

The Ranch Country Estates

RESTRICTIVE COVENANT

THIS AGREEMENT made the 2nd day of December, 2008.

BETWEEN:

MULGREW ENTERPRISES LTD.
(the "Grantor")

-and-

MULGREW ENTERPRISES LTD.
(the "Grantee")

RECITALS:

- A. The Grantor and the Grantee is the registered owner and developer (generally referred to as "the Developer") of all those lands described as:

PLAN 082 _____

BLOCK 1, Lots 3 - 8 inclusive

BLOCK 2, Lots 1 - 8 inclusive

BLOCK 3, Lots 1 - 5, 7 - 9, 12 - 14 inclusive

EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "Lands" or the "Subdivision" or "The Ranch Country Estates or "The Ranch").

- B. The Developer has undertaken to create a scheme for the orderly subdivision and development of the Lands and planned construction of single-family houses on each individual lot (the "Lot") contained within the Lands.
- C. The intention of the Developer is to encourage individuality in building design and siting appropriate to each Lot, to provide overall visual continuity within the Lands.
- D. Each Lot is capable of being benefitted by and being subject to a Restrictive Covenant.
- E. For the purposes of providing for an orderly development of the Lands, each Lot shall be both Dominant and Servient for the purposes of this Restrictive Covenant.

- F. Where the context of this Restrictive Covenant so requires, the Lands and each individual Lot shall be "the Dominant Lands" and where the context of this Restrictive Covenant so requires then each Lot shall be "the Servient Lands".
- G. It will be a condition for the sale of a Lot that each Purchaser acknowledge this Restrictive Covenant.

FOR THE PROTECTION AND BENEFIT OF THE DOMINANT LANDS, and in consideration of the sum of TEN (\$10.00) DOLLARS now paid by the Grantee to the Grantor (the receipt and sufficiency whereof is hereby acknowledged by the Grantor) the Grantor covenants with the Grantee to the intent that the burden of the restrictive covenants hereinafter set forth will run with and bind the Servient Lands and every part thereof and to the further intent that the benefit thereof may be annexed to and run with the Dominant Lands and every part thereof, to observe and perform the following restrictive covenants:

Residential

- 1. The Servient Lands will not be used for any other purpose other than for private residential houses only and no attached or semi-detached house, duplex or apartment, or any house or dwelling designed for more than one family will be erected on the Servient Lands and not more than one detached dwelling house may be erected on any Lot.
- 2. No building erected on the Servient Lands shall be used for any other purpose than that of a private dwelling for a single family.
- 3. The Servient Lands and/or any building erected thereon will not at any time be used for the purpose of any profession, trade, or business of any description. The Servient Lands may only be used for a home-based business provided that all requirements of the County of Brazeau are met and no signs or other indications are allowed on the Servient Lands to advertise or indicate the existence of such business.

Use of Lands

- 4. The Grantee will not:
 - (a) keep, raise or breed any animal, livestock or poultry of any kind except a reasonable number of cats, dogs or other household pets (as allowed by the County of Brazeau By-Laws and Regulations);
 - (b) remove soil, sand or gravel from the Lot; or
 - (c) place, permit or allow to accumulate upon any portion of a Lot any rubbish, debris, garbage, waste materials or materials of any kind whatsoever which would render a Lot unsanitary, unsightly, offensive or detrimental to any other property in the vicinity.
- 5. No mobile homes (trailers) or previously-used dwelling or accessory building shall be placed on a Lot. For the purpose of this Restrictive Covenant, a mobile home is defined as a building or structure with or without wheels, designed or equipped as a stationary dwelling place, and constructed to be moved from one point to another by being towed or carried by truck, but does not include a vacation trailer or motor home.
- 6. No sign or advertising matter of any kind, except a sign depicting the Grantee's name and

address, shall be kept on the Lots on a permanent basis. Signs relating to selling a Lot, listing a building contractor, and so on shall be kept only on a temporary basis for a maximum of six (6) months.

7. These restrictive covenants are designed to protect and maintain the value of the lots within the Subdivision and to ensure that Lot owners are not affected negatively by other's activities. Therefore no activities are permitted that may become an annoyance or nuisance to other Lot owners and no Lots may be kept in such a state that they present an unsightly condition when viewed from the Subdivision road or from adjoining properties.

