their lease with their livestock. All assignment paperwork and fees need to be submitted and lease needs to be in good standing. Assignee still holds all responsibility of the lease till the assignment is completed.
- Grazing Leases (GRL)
 - Term of lease: Grazing leases can be up 20 year term but are usually 10 year terms
 - Can Grazing User Control Recreational Access: GRL leaseholders can within regulatory parameters (Dispute resolution through Local Settlement Officer)

Grazing Leases are governed by the Public Lands Act (PLA) and Public Lands Administration Regulations (PLAR)

Public Lands Act (PLA): <https://www.gp.alberta.ca/documents/Acts/P40.pdf>

Public Lands Administration Regulations (PLAR): https://www.gp.alberta.ca/documents/Regs/2011_187.pdf

For further general info on Grazing Leases contact Alberta Environment & Parks
Rangeland Agrologist Tennille Kupsh (780) 723-8517

Note due to privacy laws: the Agrologist will only be able to discuss general facts about grazing leases. If you have a question about this grazing lease specifically, please contact Trent(780-202-0140) and they can forward your question to the Agrologist.

Info on GRL 38777 Long Term Grazing Lease

1. GRL # GRL # 38777

2. Legal description:

W of	RANGE	TOWNSHIP	SECTION	PART	ACRES
5	16	55	2	SE	163
5	16	55	2	SW	163
5	16	55	2	NW	160
5	16	55	2	NE	160

3. Total number of Acres 646 acres

4. Total Animal Units 50 AUMs

5. Term of Lease 10 Years

6. Date of Lease Expiry Sep 30, 2023 - renewal fee \$420 - to be paid by Seller

7. Annual Lease Rate \$ 268.42 Including GST

8. Assignment Fee \$3,150.00

9. Assignment Fee will be paid to the Provincial Government by

- Seller
 Buyer
 Shared between Seller & Buyer

10. Annual Property Taxes \$ 100 (\$25/quarter)

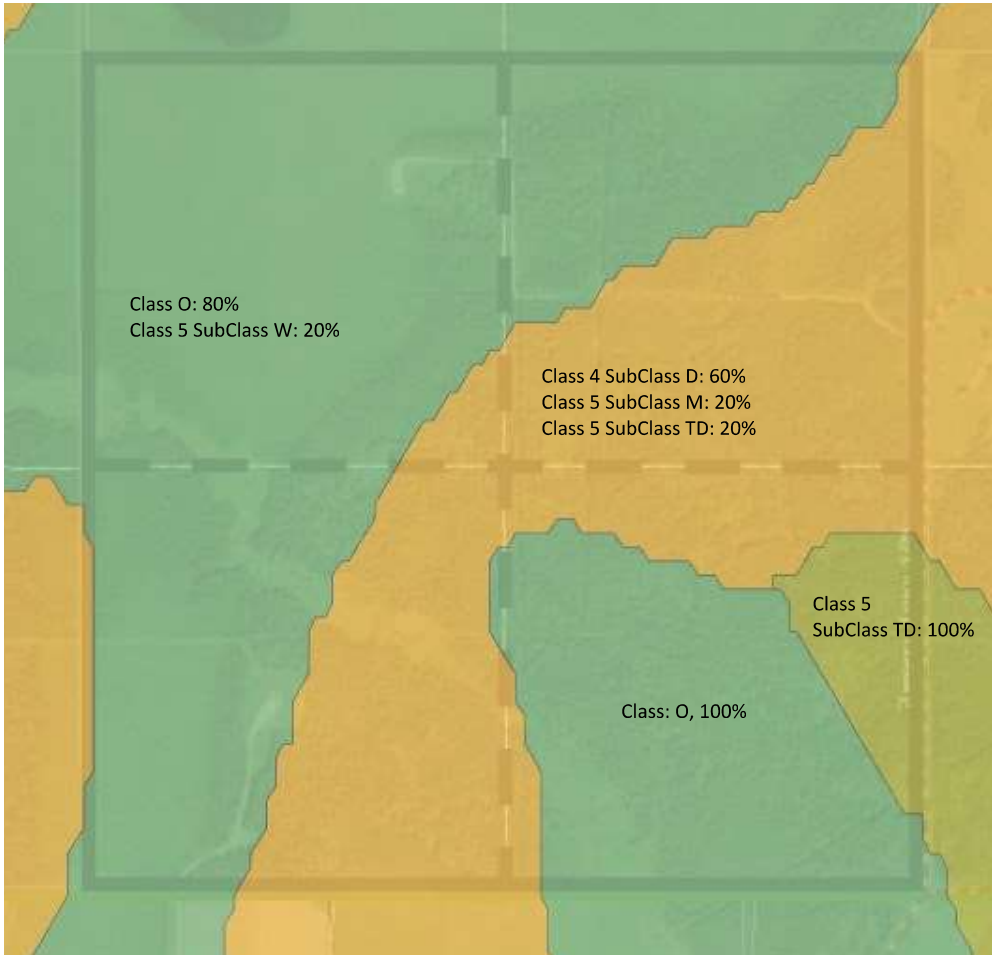
11. List of any deficiencies (eg fencing, reseeding, weeds, etc)

*Due to mature timber there likely will be a reduction in AUMs - Subject to change on notice
Weed notice has been received*

12. **BUYER WARRANTY:** The Buyer warrants that, prior to leasing, it is NOT and "ineligible person" or a "foreign controlled corporation" and is eligible to lease "controlled land" as those terms are defined in the Foreign Ownership of Land Regulations.

13. **SELLER AGREES** to provide to Buyer a copy of Grazing Lease Agreement, Renewal Agreements & any notices that the seller has received regarding this grazing lease & will provide verification that the grazing lease is assignable.

