

**RESTRICTIVE COVENANT AGREEMENT** dated the \_\_\_\_ day of October, 2000.

FROM:

SUNSET HARBOUR DEVELOPMENTS LTD.,  
a body corporate in the province of Alberta, as covenantor

IN FAVOUR OF:

SUNSET HARBOUR DEVELOPMENTS LTD.,  
a body corporate carrying on business in the Province of Alberta

WHEREAS Sunset Harbour Developments Ltd. (the "Developer"), a body corporate having an office at RR#1, Falun, Alberta, T0C 1H0, is the registered owner of certain lands situated in the Province of Alberta, more particularly described in Schedule "A" attached hereto (hereinafter called the "Marina Unit") subject to the encumbrances, liens, estates or interest notified by memorandum endorsed on the certificate of title thereto;

AND WHEREAS the Developer is also the registered owner of those units more particularly described in Schedule "B"(hereinafter called the "Units");

AND WHEREAS the Developer may in due course transfer the Marina Lot to the Sunset Harbour Condominium Association (the "Association") or to a private third party;

AND WHEREAS the restrictions and covenants to be imposed are for the benefit of all future owners of the individual Units and will protect the owner of such Units against the improper development and use of surrounding Units which may depreciate the value of an individual Unit and will prevent haphazard or inharmonious improvements or repairs or use of improper designs or materials;

NOW THEREFORE the Developer does for itself, its transferees and assigns and its successors in title to the Units and each of them, agree as follows:

1. The land use and building restrictions and conditions contained herein shall be deemed to be covenants running with and annexed to the Units and shall be binding upon all of the Units and the owners thereof from time to time and enure to the benefit of the Marina Unit and the owners thereof from time to time. Such land use and building restrictions and conditions may be enforced by the owner of the Marina Unit from time to time. The owner of the Marina Unit from time to time may modify, amend, release or waive any of the land use and building restrictions and conditions herein contained if and to the extent the owners sees fit in its sole discretion.
2. No business or commercial use shall be made of any dwelling unit or building on any Unit except for Units 23, 24, and 25, which units may, but are not required to, be used for business or commercial use. If Unit 23, 24 or 25 is sold by the Developer to a purchaser for residential purposes the use of such unit shall be restricted to residential use.
3. No re-subdivision of any Unit shall be made except by the Developer.
4. The improvements to be constructed on each Unit shall initially be subject to certain architectural guidelines and controls imposed by the Developer particulars of which are attached hereto as Schedule "C". No initial construction shall take place on a Unit except in accordance with the Developer's architectural guidelines and controls. Upon completion of construction of improvements to a Unit in accordance with the requisite architectural guidelines, no change shall be made to the outside appearance of any improvements on Unit (including fences and landscaping) unless consented to by the owner from time to time of the Marina Unit. In particular, no expansion shall be made to an existing home, no garage, sheds or other buildings shall be added, no structural changes affecting the appearance of the home shall be made, no change shall be made to the original finishing material or their application or to paint or other decorative colors and no fences shall be added.

5. No changes shall be made to grades existing on completion of the initial improvements.
6. The owner of a Unit shall not commence construction upon the Unit unless and until the owner of the Marina Unit has submitted to the owner of the Marina Unit detailed plans of the home and garage (if permitted) to be constructed, including, but not limited to, location, elevations, grades, exterior appearance, finishing materials and colors, finishing grades and landscaping. The owner of a Unit shall not construct or cause or permit to be constructed any building upon such Unit other than in strict conformity with such plans as have been approved in writing by the owner of the Marina Unit and other than in accordance with the Developer's architectural guidelines and controls.
7. The owner of the Marina Unit shall be entitled to set and enforce reasonable rules and regulations relating to use of the harbour.
8. A unit owner shall not be permitted to place a private dock into the harbour or the water of Pigeon Lake.
9. Boating access to Pigeon Lake shall be through the harbour and channel only. Access along or from the shore of Pigeon Lake is not permitted.
10. There shall be no removal or other disturbance to aquatic vegetation along the shore of Pigeon Lake adjacent to the condominium plan.
11. No failure on the part of the owner from time to time of the Marina Unit to promptly enforce fully the conditions, covenants and restrictions contained herein shall be or be deemed to be a waiver of the owner's right to enforce those conditions, covenants and restrictions.
12. Neither the owner of Marina Unit nor the Developer shall have any liabilities or obligations whatsoever to any owner of a Unit or any other entity whatsoever and in

consideration of the premises and other good and valuable consideration, the receipt of which is hereby acknowledged, each and every owner of a Unit and all other entities hereby jointly and severally release the owner of the Marina Unit and the Developer, its employees, servants, agents or independent contractors of any breach or nonperformance of any of the terms or restrictive covenants herein contained or of any failure of the owner of the Marina Unit or the Developer, its employees, servants, agents or independent contractors to act in accordance with and pursuant to the terms and conditions of this restrictive covenant or for any act of negligence of the owner of the Marina Unit or Developer, its employees, servants, agents or independent contractors with respect to the approval or disapproval of any plans for any buildings to be constructed on a Unit or with respect to any waiver, modification, variance or release by the owner of the Marina Unit or the Developer of any of the terms or restrictive covenants herein contained.

13. The Units and each of them individually, shall be the servient tenement. The Marina Unit shall be the dominant tenement.

IN WITNESS WHEREOF Sunset Harbour Developments Ltd. as owner of the Marina Unit and the Units has caused its corporate seal to be affixed, duly attested by the hands of its proper in that behalf as of the day and year first above written.

SUNSET HARBOUR DEVELOPMENTS LTD.  
Per:

---

SCHEDULE "A"

**DOMINANT TENEMANT**

Condominium Plan 0122324

Unit 23

Excepting Thereout All Mines And Minerals

SCHEDULE "B"

**SERVIENT TENEMANT**

Condominium Plan 0122324

Unit 1 to 22, inclusive and Units 24 to 63, inclusive

Excepting Thereout All Mines And Minerals