

This Agreement made in duplicate and dated this 18 day of June, 2011.

EDWIN J. "BUD" BYRAM
of the Town of Drayton Valley, in the Province of Alberta
(hereinafter referred to as "Byram")

OF THE FIRST PART

and

CONDOMINIUM CORPORATION NO. 0122324
a body corporate duly incorporated pursuant to the laws of the Province of Alberta
(hereinafter referred to as the "Corporation")

OF THE SECOND PART

AGREEMENT OF PURCHASE AND SALE

WHEREAS

- A. The Corporation is a bare land condominium complex located at Sunset Harbour, Pigeon Lake, in the Province of Alberta (the "Complex");
- B. Sunset Harbour consists of bare land condominium lots which surround an inner harbour used by residents of Sunset Harbour;
- C. Byram owns Unit 23 in the Complex and operates a private marina from that unit. The marina includes a boat ramp on Unit 23 and marina slips and docks in the waters of the inner harbour (the "Marina");
- D. Byram allows entry on to Unit 23 to use the boat ramp and to access the marina slips;
- E. A Restrictive Covenant has been registered on each title in the condominium Complex as instrument No. 012 240 579. It is the understanding of the parties that this registration should stay with the title to Unit 23 for the benefit of the Corporation;
- F. The parties have agreed to the terms and conditions of this Agreement as herein stated;

NOW THEREFORE WITNESSETH that in consideration of the mutual covenants and agreements herein contained, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**Article 1
PURCHASE AND SALE**

1.1 Purchase and Sale

Subject to the terms and conditions herein contained, the corporation agrees to purchase from Byram lands legally described as:

CONDOMINIUM PLAN 0122324
UNIT 23
AND 174 UNDIVIDED ONE TEN THOUSANDTHS SHARE IN
THE COMMON PROPERTY
EXCEPTING THEREOUT ALL MINES AND MINERALS
(the "Lands")

free and clear of all encumbrances, liens or interests except the Permitted Encumbrances, and all improvements, fixtures and personal property as is, where is, and described as set forth in Schedule "A" attached hereto.

**Article 2
PURCHASE PRICE**

2.1 Purchase Price

The Purchase Price, payable on the Closing Date, is the sum of THREE HUNDRED AND SEVENTY THREE THOUSAND EIGHT HUNDRED (\$373,800.00) DOLLARS inclusive of Goods and Services Taxes (GST) in the sum of SEVENTEEN THOUSAND EIGHT HUNDRED (\$17,800.00) DOLLARS, to be held pursuant to clause 2.5 below.

2.2 Acceptance

This contract shall be open for acceptance by the Corporation to 12:00 noon on June 18, 2011, at which point the contract will be unilaterally withdrawn.

2.3 Taxes and Adjustments

There shall be no tax adjustment to the Purchase Price on the Closing Date. The Corporation shall not charge Byram condominium fees on the Lands after May 31, 2011.

2.4 Byram Financing

Should the Corporation obtain alternate financing, it shall provide Byram with written evidence of same and Byram or his Assignee shall have the first option to provide financing on the same terms. Should the Corporation not obtain alternate financing, Byram or his Assignee agrees to provide a Vendor Take Back mortgage for the purchase price, for a term of TEN (10) years, with interest at the rate of 6% calculated annually for the initial term of FIVE (5) years and interest at the Royal

Bank of Canada Prime Rate plus 3%, for the final term of FIVE (5) years, and with the ability to prepay the mortgage before the term is up without notice or bonus, prepared by the solicitor for Byram and at the expense of the Corporation. The Corporation shall also provide Byram additional security, including an Assignment of Rents and Leases to be registered against the Lands and a General Security Agreement for all personal property on the Lands. The Corporation hereby agrees that it will not enter into any other agreements or commit to any financial obligations with respect to the Lands or the Marina or the slip licences until payment in full of the purchase price to Byram.

2.5 Goods and Services Tax (GST)

The Corporation shall pay Goods and Services Tax on the Closing Date in the sum of \$17,800 to be held in trust by the Vendor's lawyer until receipt of a written ruling from the GST Rulings Department of Canada Revenue Agency is received. If the GST Rulings Department declares that the Lands are personal use property of Byram and as such are exempt from GST, the GST funds of \$17,800 shall be returned to the Corporation. If the GST Rulings Department declares that the Lands are commercial property such that GST applies, the Vendor's lawyer shall remit the GST to the Canada Revenue Agency. All parties agree to act expeditiously in determining the issue of GST.

