CAVEAT FORBIDDING REGISTRATION

TO THE REGISTRAR OF the South Alberta Land Registration District.

TAKE NOTICE that GROTTO MOUNTAIN VILLAGE LTD., of the Town of Canmore, in the Province of Alberta, claims an interest pursuant to an agreement granting a restrictive covenant which agreement is in writing and attached hereto as Schedule "I" and dated July 20, 1993 in the following lands:

PLAN 9212633 BLOCK 8

EXCEPTING THEREOUT ALL MINES AND MINERALS

as more particularly described in certificate of title number 93/174803 standing in the register in the name of GROTTO MOUNTAIN VILLAGE LTD. and it forbids the registration of any person as transferee or owner of, or of any instrument affecting the said estate or interest, unless the instrument or certificate of title, as the case may be, is expressed to be subject to its claim.

IT APPOINTS Box 3090, CANMORE, Alberta TOL 0M0 as the place at which notices and proceedings relating hereto may be served.

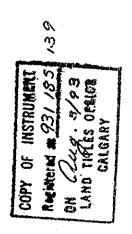
DATED this 20th day of July, A.D. 1993.

GROTTO MOUNTAIN VILLAGE LTD.

Per:

Frank Kernick, Agent for Grotto Mountain

Village Ltd.



CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, Frank Kernick
) of the Town of Canmore,
) in the Province of Alberta,

i make oath and say as follows:

- I am the agent for the above named Caveator.
- 2. I believe that the said Caveator has a good and valid claim upon the said land and I say that this Caveat is not being filed for the purpose of delaying or embarrassing any person interested in or proposing to deal therewith.

SWORN BEFORE ME at the Town of Canmore, in the Province of Alberta, this 30th day of July, A.D. 1993.

A Commissioner for Oaths in and for the Province of Alberta.

FRANK KERNICK

RESTRICTIVE COVENANT AS TO THE USE OF LAND

KNOW ALL MEN BY THESE PRESENTS, that GROTTO MOUNTAIN VILLAGE LTD. (hereinafter called "Grotto"), being registered owner of an estate in fee simple in possession of land situate in the Town of Canmore, in the Province of Alberta, being described as follows:

PLAN CANMORE 921 2633 BLOCK 8

EXCEPTING THEREOUT ALL MINES AND MINERALS

(hereinafter referred to as the "Property"), does for itself and its successors-in-title to the Property, COVENANT AND AGREE to observe and be bound by the covenants described in Schedule "A" attached and in addition by the hereinafter described covenants.

- 1. The Property shall be deemed to form part of a building scheme and the land use and building restrictions and conditions herein and in Schedule "A" attached, shall be deemed to be covenants running with the Property and shall be binding upon and enure to the benefit of the Property or such subsequent portions as may be created by a further plan of subdivision of the same area as may hereafter be filed; and such land use and building restrictions and conditions may only be enforced by Grotto, its representatives, or its successors or its assigns.
- 2. There will not be constructed on the Property any dwelling units or improvements except in accordance with the provisions of Schedule "A" attached and further, in the event of default in respect of this covenant the owner of the Property shall be obliged to remedy any such default, and shall be obliged to remove any improvement erected on the Property or change in the landscaping grades made in default of this restrictive covenant and at the option of Grotto or its representatives, shall in addition to any other obligation, pay to Grotto the costs incurred by Grotto or its representatives in performing or rectifying the Owner's obligations in default of this restrictive covenant.
- 3. Schedule "A" attached hereto shall form part of this Restrictive Covenant. If any covenant or term of this Restrictive Covenant shall, to any extent, be invalid or unenforceable, the remainder of this Restrictive Covenant shall be valid and in force to the extent permitted by law.
- 4. Grotto or its representatives shall be responsible for the interpretation of this building scheme. Any dispute which may arise in connection with the building scheme shall be determined by Grotto or its representatives, successors or assigns, whose decision shall be final and binding.

- 5. Failure on the part of Grotto or its representatives, successors or assigns to enforce promptly and fully the conditions and covenants and restrictions of this building scheme shall not be deemed to be a waiver of Grotto's right to enforce the conditions, covenants and restrictions in this building scheme.
- 6. No action shall lie against Grotto or its representatives, successors or assigns for breach of any one or more of the covenants contained in this Restrictive Covenant. This covenant shall constitute an absolute defence to any such action and may be pleaded as such.

		s whereor								
executed	these	presents	this	20	<u> </u>	of	75	14	',	1993.