Construction

8. The Grantee will not:
 - (a) commence construction of, place, erect, nor maintain on a Lot any house:
 - (i) containing less than 1,400 square feet of habitable living area, not including the floor area of any basement, balconies, terraces, decks, porches or garage.
 - (ii) that is of a construction standard less than the minimum requirements set out in the *National Housing Act* and that is constructed in compliance of the Alberta Building Code.
 - (b) except for a pre-fabricated modular house, move on to the Lot any existing buildings or structures, such that all buildings will be fully constructed on the site with the exception of normal pre-fabricated roof trusses, windows and doors.
 - (c) allow any excavation to be made on the Lot except for the purpose of erection of a new structure permitted herein or for the improvement of the gardens and grounds of the Lot.
9. No building or improvement shall be constructed or placed on a Lot except in compliance with:
 - (a) The Land Use Bylaw of the County of Brazeau from time to time in force and effect;
 - (b) The provisions of any Easement or Utility Right of Way respecting the Lots;
 - (c) The provisions of these Restrictive Covenants; and
 - (d) The provisions of a Development Permit issued for the specific building or improvement issued by the County of Brazeau.
10. Each house on a Lot shall have a parking garage which is fully enclosed and of sufficient size for at least two (2) vehicles. No carports shall be allowed in place of a garage but may used in addition to a garage.
11. The Grantee shall have the right to erect not more than two detached outbuildings to serve as garages or shops, provided however, that nothing contained herein shall be construed so as to give permission for such buildings to be utilized for any business or commercial purpose.
12. The exterior of every house shall be completed prior to occupancy and shall include the following approved exteriors finishes: stucco, siding (cedar, vinyl, aluminum, hardy board),

stone, brick, or decorative block or log . No painted plywood, tar paper, or building paper shall be allowed as finished product.

13. Any fence constructed on the property shall be of a material compatible with residential use. Paige wire and barb wire are not acceptable fence materials, with the exception of the existing fence bordering the adjacent agriculture land. The fence must not pose a risk to any person's personal safety, must not be unsightly or unattractive, and must be kept in good repair.
14. No living trees will be cut down or removed from the Servient Lands except as is reasonably necessary for construction of a new residence or other permitted structure or for the improvement of the gardens and grounds of the Servient Lands.
15. Sewage disposal for each Lot is the responsibility of each owner and is to be designed, installed operated and maintained to the standards and regulations set out by Alberta Municipal Affairs or such other governmental agency as may be responsible from time to time.
16. All electrical service lines, telephone lines and television lines shall be located underground. Each Lot owner shall be responsible for the cost of labor and materials in placing such lines underground from the property line to the house or accessory buildings located on the Lot.
17. During the period of actual construction of a house or accessory building on a Lot, the owner thereof shall require all contractors and sub-contractors and other workmen furnishing services or material to the premises to keep both the Lot under construction and other Lots reasonably free of trash and other construction debris.
18. Construction of any single family dwelling erected on any Lot in the Subdivision shall be completed within twelve (12) months of the beginning of construction of said dwelling.
19. Easements for installation and maintenance of public utilities are reserved on every Lot. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities. The easement area of each Lot and all improvements in it shall be maintained continuously by the owner of the Lot, except for those improvements for which a public authority or utility company is responsible.
20. Public Utility Lots (PULs), including storm ponds and drainage ditches, must not be disturbed or altered.
21. No drainage grade left or created in the Subdivision or on any particular Lot for the purpose of permitting surface drainage shall be altered, built upon or obstructed in any manner that would interfere with the surface drainage from any Lot or cause the drainage of water therefrom to any adjacent Lot or Lots.
22. The Lot owners will be responsible to the Grantor for any damage to the Subdivision and/or the services as a result of construction on the Lot.

Pillar

23. There shall be constructed within 90 days of occupancy of the residence on the Lot, at the Lot

owner's sole expense, an ornamental pillar noting the Lot number in accordance with the specifications approved by the developer and set out in the attached Schedule A.

