

SUPREME COURT OF NOVA SCOTIA

Citation: Agate Developments Ltd. v. United Gulf Developments Ltd.,
2009 NSSC 160

Date: 20090422

Docket: Hfx No. 279612

Registry: Halifax

Between:

Agate Developments Limited

Plaintiff

v.

United Gulf Developments Limited

Defendant

LIBRARY HEADING

Judge: The Honourable Justice Gerald R P Moir

Heard: 14, 15, and 22 April 2009 at Halifax

Written Decision: Oral decision transcribed, edited, and signed on 20 May 2009

Revised Library Sheet: The text of the original library sheet has been corrected replacing United Gulf Investments Limited with United Gulf Developments Limited on January 18, 2010 and replaces the previously distributed library sheet.

Summary: A developer sold a large tract to another developer. The purchase price was paid over a number of years. In the end, the seller demanded an extra \$60,760 it had paid to the municipality for recreational obligations on a related development.

Issues: Whether the contract provided for the purchaser to reimburse the seller for the sum paid to the municipality? Whether interest is due although the seller demanded too much?

Result: The decision sets out the details of the contractual interpretation. The contract requires the purchaser to pay sums the seller has to pay the municipality in stated circumstances, but the \$60,760 liability did not arise in any of these. The court has no authority to refuse contracted interest on grounds of fairness alone. (It may have authority to refuse an equitable remedy, such as foreclosure and sale, on the ground that interest is legal but unfair. That is not in issue here.)

QUOTES MUST BE FROM THE DECISION, NOT THIS LIBRARY SHEET.