GROTTO MOUNTAIN VILLAGE LTD.

Per:	Wart Krock	
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Per:		

GROTTO MOUNTAIN VILLAGE

SCHEDULE A

ARCHITECTURAL CONTROL GUIDELINES

Grotto Mountain Village Inc.

INTRODUCTION

The purpose of these Architectural Control Guidelines is to help ensure that Grotto Mountain Village subdivision is an attractive, aesthetically pleasing place to live for the long term benefit of all community members. The guidelines are intended to provide guidance to all community members in their future design of all structures, landscaping and fencing. Accessory buildings should be compatible in style with the design of the Manufactured Home but should also have variety and individuality such that the area has its own special character within the overall community. A pleasant visual appearance is obtained by how a group of homes and their accessory buildings relate one to another.

The Architectural Controls for Grotto Mountain Village will be first administered by Grotto Mountain Village Ltd. (the" Developer", (678-6043) and then at a time designated by the Developer turned over to the Grotto Mountain Village Residents Association. Both will be referred to as the Developer in the following.

The Architectural Controls and Guidelines outlined in this document shall include the Town of Canmore Design Guidelines, the concept of zero lot line, 3m maintenance easements, lot grades, landscaping, home design, home size, accessory buildings, additions, exterior finishes, decks, sheds, fence design, garages and carports.

1.0 TOWN OF CANMORE DESIGN GUIDELINES

1.1 SIZE OF LOT

- i) The minimum area of site for single wide home will be 372 Sq.m. (4,000 Sq. ft.).
- ii) The minimum area of site for double wide home will be 465 Sq. m. (5,000 Sq. ft.).
- iii) The minimum width of site for a home will be 12.2 m. (40ft).

1.2 SETBACK

- i) The front yard setback for all units will be 4.6 m. (15ft).
- ii) The minimum side yard setback for all internal sites will apply Zero Lot line siting as illustrated in figure 1. A zero lot line easement for the benefit of certain lots has been registered by caveat against the title of the neighboring lot. The 3m (10ft) easement will provide for the required fire separation, eave and footing encroachment as well as access for maintenance of the Manufactured Home. The zero lot line easement will also provide for the

installation of a natural gas line, electrical, telephone, cable T.V., and associated meters and other services to be connected to the Manufactured Home.

- iii) The minimum side yard setback for street side of corner sites will be 4.6 m. (15 ft).
- iv) The minimum rear yard setback for the main structure will be 3.0 m. (10 ft).
- v) The minimum rear yard setback for accessory structures will be 0.9 m. (3ft). -
- vi) The minimum rear yard setback for a Private garage with access off a lane will be 1.5m (5 ft)
- vii) Relaxation of the rear yard setback of up to 1.5 m. (5ft) may be considered in conjunction with a corresponding equivalent increase in the front yard setback.
- viii) All accessory buildings not attached to the principal building shall be located at least 1m (3 ft) from the principal building.
- ix) In the event that the owner wishes to obtain a relaxation of a setback requirement they will require the consent of both the Developer and the Town of Canmore.

1.3 SIZE OF HOME

- i) The minimum gross floor area for all homes will be 84 sq. m. (900 sq. ft.).
- ii) The maximum height of the principal buildings will be 6 m (20 ft.). The front elevation all homes will be designed so that the home is not more than 24" off the ground to the bottom of the floor joist. The front yard grade to be used is based on the master grade sheet as design for the subdivision. Some relaxation may be allowed for homes on pie shaped lots that have larger front yard setbacks.
- iii) The maximum height of the accessory structures will be 5m (16 ft.)
- iv) The maximum site coverage for the home including additions and accessory structures will be 40% of the site area.
- v) The maximum site coverage for accessory structures will be 10% of the site area.

1.4 FOUNDATION SYSTEMS

- i) Each Manufactured Home shall be fixed on either a full basement, perimeter foundation walls, concrete piers or wood cribbing (blocking) as required by the Alberta Building code. The foundations of the manufactured home or an addition to the home supported on either preserved wood or wood cribbing must be designed by a Professional Engineer registered in the Province of Alberta.
- ii) All homes and additions on concrete piers or wood cribbing must be skirted as per the approved drawing in figure #2. All skirting must be parged with standard gray parging. It is the obligation of all home owners to upkeep the quality of the skirting by maintaining the parging in an acceptable condition. All access doors must be kept on and in good condition at all times.
- iii) The bottom 2 ft on all basements, walkout basements or perimeter foundations must be parged with standard gray parging. Homes or additions to homes on walkout basements must have siding material of equal quality and color to the existing manufactured home.

