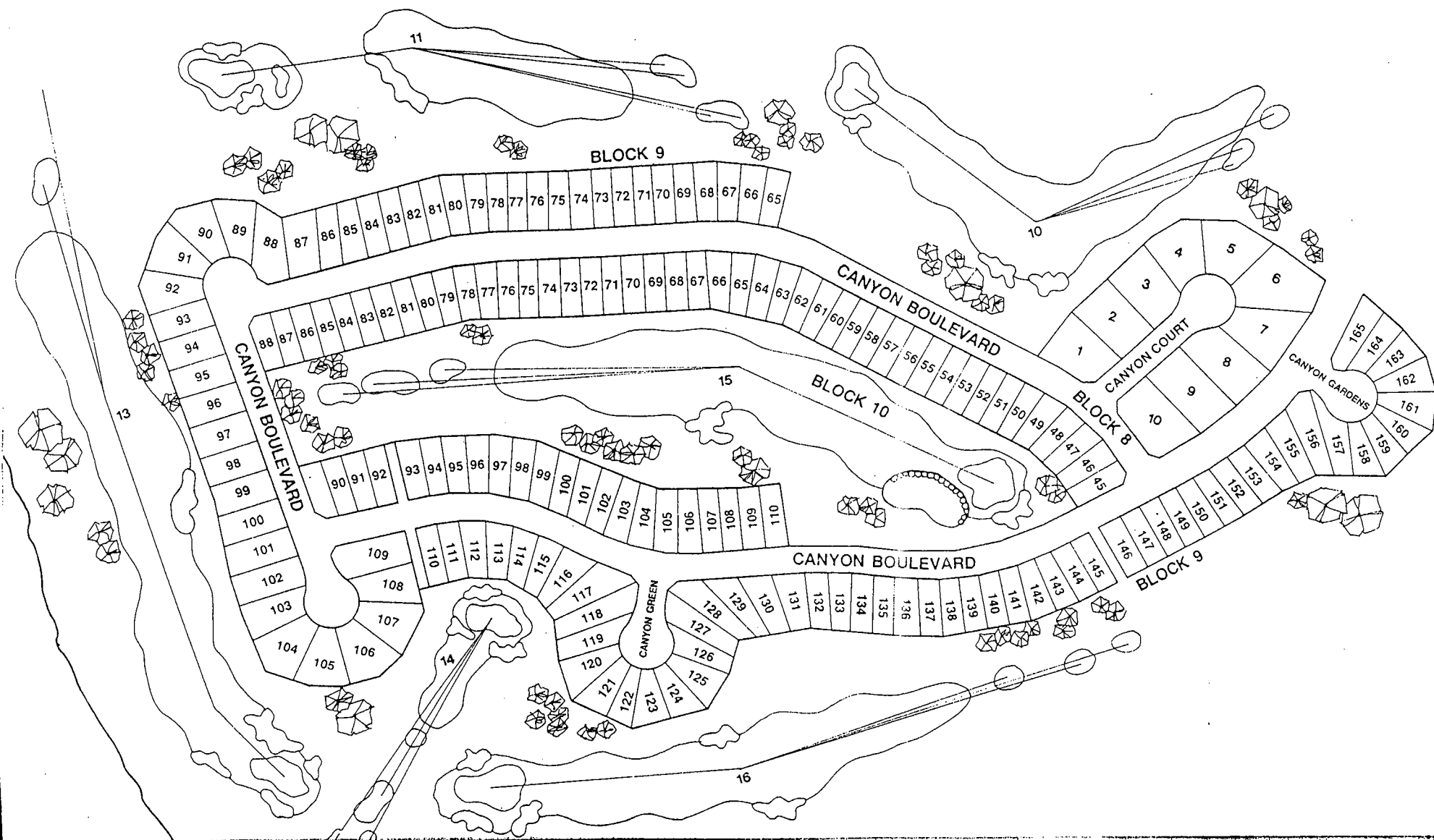


**THE VILLAS
AT
PARADISE CANYON**

HOMEOWNER DOCUMENTS

SITE PLAN AND LANDSCAPE PLAN
EXTERIOR ARCHITECTURAL CONTROLS
PROPOSED MANAGEMENT AGREEMENT
RESTRICTIVE COVENANTS
EXISTING ENCUMBRANCES
PROPOSED BY-LAWS
INCORPORATION AS A SOCIETY
HOMEOWNER ASSOCIATION AGREEMENT
PARTY WALL AGREEMENT
NEW HOME WARRANTY ENROLMENT