Article 3 CLOSING

3.1 Closing Date

Subject to approval of the sale as required hereunder, the Closing Date for the purchase and sale of the Lands shall be FOURTEEN (14) days after the execution of the Agreement or such other date as the parties may agree to in writing.

Article 4 TITLE

4.1 Title

Subject to the conditions as set forth below, title to the Lands will be transferred on the Closing Date free and clear of all encumbrances, save and except for the Permitted Encumbrances set for in Schedule "A" attached hereto.

4.2 Registration of Documents

A Transfer of Land in registrable form shall be prepared at the expense of Byram. Registration of conveyancing documents, the Vendor Security and Corporation documents, if any, shall be registered at the expense of the Corporation. Byram and the Corporation each agree to execute promptly any documents required to complete the within purchase.

**Article 5
ADDITIONAL TERMS**

5.1 Sunset Harbour Developments Ltd. and Driechel

The Corporation acknowledges that it has settled all outstanding matters with Elwin Driechel and Sunset Harbour Developments Ltd. and the Corporation shall provide written confirmation of same to Byram within a reasonable time.

5.2 Sunset Marina Ltd. and Wilson

The Corporation acknowledges that it has no lawsuit against Rick Wilson and Sunset Marina Ltd.

5.3 Capital Spending Bylaw

The Corporation shall obtain the approval of the unit holders by Special Resolution as required by the *Condominium Property Act* of Alberta for the amendment of the Bylaws of the Corporation, to add an Article to cap the Board of Managers spending limits as set out in the operating budget as approved at the Annual General Meeting, unless further spending is approved by ordinary resolution of the Corporation.

5.4 Capital Borrowing Bylaw

The Corporation shall obtain the approval of the unit holders by Special Resolution as required by the *Condominium Property Act* of Alberta for the amendment of the Bylaws of the Corporation, including but not limited to, Article 10(b) as to reducing the Board of Managers borrowing limits without Corporation approval by ordinary resolution

5.5 Groundskeeper

The Corporation shall review the duties of a groundskeeper and advertize the position forthwith.

5.6 Conflict of Interest Policy

The Corporation shall adopt a Conflict of Interest policy on or before June 30, 2011.

5.7 Representations and Warranties

The obligation of the Corporation and Byram to complete this transaction is subject to the condition precedent that on closing, the representations and warranties given by each party shall be true and accurate in all material respects with the same effect as if given on the Closing Date. This condition

precedent is for the sole benefit of the other party. In the event the conditions are not satisfied as required, the Corporation or Byram, as the case may be, may, at its option, terminate this Agreement and this Agreement shall be null and void.

5.8 Termination

In the event the obligations of Byram and the Corporation are terminated prior to Closing, the entire agreement shall be deemed terminated without further recourse by either party. The Corporation will have no further interest in the Lands under this Agreement and agrees to discharge any Caveat it may have filed against the title to the Lands.

Article 6 REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of Byram

Byram represents and warrants to the Corporation that as of the date of this Agreement and as at the Closing Date:

- a. Byram has the full power and authority to enter into this Agreement and execute and deliver any and all documents for the sale of the Lands by Byram, and to carry out this transaction and perform his obligations in and under this Agreement;
- b. Byram is not now (nor will be within sixty (60) days after the Closing Date) a non-resident of Canada and is not an agent or trustee for anyone with an interest in the Lands who is (or who will be within sixty (60) days after the Closing Date) a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada);
- c. No person, firm or corporation, other than the Corporation, has any agreement or option capable of becoming an agreement or option for the purchase of all or any part of, or any interest in, the Lands;
- d. To the best of Byram's knowledge, information and belief, there are no expropriation proceedings pending or proposed with respect to the lands of any part thereof, and there are no land use re-classifications pending or proposed with respect to the Lands or any part thereof;
- e. Other than as disclosed herein, there are no leases, offers to lease, agreements to lease, tenancy agreements, licences of occupation or any other agreements whether oral or written of any nature whatsoever granting or creating any rights of occupancy with respect to the Lands or any part thereof;

- f. Byram is not a party to or otherwise bound by any outstanding agreement or commitment, whether written or oral, of any nature or kind whatsoever, relating to the Lands, which will bind the Corporation, except for the Permitted Encumbrances; and
- g. There are no actions, suits, or proceedings of which Byram has knowledge, pending or threatened against or affecting Byram at law or in equity or before or by any federal, provincial, municipal, or other governmental authority commission, board, tribunal, or agency which will affect the lands or any part thereof on or after the Closing Date.