2.0 LOT GRADING:

Lot grading and drainage will be in accordance with the subdivisions building grade plan. Particular attention should be given to adjacent lots. Homes and modification to homes should be designed to work with the natural grade of the lot and retaining walls should be kept to a minimum. Where retaining walls are planned an approval will be required from the Developer.

- 2.1 SIDE YARD RETAINING WALLS: Retaining walls on side yards will only be permitted in extreme circumstances and should only be used were grades would exceed a 1:3 slope.
- 2.2 REAR YARD RETAINING WALLS: Retaining walls on rear yards will only be permitted in extreme circumstances and should only be used where grades would otherwise be greater than 1:5 slope.
- 2.3 SETBACK MODIFICATIONS: In areas with severe grading requirements, the Developer may allow modifications to setbacks to minimize the use of retaining walls subject to in all cases the Town of Canmore's approval of such modifications or relaxation's.
- 2.4 RETAINING WALL COLOR: Retaining walls should be colored in natural earth tones to minimize the visual impact and compliment owner landscaping.

- 2.5 DRIVEWAY GRADIENTS: The maximum driveway slope shall not exceed 10% nor be less than 2%.
- 2.6 DRAINAGE SWALES: All grassed, concrete or landscaped drainage swales must maintain free and clear of any obstructions. To maintain the integrity of the subdivision drainage plan the drainage swale must not be disturbed. A overland drainage easement has been registered on some lots in the subdivision in order to protect this drainage pattern.
- 2.7 ROOF DRAINAGE: All roof drainage from the buildings must be directed by eaves troughs and down spouts onto the individual home owners site and must not be directed onto the 3 m easement.

3.0 SITE PLANNING AND HOME APPEARANCE

The basic objective is to ensure that the appearance of the home, garage, fences, any additions etc. contribute to an interesting and harmonious streetscape. Although the specific architectural theme is directed by the nature of the Manufactured Home, there is an expectation that all accessory structures, additions, porches or exterior modifications to the home be of a quality and appearance that will enhance the home and subdivision.

- 3.1 GARAGES/CARPORTS: The option of either a detached garage, attached garage or a carport is available on most lots. The size will be dictated by the required setbacks and maximum site coverage as stated above. Approval is required from the Developer through application as detailed below and then by the Town of Canmore Building Department. All exterior materials used on garages/carports must match the home. No opening windows will be allowed along the wall of a carport or garage because of potential fumes entering the home.
- 3.2 ADDITIONS/ACCESSORY STRUCTURES: All accessory structures and additions shall be factory prefabricated additions, or of an equivalent quality. The design, construction and materials of all additions are to match the principal part of the home. All additions or accessory structures must have complete plans drawn up and be submitted to the Developer for approval prior to their application to the Town of Canmore.
- 3.3 DECKS: All decks that are under 2 ft in height off the ground do not require a complete application but must be kept to under 56 sq m (600 sq ft). All decks off the ground higher than 2 ft must be designed to the Alberta Building Code and be submitted to the developer prior to application to the Town of Canmore.

- 3.4 GARDEN SHEDS: The maximum size for any garden shed will be 15 sq m (160 sq ft). It must match in quality and appearance equivalent to the home. All garden sheds must be approved by the developer.
- 3.5 COLORS: Home exterior colors shall be chosen with the objective of keeping variety throughout the subdivision. The exterior color shall be different from the neighboring lots. At any time in the future if the home owner wishes to change its primary colors on their home they must first submit color samples to the Developer for its permission.
- 3.6 DRIVEWAYS: All front or rear yard driveways shall be constructed of adequately reinforced concrete, pavement or interlocked paving stones. Driveways, carports and garages are only allowed in the rear yards of lots 8 29, blk 1, no off street parking will be allowed on the front of these lots.
- 3.7 FENCES: All fencing within Grotto Mountain Village will be controlled as to the color and design (see figure #3 for design detail). All fences shall be stained Willow Mist Solid Stain as per set formula set by the Developer. The height of the fence is limited to 4 ft in front yards and 6 ft in rear yards. With the zero lot line concept in most situations the home is situated right on the property line, therefore a fence is only required from the back of the home to the rear property line. All fencing must be approved by the Developer prior to construction.
- LANDSCAPING: The Developer has landscaped the front yards of all homes but it is the home owners responsibility to establish the sod. Over the distribution of the home owner to landscape the balance of his yard within a year from the possession date in order to give the subdivision a pleasant aesthetic appeal. Application for a relaxation of up to one additional year may be made to the Developer but will only be granted in extraordinary circumstances. All portions of the site not covered by structures, decks, parking or vehicular circulation areas shall be landscaped. Default of this condition gives the Developer the right to contract a professional landscaper to complete the site and charge the owner all associated costs involved. The home owner agrees to charge his lot in the Subdivision with any amounts that he may owe to the Developer in the event of the home owner's default of the terms of this clause.
- 3.9 EAVES TROUGHS: Eaves troughs are to be made of prefinished aluminum and of similar color to match the home trim.
- 3.10 CHIMINEYS: All fireplace chimneys on an outside wall, or extending more than 600mm above the roof, shall be enclosed with a suitable complementary material (eg. wood, brick, stucco etc.).