THE VILLAS
PARADISE CANYON
GOLF & COUNTRY CLUB



DATED: June 26th, 1991

396976 ALBERTA LTD.

- AND -

PARADISE VALLEY GOLF AND COUNTRY
CLUB LIMITED as General Partner
for and on behalf of
PARADISE VALLEY GOLF AND
COUNTRY CLUB LIMITED
PARTNERSHIP

RESTRICTIVE COVENANT

MCLEOD & COMPANY
Barristers & Solicitors
#800, 11012 Macleod Trail South
Calgary, Alberta
T2J 6A5

Solicitor's File 1-19053-1

Paradise
Valley

RESTRICTIVE COVENANT

WHEREAS 396976 ALBERTA LTD. (hereinafter referred to as "396976") is the registered owner of lands all as more particularly described in Schedule "A" attached hereto (hereinafter referred to as "Schedule "A" Lands");

AND WHEREAS PARADISE VALLEY GOLF AND COUNTRY CLUB LIMITED, AS GENERAL PARTNER FOR AND ON BEHALF OF PARADISE VALLEY GOLF AND COUNTRY CLUB LIMITED PARTNERSHIP, with offices at #1000, 400-3rd Avenue S.W., in the City of Calgary, in the Province of Alberta, (hereinafter referred to as "Paradise Valley") has leased the Schedule "A" Lands from 396976;

AND WHEREAS Paradise Valley is developing the Schedule "A" Lands into a Golf Course complete with related amenities;

AND WHEREAS Paradise Valley is also the registered owner of those lands all as more particularly described in Schedule "B" attached hereto, which lands shall be subdivided by a Plan of Subdivision which shall result in the creation of 176 lots (more or less) (hereinafter referred to individually as a "Lot" or collectively as the "Lots");

AND WHEREAS the Lots are located adjacent to or within close proximity to the Schedule "A" Lands;

AND WHEREAS 396976 and Paradise Valley are desirous of ensuring that future development of the Lots and future use on or in connection with the Lots shall not adversely affect the golf course located on the Schedule "A" Lands or the use and enjoyment thereof by Paradise Valley, its members and their successors or assigns;

AND WHEREAS 396976 and Paradise Valley intend that the development of the Lots and any future use, on or in connection with the Lots, shall be subject to the restrictions set out herein;

NOW THEREFORE Paradise Valley, as owner of the Lots, for itself and for every subsequent transferee of a Lot or Lots and each and every other person or party deriving title to any of the Lots through any other means whatsoever, hereby covenants and agrees with 396976, its successors and assigns, to observe and be bound by the following provisions, namely:

1. Covenants Running With the Land

The various land use and building restrictions hereinafter described as being applicable to the Lots, shall be covenants running with the title to the Lots and shall enure to the benefit of the Schedule "A" Lands and each of the Lots and shall be binding on each of the Lots and may be enforced by Paradise Valley or the owner or owners from time to time of any of the Lots but by no other person or party whatsoever, it being understood that the Schedule "A" Lands are the dominant tenement and the lands described in Schedule "B" are the servient tenement to the Schedule "A" Lands as well as the dominant and servient tenements to each other.

2. Binding on the Parties Hereto

The land use and building restrictions hereinafter described as being applicable to the Lots, shall be binding on Paradise Valley, each and every transferee of a Lot or Lots and every other person or party deriving title to the Lots by any other means whatsoever, but only so long as that party is an owner of a Lot but shall no longer bind Paradise Valley or its successors in

title to a Lot, as the case may be, after it or they are no longer the registered owner of a Lot. The provisions of this paragraph 2 shall constitute an absolute defence and may be pleaded as such.

3. Restrictions on Development and Use

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

4. Residential Purposes

No residential dwelling, other than one to be used for private residential purposes together with such buildings or structures as may be necessarily accessory thereto, may be built on the Lots. No such accessory buildings shall be built that do not conform in architectural style and exterior finish with the residential building located on the Lot.

