

**Backgrounder:  
Agricultural Crown Land Sale Program**

***What is the Agricultural Crown Land Sale Program?***

The Saskatchewan Ministry of Agriculture is offering a five-year Agricultural Crown Land Sale Program to Crown land lessees. The Program is designed to encourage lessees to purchase their leased agricultural Crown lands.

***Will lessees be required to purchase their leaseholds?***

No. However, lessees should know the government's objective is to see saleable agricultural Crown land in the hands of private ownership.

***What are the features of the Agricultural Crown Land Sale Program?***

There are two features to the Program: the discount and the Payment Schedule Guarantee Option.

***The discount***

- Lessees purchasing their leased land in the first year of the Program will receive a 10 per cent discount on the sale price of the land.
  
- Lessees purchasing their leased land in one of the subsequent four years will receive lower discounts as follows:  
2010 (Year 2) = 8% discount  
2011 (Year 3) = 6% discount  
2012 (Year 4) = 4% discount  
2013 (Year 5) = 2% discount
  
- The first year of the program begins Nov. 15, 2008, and concludes Dec. 31, 2009.

***The Payment Schedule Guarantee Option***

- Lessees can finance their purchase by providing to the Province 50 per cent of the sale price and a payment schedule guarantee for the balance from a recognized financial institution.

***What is a payment schedule guarantee?***

- A payment schedule guarantee is a commitment by a financial institution to pay the balance owed to the Province, according to an established schedule.

***How does the payment schedule guarantee work?***

The title will be transferred to the lessee-purchaser upon:

- Receipt by the Province of the signed sale agreement;
- Payment to the Province of 50 per cent of the sale price; and
- Provision of a payment schedule to the Province to guarantee payment of the balance owed.

The financial institution will provide a guarantee of payment to the Province for the balance owed in four equal annual installments. The payment schedule guarantee may provide an advantage to the lessee-purchaser, given that the financial institution may charge interest on the funds only as they are paid to the Province.

***Is a payment schedule guarantee required?***

No. Purchasers are free to make other financial arrangements, but, in those cases, the full amount must be paid to the Province within 30 days of signing the sale agreement.

***Who is eligible to purchase?***

All agricultural Crown land lessees will be eligible to participate in this sale. However, some land may not be eligible for sale because it is reserved for other public purposes.

***What Crown land may not be eligible for sale?***

Factors that may preclude sale of agricultural Crown land include the following:

- the land may be reserved under the authority of *The Wildlife Habitat Protection Act*, or may be environmentally sensitive;
- the land may contain sand and gravel; may be under active oil and gas exploration; or may have commercially harvestable timber land;
- the land may fragment other Crown holdings; may create limited access if sold; or may be situated along a major water body; or
- the land may have significant heritage value; may currently be subject to public use; or may be of value to the Province for the public interest.

***What is the process for purchasing leased Crown land?***

For general information about purchasing leased Crown land, see the document entitled *Agricultural Crown Land Sales to Lessee Policy*, which can be found on the Ministry of Agriculture website at [www.agriculture.gov.sk.ca/Crown\\_lands](http://www.agriculture.gov.sk.ca/Crown_lands), or can be obtained by phoning the Agriculture Knowledge Centre, toll free, at 1-866-457-2377.

***How do I find out more?***

For more detailed information about the program, visit the Ministry of Agriculture website or contact Ministry of Agriculture Regional Offices in Tisdale, North Battleford or Swift Current.

**Regional Offices**

Tisdale	Phone (306) 878-8813
North Battleford	Phone (306) 446-7449
Swift Current	Phone (306) 778-8300

Information is also available through the Agriculture Knowledge Centre, phone (toll free) 1-866-457-2377, or visit the Ministry's website at [www.agriculture.gov.sk.ca](http://www.agriculture.gov.sk.ca).