3.11 NEW HOME: A homeowner may be allowed to upgrade in the future to a new home as this potential is possible with manufactured housing. This would only be allowed subject to approval from the Developer and that the new home met all the requirements and conditions contained in these Architectural controls and any other conditions the Developer required at that time.

4.0 ACCESSORY BUILDINGS

As with the site planning objectives the basic objective of these controls is to ensure that all accessory buildings (ie. wood sheds, garages etc.) provide a cohesive appearance to the Grotto Mountain Village subdivision.

- 4.1 COLORS: It is recommended that all accessory buildings have color schemes to match the home. Colors must be approved by the Developer.
- 4.2 SIDING: Allowable siding materials include, wood, brick, stone, aluminum, vinyi, drag finish stucco.
- 4.3 ROOF: All attached garages on single wides must have an intersecting gable roof line into the existing roof on the home. Sectional may have the roof line continue down with the existing roof on the add on. Double wides may have either an intersecting gable or an inline gable roof. All accessory building to have asphalt shingles the same color as the principal building. Metal roofs will be allowed on carports, but only light earthtone colors. Color and design must be approved by the Developer.
- 4.4 ROOF PITCH AND OVERHANG: All accessory building roofs shall have a minimum 2/12 pitch with minimum 400mm (12") overhang.
- 4.5 GARAGE DOORS: Garage doors (preferably wooded raised panel style) shall be painted with a color compatible with the home color.

5.0 OBJECTS PROHIBITED OR RESTRICTED

- 5.1 MISCELLANEOUS ITEMS: The following items are not permitted without written permission from the developer.
 - i) cloineslines
 - ii) C.B. antennas or any other form of antenna
 - iii) satellite dishes
- 5.2 RECREATIONAL VEHICLES AND UTILITY TRAILERS: The permanent storage of any R.V or utility trailer on the lot is prohibited. An R.V. Storage lot has been provided through the Community Association. A fee set from time to time by the Community Association may be charged for the use of the R.V. Storage lot.

6.0 BUILDING COMMITMENT

In order to ensure all prospective home owners that all home construction will be completed in a certain time frame the Developer of Grotto Mountain Village has decided to have a building commitment on all Accessory structures and in most cases will require a security deposit. This is to ensure that construction of the accessory building and decks are completed within a reasonable time period from the date in which construction commenced. These time periods and the amount of the security deposit has been specified in Table #1 below. In the event the Builder/Owner is in default of any of the terms and conditions contained in these Architectural Control Guidelines with respect to the completion of the construction of any accessory structure as specified in Table #1, the Developer shall have the option to retain the deposit or portion thereof and use the money as deemed necessary, to rectify the non-compliance. In the event that the deposit is not sufficient to cover the costs of completing the Accessory Structure the home owner shall pay all additional costs to the Developer. The home owner agrees to charge his lot in the Subdivision with any amount that he may owe to the Developer in the event of the home owners default of the terms of this clause. This is intended to ensure all residents of Grotto Mountain Village can enjoy a complete, clean and quiet neighborhood within a reasonable time period.

Table #1

Type of Accessory Structure	Time Period	Deposit Required			
Attached Garage	1 year		\$500		
Detached Garage	1 year		\$500		
Garden Shed	6 months		\$100		
Carport	6 months		\$250		
Additions	1 year		\$500		
Fence	6 months		\$250		
Deck (Under 3 ft off the ground)	6 months	į	no fee		
Deck (Over 3 ft off the ground)	6 months	<i>!</i>	\$2 50		

7.0 GENERAL PROCEDURE FOR APPROVAL AND CONSTRUCTION OF ACCESSORY STRUCTURES

7.1 PRELIMINARY APPROVAL: Owner reviews proposed accessory building plans with the Developer.

7.2 FINAL APPROVAL: Builder/Owner will be required to submit certain items to the Developer for the final approval. Please allow one week for final approval.