5. Compliance with Architectural Guidelines

- (i) The owner of a Lot shall not construct, locate, alter, renovate, paint, stain, refinish or use or suffer 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 by Paradise Valley, such approval granting authority being hereinafter referred to as the "Approving Authority";
- (ii) Any such approval requested by the owner of a Lot shall not be unreasonably delayed or withheld;

(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 the plans and specifications approved by the Approving Authority;

(iv) The Approving Authority shall have the exclusive right to amend or change the architectural guidelines established for the Lots at its sole discretion; and

(v) 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 Approving Authority and any approval withheld on that basis shall be conclusively deemed to have been reasonably withheld.

6. Further Subdivision of the Lot

Further subdivision of a Lot shall not be allowed without the prior written consent of Paradise Valley.

7. Condominiums

No condominium plan shall be registered with respect to any of the Lots resulting in condominium titles being issued with respect to those Lots, unless the owner or owners from time to time of each condominium title and the condominium corporation is bound by all of the terms and conditions of this Restrictive Covenant with respect to the common property of the condominium and to such owner's condominium unit as if such owner or the condominium corporation was the owner of a Lot as contemplated herein.

8. No Storage

Except during the construction of an improvement on a Lot, the Lot shall not be used for the storage of any materials, vehicles or equipment other than such as 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 parked or stored on or adjacent to a Lot:

- (i) Large trucks (over 1 ton);
- (ii) Motor homes, travel trailers, campers (whether or not mounted on a vehicle), boats and canoes, motorcycles, skidoos, 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 terms 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 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. Garbage

No garbage or refuse may be:

- (i) stored or accumulated on a 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 a Lot or from the Schedule "A" Lands;
- (ii) burned on the Lot; or
- (iii) stored or accumulated in such a way as to in any way be accessible or an attraction to animals.

10. Visual Appearance and Landscaping

- (i) The exterior of every building, structure and improvement on a 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 a Lot not occupied by a building or driveway shall not be left in an unsightly or untidy condition and shall not be disturbed by the owner of the Lot other than to provide landscaping and maintenance at the highest possible standard;
- (iii) No excavation shall be made on a Lot except for the construction of a building or other improvement on the Lot or in connection with the gardening on or the landscaping or drainage of the Lot;

- X(iv) No soil, sand, gravel or similar material may be removed from the Lot without 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 owner of the Lot without the prior authorization of the Approving Authority; and
- (vi) No clothes line or similar device (whether temporary or permanent) for the drying of clothes or dry goods shall be permitted on the Lots.

11. Hunting and Shooting

No hunting, trapping or shooting of firearms shall be allowed on the Lots.

12. Underground Utilities and Sewage Disposal

- (i) No utilities, including without restricting the foregoing, no electrical, cable television or telephone service, shall be provided to a Lot or to any building or improvement on a Lot unless such utilities are brought to the Lot or to the building or improvement on the Lot by lines or pipes installed underground; and
- (ii) Sewage generated on a Lot shall not be disposed of in any other manner except by means of an adequate underground sewage septic field or other underground facility. No sewage disposal arrangements with respect to the Lot shall be allowed to cause any nuisance whatsoever to the Schedule "A" Lands.

13. Satellite Dishes

No satellite dishes or other television, telephone, telegraph or telecommunication reception device shall, without the prior written consent of the Approving Authority, be installed on the Lots or the Schedule "A" Lands. The consent of the Approving Authority, as required hereunder, shall not be unreasonably withheld.

14. Animals

(i) No raising or keeping of livestock, including without restricting the foregoing, cattle, horses, sheep, goats, donkeys, rabbits, poultry, wild animals or fur bearing animals shall be permitted on a Lot;

(ii) No dogs or cats shall be permitted on a Lot without the prior written consent of the Approving Authority, which consent may be arbitrarily withheld, and may, if given, be withdrawn at any time on seven (7) days notice to that effect. All cats and dogs approved must be hand leashed or carried and kept under control and in the custody of a responsible person at all times; and

(iii) In any event, no more than two cats and no more than one dog, as approved by the Approving Authority, may at any one time be kept on a Lot.