6.2 Representations and Warranties of the Corporation

The Corporation represents and warrants to the Corporation that as of the date of this Offer and as at the Closing Date:

- a. The Corporation has the full power and authority to enter this Agreement and to carry out this transaction and perform its obligations in and under this Agreement;
- b. The Corporation is not now (nor will be within sixty (60) days after the Closing Date) a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada).

Article 7 ADDITIONAL PROVISIONS

7.1 Covenant Regarding Use of Unit 23

Until such time as the Purchase Price is paid in full and the Vendor Security, if any, has been discharged by Byram, the Corporation covenants and agrees that it shall not alter or change the use of Unit 23, and without limiting the generality of the foregoing, the Corporation covenants and agrees that it will not remove, alter or modify (other than for the maintenance or improvement) the boat ramp built on Unit 23. The Corporation shall have the right to add or make improvements to Unit 23 consistent with the use of Unit 23.

7.2 No Encumbering of Unit 23 without Byram's Consent

Until such time as Byram's security is released and the Vendor Security has been discharged by Byram, the Corporation shall not dispose of any interest in Unit 23 or encumber Unit 23 without the written consent of Byram.

7.3 Remedies for Breach of Article 7.1

- a. The Corporation acknowledges that a breach of the negative covenant contained in Article 7.1 above shall cause Byram to suffer immediate and irreparable harm which may not be adequately compensated for by damages, and in the event the Corporation or its agents or representatives breach or threatened to breach the said negative covenant, Byram shall be entitled to seek and obtain an injunction, restraining and enjoining the said breach or violation by the Corporation or its agents or representatives or any other person or entity which may be acting in connection with the Corporation.
- b. In addition to the foregoing, in the event of a breach or threatened breach of the said negative covenant, the Corporation agrees to indemnify and save harmless Byram from any and all costs, expenses, loss or damages, including legal fees and disbursements (on a solicitor and client basis) and any consequential or economic loss suffered or incurred by Byram as a result thereof, all of which shall not operate to limit any remedies Byram may have at law, equity or statute as a consequence of the breach or threatened breach of this covenant by the Corporation or its agents or representatives.

7.4 Termination of Design Approval Agreements

Provided Unit 23 is transferred to the Corporation under this Agreement, any agreement between Byram and the Corporation regarding the approval of designs for homes to be constructed at Sunset Harbour, whether oral or written, shall be deemed terminated effective as of the Closing Date.

7.5 Releases and Indemnities

Provided Unit 23 is transferred to the Corporation in accordance with the terms and conditions of this Agreement, then effective as of the Closing Date:

- a. the Corporation releases Byram from any and all claims the Corporation may have or may have had against Byram; and
- b. Byram releases the Corporation and its directors, officers, agents and representatives from any and all claims Byram may have or may have had against the Corporation;

it being understood neither party has, under the Agreement, indemnified the other for any action that may be brought by a third party for any reason and that in such case either party shall have the right to add the other party to such action.

7.6 Licence Agreements

On the Closing Date, Byram shall provide the Assignment of Licence Agreements and the Licence Agreements as assigned to him by Sunset Marina Ltd. Byram makes no representations or

warranties about the accuracy or completeness of the names of the Slip Licence Holders. The Corporation agrees to be bound by the term in Schedule "B" of the Assignment of Licence Agreements that Sunset Harbour Developments Ltd. has been given an option to acquire up to twenty (20) marina slips at a price of \$7,000 plus GST per slip subject to completion of marina slip licence agreements. The option expires December 31, 2015. The option is assignable to an affiliate of Sunset Harbour Developments Ltd. or any transferee of the lands west of Sunset Harbour currently owned by Sunset Harbour Developments Ltd.

7.7 Indemnity

The Corporation agrees to indemnify and save harmless Byram and ~~Sunset Marina Ltd.~~ as the current ~~and former owners of the Marina,~~ from and against any and all losses, claims, damages, costs, expenses, and liability due to or arising out of damage or injury to any person or persons or property in or about or in any way connected with the management services provided to the property or assets of the Marina, or as a result of any act done or any contract entered in to, or any failure to do any act in carrying out the management of its property or assets, ~~and to defend at the expense of the Corporation all suits which may be rendered against Byram and Sunset Marina Ltd.~~

Article 8 INTERIM

8.1 Risk of Lands

The Lands shall remain at the risk of Byram until the Closing Date and thereafter the Lands shall be at the risk of the Corporation.

