

**RESTRICTIVE COVENANT**  
The Timbers in Hawk's Landing at Priddis Greens

WHEREAS PRIDDIS CREEK DEVELOPMENTS LTD. (hereinafter called the "Development Company") is the fee simple owner of lands legally described as follows:

DESCRIPTIVE PLAN 0410494

BLOCK 6

LOT 1

EXCEPTING THEREOUT:	HECTARES	(ACRES)	MORE OR LESS
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PLAN 0410504 SUBDIVISION	4.914	12.14	
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EXCEPTING THEREOUT ALL MINES AND MINERALS

on which the most easterly nine holes of the Priddis Greens Golf Course have been constructed (such lands being hereinafter called the "Golf Course Lands");

AND WHEREAS 496290 ALBERTA LTD. (which company hereinafter in its own right and its successors and assigns from time to time as the owner of the Lot shall be called the "Lot Owner") is the registered Lot Owner of the Lot described in Schedule "A" hereto (hereinafter called the "Lot") which is located adjacent to or in close proximity to the Golf Course Lands which is part of the residential development known as The Links at Priddis Greens;

AND WHEREAS the Development Company wishes to ensure that future development of the Lot and future activities on and in connection with the Lot will not adversely affect the Golf Course Lands nor the use and enjoyment of the Priddis Greens Golf Course and the Lot Owner has agreed that the Golf Course Lands must be protected in that way;

AND WHEREAS the Development Company and the Lot Owner have therefore agreed that future development of the Lot and future activities on and in connection with the Lot shall be subject to the restrictions hereinafter set forth.

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NOW THEREFORE the Lot Owner for itself and for every transferee of the Lot and every other person or party deriving title to the Lot by, through or under it, or deriving title to the Lot through tax sale proceedings, hereby covenants and agrees for the exclusive benefit of the Development Company as the registered fee simple owner from time to time of the Golf Course Lands and all future owners from time to time of the Golf Course Lands (hereinafter called the "Golf Course Owner") to observe and be bound by the following provisions.

1. Covenants Running With the Land

The various land use and building restrictions hereinafter described as being applicable to the Lot shall be covenants running with the title to the Lot and shall enure to the benefit of the Golf Course Lands and may accordingly be enforced by the Golf Course Owner for the benefit of which they have been granted, but by no other person or party whatsoever.

2. Binding on the Lot Owner

The land use and building restrictions hereinafter described as being applicable to the Lot, shall be binding on the Lot Owner and every transferee of the Lot and every other person or party deriving title to the Lot by, through or under it, or deriving title to the Lot through tax sale proceedings, so long as it or they are the Lot Owner, but, subject to compliance with the provisions of subclause 38(i) hereof, shall no longer bind the Lot Owner and its successors in title to the Lot, as the case may be, after it or they are no longer the registered Lot Owner.

3. Restriction on Development and Use

The Lot shall not be developed or used otherwise than in conformity with the land use and building restrictions set forth herein.

4. Single Family Dwelling

Only a single family dwelling to be used for private residential purposes may be built on the Lot together with such buildings or structures as may be necessarily accessory thereto. Any such accessory buildings, other than a building to be used solely as a garage, shall be no larger than 150 square feet, shall be subordinate to the residence on the Lot and shall conform in architectural style and exterior finish with the residence on the Lot.

5. Compliance with Architectural Guidelines

(i) The Lot Owner shall not construct, locate, alter, renovate, paint, stain, refinish, use or permit to be constructed, located, altered, renovated, painted, stained, refinished or used, any building or other improvement on the Lot unless the plans, specifications, dimensions and location thereof on the Lot shall first have been submitted to and approved in writing either by the Golf Course Owner or by such person or party to whom the Golf Course Owner may from time to time delegate such approval granting authority. The Golf Course Owner and any other approval granting authority as aforementioned shall hereinafter be called the "Approving Authority".

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(ii) Any such approval requested by the Lot Owner shall not be unreasonably delayed.