Maintenance

24. The Grantee will not place, permit or allow to accumulate upon any portion of the Lot any weeds, rubbish, debris, garbage, waste materials or materials of any kind whatsoever which would render the Lot unsanitary, unsightly, offensive or detrimental to any other property in the vicinity.
25. Rubbish, trash, garbage or other waste matter shall be kept only in sanitary containers. All equipment for the storage or disposal of such waste matter must be kept in a clean and sanitary condition.
26. Each Lot owner will be responsible for maintaining the Lot in a superior state of repair and condition and shall do nothing on the Lot which renders it unattractive, unsightly or a nuisance to the other Lot owners.
27. Should any Lot herein not be built upon within one (1) year from the date of purchase, the owner shall thereafter until built on keep same in good repair and free from all noxious weeds.

Storage

28. No Lot owner, nor their family members, invitees or attendees, shall park a motor vehicle for more than 48 hours consecutively upon the roadway in the Subdivision.
29. No unlicensed or inoperable motor vehicle or farm equipment (excluding small tractors for snow removal etc.) or industrial equipment of any kind may be kept or stored on any Lot except within a garage or building thereon.
30. A maximum of two (2) vacation trailers or recreation vehicles may be kept on any Lot on a permanent basis unless stored inside a garage or shop. There shall be no porches or additions attached to, or shelters built over any vacation trailer or recreational vehicle. No trailer or recreation vehicle shall be placed or kept on any Lot for the purpose of using the same for living accommodation excepting for a period of time while main residence is being built.
31. No industrial vehicles over one (1) ton of any kind or description may be kept or stored on any Lot except within a garage or building thereon.

Landscaping

32. The landscape objective for The Ranch is to enhance the natural beauty of the Subdivision. Landscape features should incorporate natural elements such as rock, field stone or river rock and flora indigenous to the region.
33. Landscaping in the front yard must be completed within six (6) months of occupancy of the

residence, unless winter conditions prevent same, and in such event, the front landscaping shall be completed as soon as reasonably possible in the spring of the following year.

34. If the house is visible from the Subdivision road on any Lot:
 - (a) there shall be a minimum of three (3) trees planted in the front yard. The trees shall be a minimum of three (3) inch caliper for deciduous trees or a minimum ten (10) feet in height for coniferous trees.
 - (b) the Grantee shall finish the front and side yard with sod.
35. If a retaining wall is required in the front yard of a lot in The Ranch it must be constructed of materials that are complimentary to the finishing materials utilized on the house. The retaining wall must be limited to a maximum of three (3) feet in height and must never be constructed of wood, including treated wood or railway ties.

Other

36. Nothing contained in this Agreement will be construed or implied as imposing upon the Developer any liability in the event of non-compliance or non-fulfillment of the covenants, conditions or stipulations contained herein respecting any particular portion of the Lot.
37. The Grantee may enforce the foregoing Restrictive Covenant terms against the owner or owners of any other Lot or Lots except that the Grantee may bring no action against the Developer for the enforcement of this Restrictive Covenant.
38. The Grantor covenants that they will exact covenants the same as those contained herein from the buyer of any Lot.
39. Except as specifically provided herein, the Developer and its successors in title (the owner or owners for the time being of any part or parts of the Lands which remain unsold) will have power, in its absolute discretion from time to time, in writing to waive, alter, modify, vary or release any of the stipulations or restrictions contained in this Restrictive Covenant in respect to any Lot or lots, or to sell and convey any part of the Lands free from any and all of the restrictions and stipulations without notice to the owner of any other lots .
40. This Restrictive Covenant is in addition to the requirements of the municipal or other governmental authorities having jurisdiction with respect to the use of the Servient Lands, and nothing contained herein shall be construed as permitting or authorizing anything which is prohibited by any statute, bylaw, regulation or like enactment having the force of law and having application to the Servient Lands.
41. The Grantor and Grantee mutually agree:
 - (a) This Restrictive Covenant is expressly annexed to the Dominant Lands and binding on

the Servient Lands, and each of the Lots.