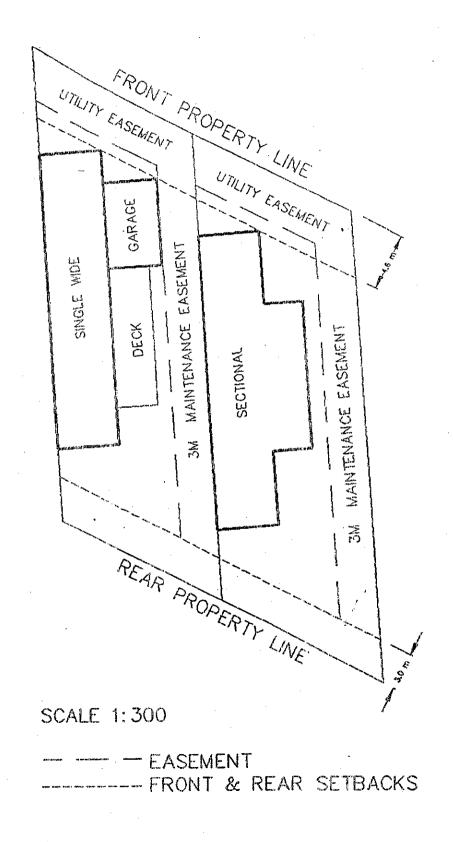
The following items shall be delivered to the Developer.

- a) two complete set of plans drawn to a 1/4" scale or a 1:50 for metric plans. One set will be retained by the Developer. All plans are to be properly drawn, incomplete plans will not be accepted. The drawings must contain all necessary detail including some of the following; floor plans, basement plan, cross section and all exterior elevations. Exterior materials must be drawn on and clearly identified.
- b) color swatches or a sample board identifying all exterior colors must be provided.
- c) upon request the Developer will provide the Owner with a lot elevation/grade slip. It will be the responsibility of the Builder/Owner to retain the services of a Certified Surveyor to produce a grade plan for any accessory structures to ensure their proper location. A grade plan might be necessary for some accessory buildings prior to approval.
- d) The security deposit is to ensure the performance of the Owners obligations under the terms of these guidelines. Payment of the security deposit shall in no way be deemed to limit the liability of the Purchaser. The security deposit shall be repaid without interest to the Purchaser upon written application, subject to the purchaser first having performed all of its obligations under the Architectural Design Guidelines. The home must be completed as per the approved accessory building plans, including all landscaping as required. If the Owner defaults on the above requirements within the specified time period as listed in Table #1 from the date of commencement of construction, the Developer shall retain the deposit or portion thereof and use the money as deemed necessary, to rectify the non-compliance. If the cost to correct the non-compliance exceeds the value held then the balance will be charged to the Owners.
- 7.3 TOWN OF CANMORE APPROVALS: The Owner is required to obtain the necessary approvals from the Town of Canmore. All accessory structures and decks over 3 ft off the ground will require a Building permit and possibly a Development Fermit for any accessory structure requiring a variance to either the maximum height, maximum coverage of site, front, rear or side yard setback and is subject to an appeal process of 14 days. The Town of Canmore could also requires a security deposit and associated Building Permit fee. Cost of repair due to Owner damages to any underground or surface utilities, street lighting, fencing, transformers, or concrete drainage swales, etc.. The associated cost will be charged by the Town of Canmore to the Owner responsible as per the required levy for each building permit.

7.4 FINAL INSPECTION: Final inspection will be done when the Owner notifies the Developer that he is completely finished the construction of the accessory structure to the approved plans, finishing materials, colors, grades, and landscaping. The security deposit will be returned only after the improvements are completely finished. After passing final inspection the Developer will return the deposit to the Owner within 14 days.