(iii) No building, fence, or other improvement shall be constructed or placed on the Lot or shall, having been placed on the Lot, be used, unless it has been constructed or placed in conformity with plans and specifications approved by the Approving Authority.

(iv) It is understood that the approval of the Approving Authority may be withheld on the ground that the proposed development or improvement does not comply with architectural guidelines which may be published or amended from time to time by the Golf Course Owner and any approval withheld on that basis shall be conclusively deemed to have been reasonably withheld. Architectural guideline

approval may also be withheld if a reasonable fee is not paid to the Approving Authority with respect to such approval.

6. Further Subdivision of the Lot

The Lot shall not be further subdivided without the prior written consent of the Golf Course Owner.

7. Minimum Building Size

The finished floor area of any dwelling constructed on the Lot shall not be less than:

- (i) 1,800 square feet for a dwelling of single story, bi-level or split level construction; and
- (ii) 2,200 square feet for a two-storey dwelling unit with a minimum of 1,400 square feet on the main floor of the residence.

The dimensions of any attached or unattached garage, carport, porch, verandah, sunroom, or other similar structure shall be excluded in computing the finished floor area of any dwelling on the Lot. The finished floor area of any dwelling on the Lot shall be determined on the basis of the outside measurements of the main walls of the building.

8. No Storage

Except during the construction of an improvement on the Lot, the Lot shall not be used for the storage of any materials, vehicles or equipment other than such are usually and ordinarily stored in connection with the occupation of a building used for private residential purposes. Specifically, but without in any way restricting the foregoing, the following items shall not be stored or parked on or adjacent to the Lot:

- (i) Large trucks (over 1 ton);
- (ii) Motor homes, recreational vehicles, travel trailers, utility trailers, snowmobile or ATV trailers or any other kind of trailers, travel vans or buses, campers (whether or not mounted on a vehicle), boats and canoes, motorcycles, snowmobiles, sea-doo's, all-terrain vehicles, dirt bikes and other similar equipment (unless stored within a fully enclosed garage on the Lot or unless with the prior written consent of the Approving Authority, provided that if any such consent is granted on any items or conditions, no such items shall be stored or parked on or adjacent to the Lot except in compliance with all such terms and conditions);
- (iii) Construction equipment;
- (iv) Farm equipment;

- (v) Abandoned vehicles or equipment, non-functioning vehicles or equipment, auto or truck bodies, wrecks, and other vehicles or equipment not currently in a functioning state; and
- (vi) Gasoline, diesel, fuel, chemicals, biological wastes, or similar fuel or volatile, explosive or dangerous substances other than those used for ordinary household purposes in quantities reasonably appropriate for ordinary household use.

9. No Nuisance, No Noise

No behaviour, activity or circumstance shall be permitted on the Lot which constitutes a nuisance to any other owners of land within Section 29, Township 22, Range 3, West of the Fifth Meridian within which the Golf Course Lands are located, or any other lot located within that Section, and specifically, but not so as to restrict the generality of the foregoing, there shall be no noise on the Lot which constitutes such a nuisance.

10. Garbage

No garbage or refuse may be:

- (i) stored or accumulated on the Lot in such a way that the garbage containers or the garbage or refuse itself is in any way visible from the road at the front of the Lot or from the Golf Course Lands;
- (ii) burned on the Lot; and
- (iii) stored or accumulated in such a way as to in any way be accessible or an attraction to animals.

11. Visual Appearance and Landscaping

- (i) The exterior of every building, structure and improvement on the Lot and the gardens and grounds on the Lot shall not at any time be left in an unsightly or untidy condition.
- (ii) All areas on the Lot not occupied by a building or driveway shall either be left in a natural state or landscaped and maintained in a first class manner appropriate to the Hawk's Landing Community at Priddis Greens as determined by the Approving Authority.
- (iii) No excavation shall be made on the Lot except for the construction of a building or other approved improvement on the Lot or in connection with gardening on or the landscaping or drainage of the Lot.
- (iv) No soil, sand, gravel or similar material may be removed from the Lot without prior written permission from the Approving Authority.