- (b) This Restrictive Covenant will be in full force and effect for a term of twenty-five (25) years until December 31, 2033.
- (c) This Restrictive Covenant will extend to the benefit of and be binding upon the Grantor and the Grantee and any Lot owners and their successors and/or personal representatives.
- (d) If one or more of the covenants contained in this Restrictive Covenant is/are at any time during the term hereof held by any Court of competent jurisdiction to be invalid or unenforceable in the manner contemplated herein, then such covenant(s) shall be severable from those remaining and such severance will in no manner prejudice the effect or enforceability of those remaining in accordance with their intent.
- (e) If any conflict should arise between the wording of the covenants contained in this Restrictive Covenant and the wording contained in any Agreement in respect of the Servient Lands, the wording contained herein will prevail in all instances.
- (f) The word Grantor and all words thereon or relating thereto shall be read and construed as in the plural instead of the singular number if there be more than one Grantor named and in such case the covenants will be deemed to bind the Grantors severally as well as jointly.

The Grantor and Grantee have affixed their Corporate Seal by the hands of their proper officers the date and year indicated above.

The Grantor:

MULGREW ENTERPRISES LTD.

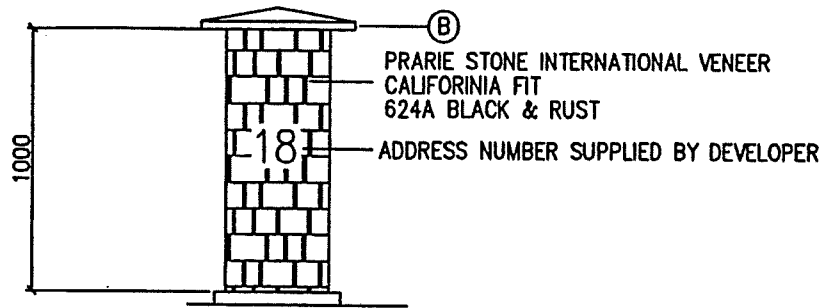
PER  c/s

The Grantee:

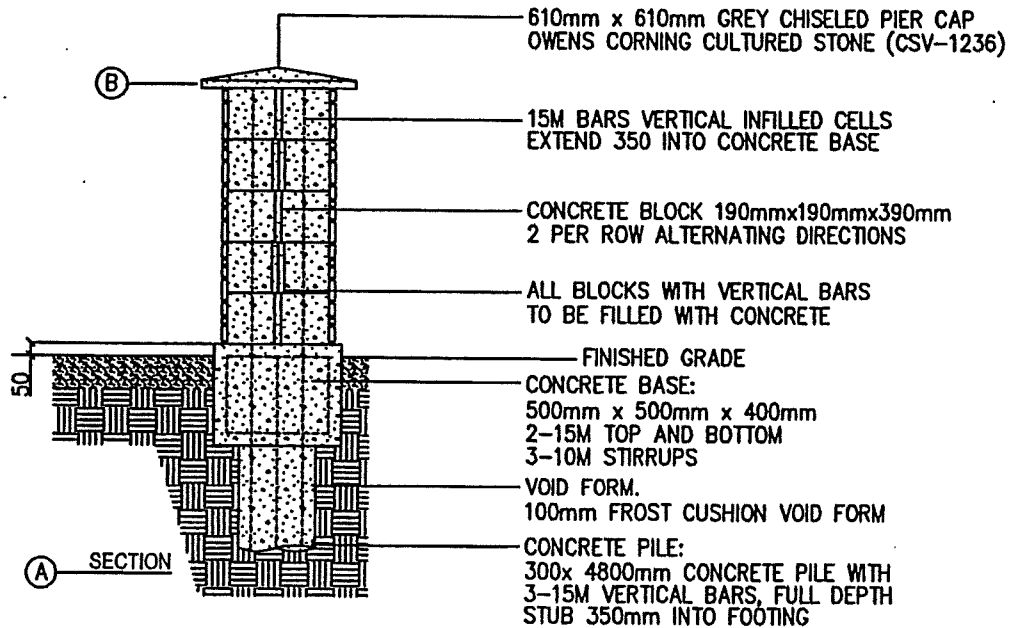
MULGREW ENTERPRISES LTD.

PER  c/s

PILLAR DETAIL



ELEVATION



TYPICAL 1.0M COLUMN LAYOUT

DEVELOPMENT:

THE RANCH COUNTRY ESTATES

ORIGINAL	11/10/2008
REVISION 1	11/19/2008

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