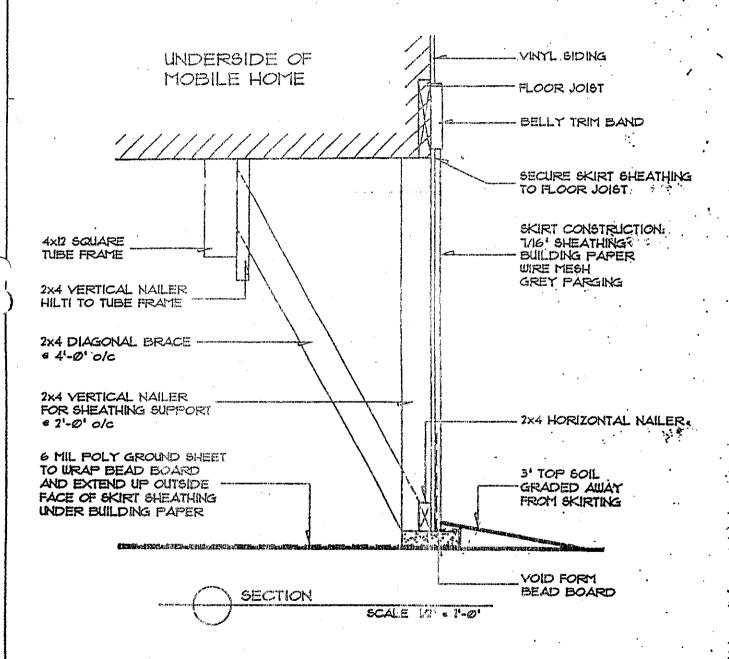
Please Note, the requirements contained in this document in no way limit the legal liability of the Builder/Owner in respect of any act, statute, code or Town of Canmore Bylaw. No omission by the Developer to enforce the strict performance of its rights under these Architectural Control Guidelines shall operate as a waiver of any of these rights. No waiver shall be effectual unless in writing, and any such waiver shall not extend to any subsequent breach. It is agreed that the Developer shall not be held liable for any failure to enforce it's right against the Builder/Owner of any of the lots in the subdivision.

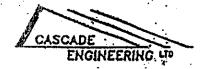
FIGURE 1: ZERO LOT LINE SITING



GROTTO MOUNTAIN VILLAGE

SKIRTING DETAIL

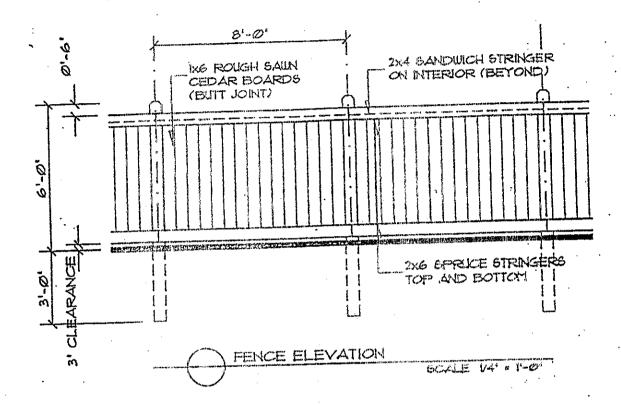


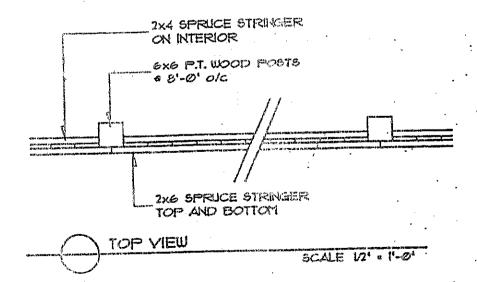


Box 1551, Conmore, Alberta TOL OLO

GROTTO MOUNTAIN VILLAGE

WOOD FENCE DETAIL







Box 1551, Coamere, Alberta Tot. 040 Telephone (403) 678-4211. RE

RESTRICTIVE COVENANT

CAVEAT

I, certify that the within instrument is duly Entered and Registered in the Land Titles Office for the South Alberta Land Registration District of Calgary, in the Province of Alberta.

Registrar A.L.R.D.

PETER PERREN
BARRISTER AND SOLICITOR
726 - 10TH STREET
P.O. BOX 3090
CANMORE, ALBERTA
TOL OMO

Solicitor's File No. 3302 PP

RESTRICTIVE COVENANT AS TO USE OF LAND

THE LAND TITLES ACT

l certify that the within instrument is duly entered and registered in the Land Titles Office for the Southern Alberta Land Registration District at Calgary, in the Province of Alberta, at o'clock Mon the day of A.D., 19 Number Book Folio

Registrar

PETER PERREN
Barrister and Solicitor
Box 3090
726 - 10th Street
Canmore, Alberta
TOL 0M0

File No.