15. Residential Use Only

No business, commercial or industrial activity shall be carried out or permitted on a Lot which may adversely affect the Schedule "A" Lands or the Lots because of any noise or traffic caused by any such activity or the visibility of any such activity.

16. Off-Road Vehicles

Skidoos, 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 a Lot. The foregoing shall, however, not preclude the use and storage of a golf cart on a Lot provided the use and storage complies with the provisions of covenants contained herein.

17. Duration of Construction

The construction of any building or other improvement on a Lot shall be fully carried out and completed within one year after the commencement of such construction. Any building or other improvement not fully completed within that period of time shall be forthwith torn down and fully removed from the Lot in question, by and at the expense of the owner of the Lot, on a written demand from the Approving Authority to the owner of the Lot and the owner of the Lot shall have thirty (30) days from receipt of the written demand of the Approving Authority to comply with same.

18. No Camping

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

19. Fires

No open fires shall at any time be started or permitted on the Lots.

20. Fencing

An owner of a Lot shall not permit, suffer or allow any fence once constructed on the rear or side lot line of a Lot:

(i) to be removed, altered or otherwise changed unless replaced with an identical fence which is of the same dimensions, materials, and colours and offers equal screening to the lands abutting the Lot; or

(ii) to be or become in a state of disrepair, damage or unsightly appearance whether such condition arises from the failure to maintain or from weathering, reasonable wear and tear, accident or otherwise, whether within or beyond the control of the owner of the Lot.

No fences shall be placed or constructed on a Lot, other than those fences that are placed or constructed on certain of the boundaries of Lots 45, 88, 89, 92 & 93 in Block 10 and Lots 86, 87, 108, 109, 110, 145, 146, 163, 164 & 165 in Block 9.

21. Signs

No signs or advertising matter of any kind shall be displayed on a Lot other than reasonable signs offering a Lot for sale and a sign indicating the name of the owner of a Lot and/or the local address of a Lot.

22. Access Paving

(1) No driveways and access roads which give access from a Lot to a public roadway and no parking areas on a Lot shall be constructed unless such driveways, access roads and parking areas have been paved and completed

within ten (10) months following the completion of the construction of a residential dwelling located on a Lot;

(ii) No potholes or other material blemishes on the paved surface of driveways, access roads or parking areas shall be allowed to occur; and

(iii) All references to paving and paved surfaces in subclauses 22(i) and 22(ii) above:

(a) shall mean pavement having a thickness of not less than 3-1/2 inches of dura-mix concrete pavement; or

(b) may not include other treatments of the areas except for interlocking paving stone, or other similar materials provided that in each such case, prior approval in writing must be obtained from the Approving Authority.

23. Underground Sprinkler System

An owner of a Lot shall not permit, suffer or allow the restriction, impairment, impediment or alteration of, or other interference with, any underground sprinkler system on the Lots, including the repair and operation of such sprinkler system.

24. Maintenance of the Lot

An owner of a Lot shall not permit, suffer or allow:

(1) the accumulation of snow on driveways or sidewalks on a Lot;

- (ii) the lawns, trees, shrubs and flower beds on a Lot to exist without weekly, or as otherwise required, maintenance; and
- (iii) the colors or materials on the exterior of the building erected on the Lot to be changed or altered without the approval in writing of the Approving Authority.

25. Enforcement

- (i) The land use and building restrictions set forth herein may be enforced by Paradise Valley or by any other person or party whatsoever who is an owner of a Lot, at its or their own cost;
- (ii) In the event of a breach of any of the provisions hereof, Paradise Valley, or any owner of a Lot, may commence such legal proceedings for the enforcement of the provisions contained herein, for damages and for any other appropriate remedy as may be deemed appropriate in either law or in equity; and
- (iii) In the event that Paradise Valley or any owner of a Lot commences legal proceedings as a result of a breach of any provision hereof, and in the event that Paradise Valley or any owner of a Lot is successful in whole or in part in such proceedings, then the owner of a Lot in breach or default shall be responsible to pay to the successful party all of the legal fees and disbursements incurred on a solicitor and client basis by the successful party in connection with such legal proceedings and in connection with the breach hereof.

26. Severability

If any provision hereof is made 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, the same shall not invalidate or render in any way unenforceable any of the remaining provisions of this Agreement.