- (v) No alterations or blockages of, or interference with natural drainage on, off or through the Lot shall be permitted or effected by the Lot Owner without the prior written authorization of the Approving Authority.
- (vi) No vents for additional heating or fireplaces shall be installed on any building on the Lot without an appropriate and adequate chimney approved by the Approving Authority installed at a location approved by the Approving Authority.

12. Hunting and Shooting

No hunting, trapping or shooting of firearms shall be allowed on the Lot or elsewhere in the Priddis Greens community in Sections 29 and 30, Township 22, Range 3, West of the Fifth Meridian (the "Priddis Greens Community").

13. Underground Utilities and Sewage Disposal

- (i) No utilities, including without restricting the foregoing, electrical, cable television or telephone service, shall be provided to the Lot or to any building or improvement on the Lot by means of overhead wires or other visible overhead service.
- (ii) Sewage generated on the Lot shall be disposed of through the communal sewage disposal system and the Lot Owner shall comply with all rules and regulations prescribed from time to time by the owner or operator of such communal sewage disposal system.

14. Visually Obtrusive Telecommunication Devices

No aerial, antenna, dish or other similar radio, television, telephone, computer or other telecommunication reception or transmitting device that is in the opinion of the Approving Authority, visually obtrusive to any part of the Golf Course Lands or any other part of the Priddis Greens Community shall, without the prior written consent of the Approving Authority, be installed on the Lot.

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15. Animals

- (i) No raising or keeping of livestock, including without restricting the foregoing, cattle, horses, sheep, goats, swine, donkeys, alpacas, llamas, rabbits, poultry, pigeons, wild animals or fur bearing animals shall be permitted on the Lot.
- (ii) No dogs shall be permitted on the Lot without the prior written consent of the Approving Authority. If any such consent is granted on any terms or conditions, no dogs shall be permitted on the Lot except in compliance with all such terms and conditions.
- (iii) No more than two cats may at any point in time be kept on the Lot.

16. Residential Use Only

No business, commercial or industrial activity shall be carried out or permitted on the Lot which in the sole opinion of the Golf Course Owner may adversely affect the Golf Course Lands because of any noise or traffic caused by any such activity or the visibility of any such activity.

17. Off-Road Vehicles

Snowmobiles, all-terrain vehicles, dirt bikes or other motorized vehicles customarily used for "off road" transportation shall not be used or permitted to be used or operated on the Lot or elsewhere in the Priddis Greens Community. The foregoing shall, however, not preclude the use and the indoor storage of a golf cart on the Lot, provided that there shall be compliance with the policies applicable thereto of Priddis Greens Golf & Country Club. Those policies of the Club dealing with private golf cart ownership, may be amended from time to time.

18. Duration of Construction

The construction of any dwelling or other improvement on the Lot shall be fully carried out and completed within 18 months after the commencement of such construction. Any building or other improvement not fully completed within that period of time (including without restriction, all landscaping to the satisfaction of the Approving Authority), shall be forthwith torn down and fully removed from the Lot, at the expense of the Lot Owner, on written request from the Approving Authority.

19. No Camping

No overnight camping or other overnight occupation of the Lot shall be permitted prior to the completion of residential dwelling on the Lot.

20. Fires

No open fires of any kind and no structures, mechanisms, equipment or arrangements involving an open flame shall at any time be permitted on the Lot and, without restricting the foregoing, no burning barrels or other burning of refuse, firepits, outdoor fireplaces or campfires shall be used or permitted thereon.

21. Fencing

No fence of any kind on the Lot shall be constructed, painted or stained without the prior written consent of the Approving Authority. If possible and, if a fence is permitted at the discretion of the Approving Authority, all such fences shall be compatible with the wooded environment and the golf course setting in which the Lot is located.