Soil Map - GRL 38777



AGRICULTURAL SOIL CLASSIFICATION:

The Agriculture layer shows the varying potential of a specific area for agricultural production. It indicates the classes and subclasses according to the Soil Capability Classification of Agriculture, which is based on characteristics of the soil as determined by soil surveys. The mineral soils are grouped into 7 classes and 13 subclasses according to the potential of each soil for the production of field crops. Organic soils are not a part of the classification and are shown as a single separate unit (0).

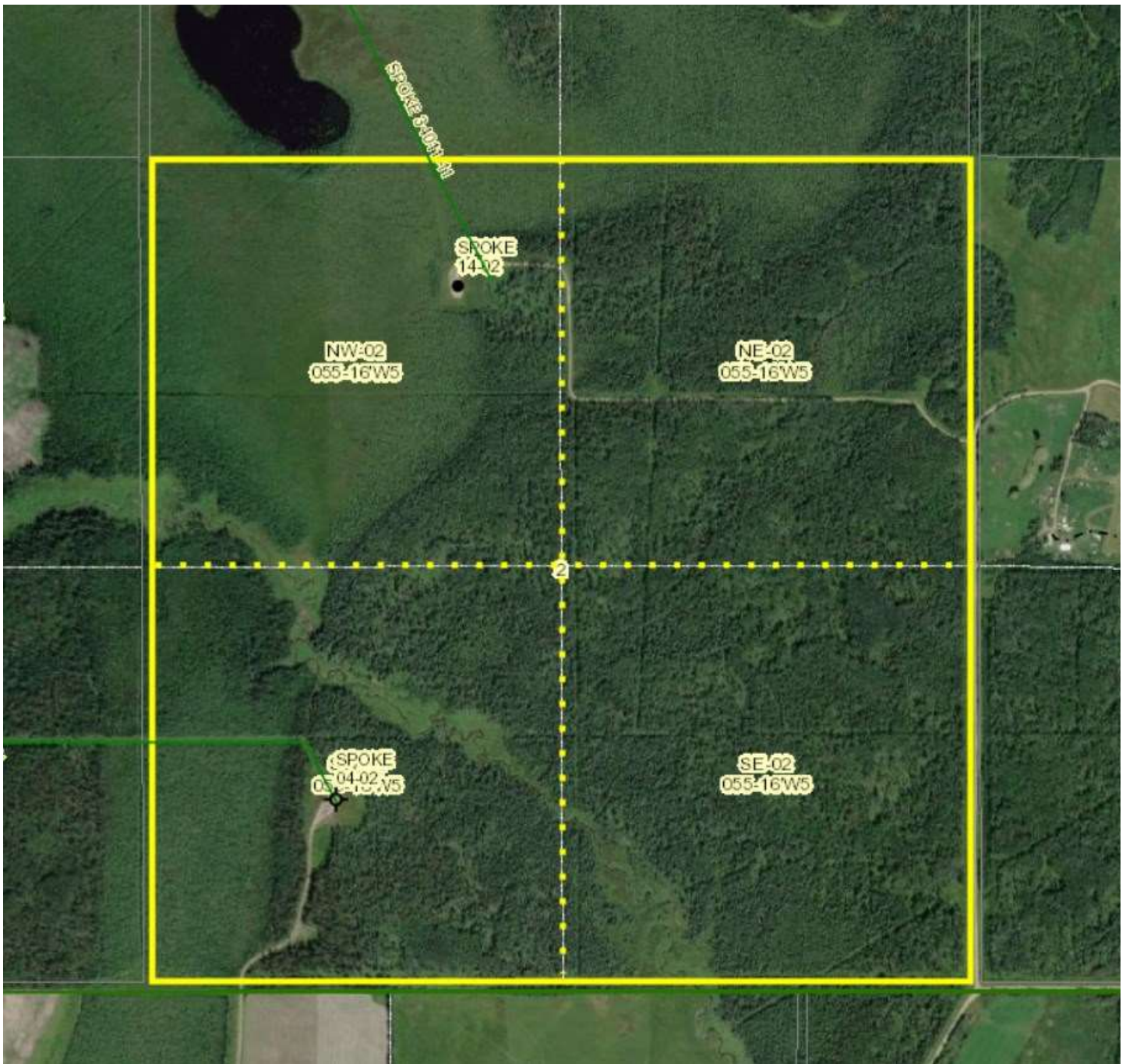
1.2 AGRICULTURAL SOIL CLASSES

CLASS	DESCRIPTION
1	No significant limitations in use for crops
2	Moderate limitations that restrict the range of crops or require moderate conservation practices.
3	Moderately severe limitations that restrict the range of crops or require special conservation practices
4	Severe limitations that restrict the range of crops or require special conservation practices
5	Very severe limitations that restrict capability in producing perennial forage crops. Improvement practices are feasible.
6	Capable only of producing perennial forage crops and improvement practices are not feasible
7	No capacity for arable culture or permanent pasture
0	Organic Soils (not placed in capability classes)

1.3 Agricultural Subclasses

Subclass	Description
C	Adverse Climate
D	Undesirable soil structure and/or low permeability
E	Erosion
F	Low Fertility
I	Inundation by streams or lakes
M	Moisture limitations
N	Salinity
P	Stoniness
R	Consolidated bedrock
S	Combinations of subclasses
T	Topography
W	Excess Water
X	Soils having limitations resulting from the cumulative effect of two or more adverse characteristics

Pipelines and Surface Lease Well Info



Surface lease revenue (Occupant Consent \$1300/ year) will be assigned to the buyer effective when the next payment is due after completion day with no adjustment for any rentals paid in advance

Pipeline locations are approximate only and do not show actual locations of pipelines

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