8.2 Operation of the Lands

Byram covenants and agrees to manage the Lands until the Closing Date consistent with that of a prudent owner of property in comparable circumstances.

Article 9 CLOSING DELIVERIES

9.1 By Byram

Not later than seven (7) business days before the Closing Date, Byram shall deliver to the Corporation's solicitors the following:

- a. a Transfer of Land in registrable form;
- b. a Vendor Take Back mortgage, Assignment of Rents and Leases, and a General Security Agreement, in quadruplicate, if applicable;
- c. a Statement of Adjustments;

- d. a certificate from Byram that the representations and warranties of Byram given herein are true and accurate as of the Closing Date;
- e. Licence Agreements;
- f. originals, if any, of any documents relating to the Lands;
- g. any other documents that may be necessary or reasonably requested to effectively complete the transaction contemplated by this Agreement.

9.2 By the Corporation

- a. the Purchase Price, with the adjustments herein;
- b. GST in the sum of \$17,500 to be held in trust by the Corporation's lawyer pursuant to article 2.5 herein;
- c. a certificate from the Corporation that the representations and warranties of the Corporation given herein are true and accurate as of the Closing Date;
- d. a certified copy of a corporate resolution confirming the authority of the Corporation to complete the transaction by the Unit Owners;
- e. any other documents that may be necessary or reasonably requested to effectively complete the transaction contemplated by this Agreement.

9.3 Trust Conditions

Byram deliveries shall be delivered to the Corporation's solicitors in trust on reasonable trust conditions as would customarily be imposed in a similar transaction in Edmonton, Alberta.

Article 10 GENERAL

10.1 Notices

Any communication of any nature whatsoever to be made or given shall be made in writing and may be made by personal delivery or by fax as follows:

To Byram:

Edwin J. "Bud" Byram
#10, 4857 - 37 Street
Drayton Valley AB T7A 1T3

To the Corporation:

Condominium Corporation No. 0122324
5515 - 44 Avenue, Suite A
Wetaskiwin, AB T9A 0C8
Attention: President

or to such other address or fax as may be given by one party to the other for the purposes of notices. Any communication by fax or other electronic means shall be deemed to be made or given on the date of actual delivery if made prior to 5:00 p.m. on a business day at the place where the communication is sent, and otherwise will be deemed made or given on the next business day.

10.2 Entire Agreement

This Agreement (including the Schedules attached hereto) constitute the entire agreement between Byram and the Corporation and there are no representations, warranties, collateral agreements, or conditions, affecting the Lands or this Agreement, other than as are set forth herein.

10.3 Jurisdiction

The laws of the Province of Alberta shall govern this Agreement and the parties agree to attorn to the jurisdiction of the courts of the Province of Alberta.

10.4 Merger

The obligations of all parties hereunder shall continue in full force and effect and shall not be deemed to be merged in any conveyance or conveyances to be given to the Corporation.

10.5 Assignment

Neither the Corporation nor Byram may assign this Agreement.

10.6 Time is of the Essence

Time is of the essence in this Agreement.

10.7 Enurement

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their heirs, executors, administrators, successors, and assigns.

10.8 Waiver

The parties agree that the waiver of strict performance of any condition, covenant, or stipulation in the Agreement shall not constitute a waiver of any subsequent breach of the same or other covenant, condition, or stipulation.

10.9 Counterpart

This Agreement may be executed and delivered in counterpart and delivered by a facsimile, or electronic version, each of which will be deemed to be an original and such counterparts together will be deemed to constitute one and the same instrument provided that any party delivering this Agreement by facsimile or electronic means shall deliver an original thereof to the other party upon request.

IN WITNESS WHEREOF the parties have executed this Agreement this 18 day of June, 2011, by the hand of its duly authorized officer.

Witness June Bayda

Edwin J. "Bud" Byram
Edwin J. "Bud" Byram

Condominium Corporation No. 0122324

Per: [Signature] c/s

Per: [Signature]

Per: [Signature]

SCHEDULE "A"

PERMITTED ENCUMBRANCES

Instrument Number	Date	Description
012 147 925	31/05/2001	Utility Right of Way Grantee – The County of Wetaskiwin No. 10 as to Portion of Plan 012 2319
012 240 579	07/01/2001	Restrictive Covenant

IMPROVEMENTS, FIXTURES AND PERSONAL PROPERTY

1. Boat Launch
2. Floating Docks
3. Floating Raft
4. Six Marker Buoys
5. Dock Cleats
6. Dock Edging
7. Gazebo