22. Signs

No signs or advertising matter of any kind shall be displayed on or in connection with the Lot other than reasonably unobtrusive signs offering the Lot for sale which must have the prior approval of the Approving Authority and must be in the community standard form and standard

colour scheme and shall be posted next to the address cairn for the Lot and not elsewhere. No other for sale signs and no realtor signs will be allowed on the Lot or elsewhere in or around the Priddis Greens Community.

23. Address Cairns

The Lot Owner shall from time to time repair and shall maintain in a full and complete state of repair and operation, an illuminated community standard address cairn at the entrance to the Lot. Other kinds of entrance gate, treatment or entrance signage to the Lot are not allowed.

24. Building Set Backs and Tree Preservation

- (i) Attached as Schedule "B" and by this reference made a part hereof is a drawing showing the "building envelope" applicable to the Lot. No building or other improvement (other than a front driveway and the utility services thereunder) shall be constructed or located on the Lot in the area outside such building envelope without the prior approval of the Approving Authority.
- (ii) Schedule "B" hereto also shows the outside boundary of the Lot. No trees located within the Lot boundary and outside the building envelope may at any time or for any reason be removed, cut or damaged without the prior written approval of the Approving Authority.

25. Potable Water

- (i) Potable water supplied to the Lot shall not be used for watering lawns or gardens, washing of vehicles or any other use outside a residential dwelling on the Lot. All such potable water shall be used exclusively for domestic purposes within the residential dwelling on the Lot.
- (ii) There shall be no exterior hose connection or hose bib installed on any building on the Lot.

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- (iii) The Lot Owner shall install on all residences on the Lot a water meter that meets the standards and specifications prescribed from time to time by Hawk's Landing Services Coop Ltd.
- (iv) The Lot Owner shall grant reasonable access on the Lot to Hawk's Landing Services Coop Ltd. and any other operator from time to time of the communal sewage, potable water, non-potable water and fibre optic cable systems in connection with the Lot and to any other rural utility or operator as well as to Priddis Creek Developments Ltd., to conduct inspections, repairs and replacements, and to read meters for the potable water, non-potable irrigation water and sewage systems that serve the Lot.
- (v) The source of potable water supply originating from Priddis Greens Services Co-op Ltd. shall not be changed with respect to the Lot without the prior approval of the Municipal District of Foothills No. 31.

26. Wastewater

- (i) In recognition of the fact that the waste water from the Lot is to be used for irrigation purposes on the Priddis Green Golf Course, and the fact that there is central water softening carried out at the water processing plant which supplies the potable water to the Lot, the Lot Owner shall not utilize and shall not permit the installation anywhere on the Lot of any salt based or other chemical based water softening equipment or mechanism. The Lot Owner shall allow representatives of the Approving Authority access to all buildings and other improvements of the Lot during business hours to allow them to monitor compliance with the provisions of this subclause 26(i).
- (ii) The Lot Owner shall not place nor allow to be placed any explosive, flammable, corrosive, chemical or poisonous materials in the sewer system on the Lot nor any other material or substance which would damage the golf course when the effluent water from the Lot is applied thereto.
- (iii) The Lot Owner shall not install any system or mechanism which permits storm water or groundwater to enter the sanitary sewer system.

27. Notice of the Existence of Certain Circumstances and Facilities

The Lot Owner, by taking title to the Lot, acknowledges, confirms the existence of, and expressly accepts the following circumstances in relation to the Lot, namely:

- (i) A municipal transfer site (which in years past was a local municipal dump) is located adjacent to the Golf Course Lands at the south east corner of the Golf Course Lands and not all of the lots located on or adjacent to the Golf Course Lands meet the usual set-back requirements of Alberta Environment from such a facility;
- (ii) There is a wastewater treatment plant located in the south east corner of the Golf Course Lands together with a related effluent storage pond (which also serves as a water hazard on the golf course and an irrigation storage pond for all of the golf course on the Golf Course Lands) and many of the lots located on or adjacent to the Golf Course Lands do not meet the usual set-back requirements of Alberta Environment with respect thereto; and
- (iii) Water from the said effluent pond is used to irrigate the golf course on the Golf Course Lands, notwithstanding the fact that all the greens, tees and fairways on such golf course may not meet the usual set-back requirements of Alberta Environment with respect to such effluent irrigated areas.