27. No Waiver

Failure by Paradise Valley or any owner of a Lot 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 appropriate signing officers of Paradise Valley.

28. Singular and Plural

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 26th day of June, 1991.

PARADISE VALLEY GOLF AND COUNTRY
CLUB LIMITED as General Partner for
and on behalf of PARADISE VALLEY
GOLF AND COUNTRY CLUB LIMITED
PARTNERSHIP

PER: _____

SCHEDULE "A"
TO RESTRICTIVE COVENANT DATED THE 16th DAY OF June, 1991

The East one-half (1/2) of Section Eighteen (18) Township
Eight (8) Range Twenty-one (21) West of the Fourth (4th)
Meridian excepting thereout those lands lying within the
boundaries of Blocks 6 and 7 Plan 9111507

SCHEDULE "B"
TO RESTRICTIVE CONVEYANT DATED THE 26TH DAY OF JUNE, 1991

The portion of the East one-half (1/2) of Section Eighteen (18)
Township Eight (8) Range Twenty-one (21) West of the Fourth
(4th) Meridian being those lands lying within the boundaries of
Block 6 on Plan 9116327

DATED: June 16th, 1991

394976 ALBERTA LTD.

- AND -

PARADISE VALLEY GOLF AND COUNTRY
CLUB LIMITED as General Partner
for and on behalf of
PARADISE VALLEY GOLF AND
COUNTRY CLUB LIMITED
PARTNERSHIP

RESTRICTIVE COVENANT

MCLEOD & COMPANY
Barristers & Solicitors
#400, 11012 Macleod Trail South
Calgary, Alberta
T2J 6A5

Solicitor's File 1-19053-1

91114679 REGISTERED 1991 07 08
PENC - RESTRICTIVE COVENANT
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411272-04

RESTRICTIVE COVENANT
PURSUANT TO SECTIONS 62 AND 71(1) OF
THE LAND TITLES ACT, ALBERTA

(Fencing)

KNOW ALL MEN BY THESE PRESENTS THAT PARADISE VALLEY GOLF & COUNTRY CLUB LTD. (the "Covenantor") being the registered owner or entitled to become the registered owner of an estate in fee simple in possession of certain lands more particularly described as follows, namely:

LOTS 1-10 INC.
BLOCK 8
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 1-11 INC.
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 29-51 INC.
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 156-165 INC.
BLOCK 9
PLAN 9111859
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 1-33 INC.
BLOCK 10
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 87-109 INC.
BLOCK 9
PLAN 9111906
EXCEPTING THEREOUT
ALL MINES & MINERALS

(the "Lands")

does for itself and its successors-in-title covenant and agree to observe and to be bound by the hereinafter mentioned covenants which shall be deemed to be and shall be covenants running with the Lands and shall be appurtenant to all of the Lands or any portion or portions thereof for the benefit of the Lands,

NAMELY:

1. The Covenantor shall not permit, suffer or allow any fence once constructed on the rear or side lot line of a lot on the Lands:

(a) to be removed, altered or otherwise changed unless replaced with an identical fence which is of the same

dimensions, materials, and colours and offers equal screening to the lands abutting to the Lands; and

(b) to be or become in a state of disrepair, damage or unsightly appearance whether such condition arises from the failure to maintain or from weathering, reasonable wear and tear, accident or otherwise, whether within or beyond the control of the Covenantor.

2. If any provision of this Restrictive Covenant or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Restrictive Covenant shall not be affected thereby and each remaining provision shall be valid and shall be enforceable to the extent permitted by law.

3. The covenants set forth herein shall be binding on the Covenantor and its successors-in-title for such time as it and its successors-in-title remain the registered owner of the Lands and no action shall be against the Covenantor or its successors-in-title unless the Covenantor or its successors-in-title remain the registered owner or owners of the Lands or any part thereof at the time of the alleged breach of the Restrictive Covenant. The provisions of this paragraph 3 shall constitute an absolute defence and may be pleaded as such.

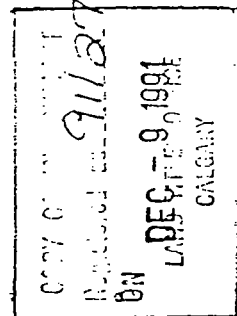
IN WITNESS WHEREOF the Covenantor has executed this Restrictive Covenant, this 25 day of November, 1991.