28. Geotechnical Investigation is Required

The Lot Owner, by taking title to the Lot, acknowledges and confirms that it has been advised that the foundation soils for the Lot may contain deposits of plastic clays which may swell or shrink with changes in moisture content. Any such swelling or shrinkage may result in



movements that may affect a residential structure, garage or other improvement constructed on the Lot which could well result in damage to both the structure and the architectural finishes thereof. Accordingly, the Lot Owner shall:

- (i) before constructing any residence, garage or other improvement on the Lot, obtain a geotechnical evaluation in writing with respect to the subsoils at the proposed building location;
- (ii) obtain a Soil Bearing Certificate with respect to the proposed residence, garage or other improvement which shall be reviewed and stamped by a professional engineer and submitted to the Municipal District of Foothills No. 31 together with the application for building permit;
- (iii) provide to the Municipal District of Foothills No. 31 a foundation plan stamped by a professional engineer together with the application for building permit and prior to the commencement of construction of any building foundations on the Lot; and
- (iv) comply with all requirements of the Alberta Building Code.

29. Groundwater

No groundwater wells shall be permitted on the Lot.

30. Access Paving

- (i) Within six months after the completion of the construction of a residential dwelling on the Lot, all driveways and access roads which provide access from the Lot to a public road, together with all parking areas on the Lot, shall be paved.
- (ii) All paved areas on the Lot referred to above shall at all times be kept in a reasonable state of repair, free of potholes and other material blemishes in the paved surface.

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- (iii) All references to paving and paved surfaces in subclauses (i) and (ii) above:
    - i. shall mean pavement having a thickness of at least 50 mm. of hot asphaltic pavement mix; or
    - ii. may include other treatments of the areas using concrete, interlocking paving stone, or other similar materials, provided that in each such case prior written approval must be obtained from the Approving Authority.

31. Enforcement

- (i) The land use and building restrictions set forth herein may be enforced by the Golf Course Owner, but shall not be enforceable by any other person or party whatsoever.

- (ii) In the event of a breach of any of the provisions hereof, the Golf Course Owner may commence such legal proceedings for the enforcement hereof, for damages and for any other appropriate remedy as it may deem appropriate.
- (iii) In the event that the Golf Course Owner commences legal proceedings as a result of a breach of any provision hereof, and in the event that the Golf Course Owner is successful in whole or in part in such legal proceedings, then the Lot Owner shall be responsible to pay, and shall forthwith pay, to the Golf Course Owner all of the legal fees and disbursements incurred, on a solicitor and his own client basis, by the Golf Course Owner in connection with such legal proceedings and in connection with the breach hereof.

32. Future Subdivision of the Golf Course Lands

Notwithstanding the provisions of clause 1 hereof, in the event of any future subdivision of the Golf Course Lands, the exclusive interest in this Agreement and the sole right to enforce this Agreement shall accrue only to the registered fee simple owner from time to time of such part of the Golf Course Lands which includes the most easterly nine (9) holes of the Priddis Greens Golf Course, and no other person or party who is an owner of any other parcel of land shall have any interest herein or hereunder.