PARADISE VALLEY GOLF & COUNTRY
CLUB LTD.

Per:  c/s

DATED: _____, 1991

PARADISE VALLEY GOLF
& COUNTRY CLUB LTD.



RESTRICTIVE COVENANT

MCLEOD & COMPANY
Barristers & Solicitors
#800, 11012 Macleod Trail South
Calgary, Alberta
T2J 6A5

Solicitor's File 1-19053-1

911 278 426

CAVEAT FORBIDDING REGISTRATION

TO THE REGISTRAR of the South Alberta Land Registration District.

TAKE NOTICE THAT PARADISE VALLEY HOMEOWNERS ASSOCIATION, of the City of Calgary, in the Province of Alberta, claims an interest under and by virtue of a Homeowners Association Agreement arising pursuant to the provisions of an agreement entered into between the Caveator and PARADISE VALLEY GOLF & COUNTRY CLUB LTD., a copy of which agreement is attached hereto, and which pertains to the following lands:

LOTS 1-10 INC.
BLOCK 8
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 1-11 INC.
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 29-51 INC.
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 156-165 INC.
BLOCK 9
PLAN 9111859
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 1-33 INC.
BLOCK 10
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES & MINERALS

LOTS 87-109 INC.
BLOCK 9
PLAN 9111906
EXCEPTING THEREOUT
ALL MINES & MINERALS

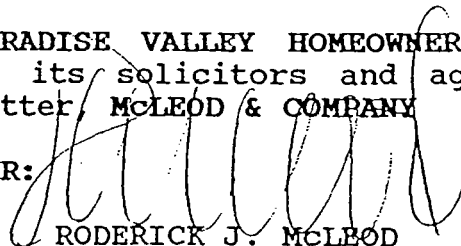
as more particularly described in certificates of title standing in the register in the name of PARADISE VALLEY GOLF & COUNTRY CLUB LTD. and it forbids the registration of any person as transferee or owner of, or of any instrument affecting the said estate or interest, unless the instrument or certificate of title, as the case may be, is expressed to be subject to its claim.

THE CAVEATOR appoints #800, 11012 Macleod Trail South, Calgary, Alberta, T2J 6A5 as the place at which notices and proceedings relating hereto may be served.

DATED this 27th day of November, 1991.

PARADISE VALLEY HOMEOWNERS ASSOCIATION
by its solicitors and agents in this
matter, MCLEOD & COMPANY

PER:



RODERICK J. MCLEOD

- 2 -

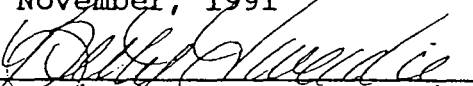
CANADA
PROVINCE OF ALBERTA
TO WIT:

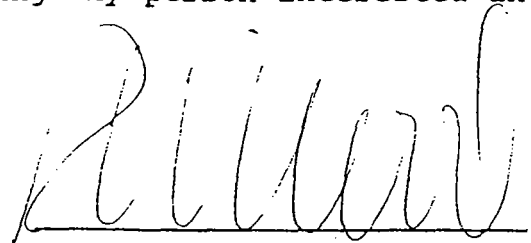
) I, RODERICK J. McLEOD
) of the City of Calgary, in the
) Province of Alberta, Barrister
) and Solicitor, MAKE OATH AND SAY:

1. I am the agent for the above named Caveator.

2. I believe that the Caveator has a good and valid claim upon the said lands 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 City
of Calgary, in the Province
of Alberta this 27th day
of November, 1991


A Commissioner for Oaths in
and for the Province of
Alberta



BETTY TWEEDIE

My Commission expires on the
28th day of February, 1992

DATED: _____, 1991

PARADISE VALLEY GOLF
& COUNTRY CLUB LTD.