33. The Lot Owner to Hold Harmless

There are located on the Golf Course Lands, Municipal Reserve Lands, Environmental Reserve Lands, Public Utility Lands, road allowances and other property owned by 496290 Alberta Ltd., various potential hazards such as ponds, lakes, water hazards, effluent ponds, ditches, gulches, trenches, holes, pump houses, water storage and processing reservoirs, sewage treatment plants, water processing plants, pumps, pipes, water pipelines, natural gas pipelines, wells, culverts, trees, stumps, fire, wild animals, dogs, golfers including members of the Priddis Greens Golf & Country Club and members of the public, flying golf balls, wires, ropes, tractors, lawn mowers, vehicles, machinery, equipment, and all manner of other things, animals, and persons that may in certain circumstances constitute a danger or threat to the safety of persons ~~including children residing on the Lot, invited onto the Lot, or coming to or from the Lot.~~ The Lot Owner shall indemnify and shall hold harmless the Golf Course Owner, Priddis Creek Developments Ltd., Priddis Greens Golf & Country Club, Priddis Greens Services Co-op Ltd., Hawk's Landing Services Coop Ltd., any other rural utility operating sewer and/or water facilities anywhere on or adjacent to the Golf Course Lands, 496290 Alberta Ltd., the Municipal District of Foothills No. 31 and all of their respective officers, directors, managers, general managers, employees, members, servants, volunteers, agents, representatives, and contractors (the "Indemnitees"), from and in respect of all manner of liabilities, costs, expenses, damages, losses, suits, actions, and claims of every nature and kind whatsoever arising out of or in relation to the ownership of the Lot by the Lot Owner, any form of occupation, leasing, rental or possession of the Lot, or presence on the Lot, utilizing potable and/or non-potable water provided by the Indemnitees or any of them, gaining access to or egress from the Lot and presence on the Golf Course Lands, Municipal Reserve Lands, Environmental Reserve Lands, Public Utility Lands, road allowances or property owned by 496290 Alberta Ltd., it being

understood and agreed that this indemnity shall also apply to all claims that may be made by the Lot Owner itself, himself or herself, as the case may be.

34. Severability

If any provision hereof is or is made to be void or rendered invalid or unenforceable by any law from time to time in force in the Province of Alberta, and if any provision hereof is determined by any court of competent jurisdiction to not be a covenant running with the land, then the same shall not invalidate or render in any way unenforceable any of the remaining provisions of this Agreement.

35. Delegation of Authority

The Golf Course Owner may from time to time and at any time delegate by instrument in writing its authority hereunder to any person or party to grant permission, authorization, authority, approval or consent to the Lot Owner with respect to any aspect hereof, and may at any time and from time to time revoke such delegation by instrument in writing. Specifically, but without in any way restricting the generality of the foregoing, the Golf Course Owner may grant such delegation to the Priddis Greens Community Association, Hawk's Landing Services Coop Ltd. or to any other association or organization of home owners in the Priddis Greens community as may exist from time to time.

36. No Waiver

Failure by the Golf Course Owner or by the Approving Authority to enforce or require compliance with any provision hereof shall not render any such provision in any way unenforceable or invalid. No provision hereof shall be waived except in writing duly signed and delivered by the Golf Course Owner.

37. No Interest in Other Parcels

Each person or party who from time to time is to become the Lot Owner, by taking title to the Lot, conclusively and irrevocably acknowledges and agrees that he/she has no interest whatsoever in, and has no right to enforce or to expect the enforcement of, any Restrictive Covenant(s) in form or content similar hereto which may be registered in favour of the Golf Course Owner against the title to any adjacent or nearby lots or parcels of land.

38. Transferees

- (i) Each Lot Owner shall upon transferring any legal or beneficial interest in the Lot to any other person or party, obtain for the benefit of the Golf Course Owner and shall deliver to it, a covenant in writing from the transferee whereby such transferee shall agree to be bound by all of the provisions hereof including this clause 37.
- (ii) Failure of a transferor to obtain such a covenant in writing from a transferee of the Lot shall result in the transferor's remaining liable to the Golf Course Owner for all obligations hereunder even after such transferor is no longer the Lot Owner.

39. Singular and Plural, Etc.

Reference herein to the singular shall include the plural and vice versa and reference herein to the masculine shall include the feminine and neuter and vice versa.

IN WITNESS WHEREOF these presents have been executed on the 27<sup>th</sup> day of December, 2007.

PRIDDIS CREEK DEVELOPMENTS LTD.

496290 ALBERTA LTD.

Per: 

Stanley Carscallen, Vice President  
As Owner of the Golf Course Lands

Per: 

Arnold Brogden, President  
As Lot Owner