- to -

PARADISE VALLEY
HOMEOWNERS ASSOCIATION

E A S E M E N T

McLEOD & COMPANY
Barristers & Solicitors
#800, 11012 Macleod Trail South
Calgary, Alberta
T2J 6A5

Solicitor's File 1-19053-1

E A S E M E N T

(Underground Water Sprinkler System)

PARADISE VALLEY GOLF & COUNTRY CLUB LTD., a body corporate having its registered office at the City of Calgary, in the Province of Alberta (the "Grantor"), the registered owner of an estate in fee simple in possession of those lands legally described as:

LOTS 1-51 INC.
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT ALL
MINES AND MINERALS

LOTS 156-165 INC.
BLOCK 9
PLAN 9111859
EXCEPTING THEREOUT ALL
MINES AND MINERALS

LOTS 1-33 INC.
BLOCK 10
PLAN 9111316
EXCEPTING THEREOUT ALL
MINES AND MINERALS

(the "Lands")

does hereby, in consideration of the sum of One (\$1.00) Dollar, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, give, grant, transfer and make over unto the PARADISE VALLEY HOMEOWNERS ASSOCIATION (the "Grantee") the right, privilege and easement of a right of way through and over the Lands for the purpose of installing, constructing, replacing, repairing, maintaining, inspecting and operating an underground water sprinkler system on the Lands, together with the usual and ordinary appurtenances thereto, including surface sprinklers (collectively, the "System"), subject to the following terms, conditions and covenants, namely:

1. The said easement shall be for such time as the easement is required by the Grantee for the System.
2. The Grantee, its employees and agents, shall have the full and free right and liberty to have ingress, egress and to

pass and repass on the Lands either on foot or by means of vehicles or necessary machines for the purpose of installing, constructing, replacing, repairing, maintaining, inspecting or operating the System.

3. The Grantee in carrying out any of the operations referred to above will do so in a good and workmanlike manner and will cause or do as little damage and inconvenience to the Grantor and the Lands as is possible, and any workings made or done in connection therewith shall, so far as is reasonably practicable, be restored to their former condition. The replacement of trees, shrubs, landscaping (other than grass), fences, walkways and driveways shall be deemed to be impracticable.

4. The Grantor covenants with the Grantee that it will not build, erect or maintain or permit to be built, erected or maintained on the Lands any building, structure or other improvement, including fences, which would:

(a) hinder or prevent the exercise by the Grantee of any of the rights hereunder granted; or

(b) restrict the operation of the System.

5. The Grantee will indemnify and save harmless the Grantor from and against all claims, damages, debts, dues, suits, actions and causes of actions, costs (including legal costs on a solicitor and client basis) or sums of money that the Grantor may suffer or be put to by reason of anything done by the Grantee in the exercise of any of the rights and privileges herein granted.

6. This easement and the covenants herein granted are and shall be covenants running with the Land.

7. The rights, privileges and obligations hereunder shall extend to and shall be binding upon the Grantor and Grantee and their respective successors and assigns and successors-in-title PROVIDED HOWEVER that no action shall lie against the Grantor or its successors-in-title unless the Grantor or its successors-in-title remain the registered owner or owners of the Lands or any part thereof at the time of the alleged breach of its covenants herein. The provisions of this paragraph 7 shall constitute an absolute defence and may be pleaded as such.

IN WITNESS WHEREOF the Grantor and the Grantee have hereunto caused their corporate seals to be affixed and attested to by the hands of their proper officers in their behalf at the City of Calgary, in the Province of Alberta, this 26 day of November, 1991.

PARADISE VALLEY GOLF & COUNTRY
CLUB LTD.

Per: [Signature]
(C/S)

PARADISE VALLEY HOMEOWNERS
ASSOCIATION

Per: [Signature]
(C/S)

DATED: _____, 1991

BETWEEN:

PARADISE VALLEY GOLF &
COUNTRY CLUB LTD.

- and -

STATESMAN VILLAS LTD.

E A S E M E N T

MCLEOD & COMPANY
Barristers & Solicitors
#800, 11012 Macleod Trail South
Calgary, Alberta
T2J 6A5

Solicitor's File 1-19053-1

E A S E M E N T
(Signs & Sign Sites)

PARADISE VALLEY GOLF & COUNTRY CLUB LTD., a body corporate having offices at the City of Calgary, in the Province of Alberta (the "Grantor"), the registered owner of an estate in fee simple in possession of those lands legally described as:

LOT 165
BLOCK 9
PLAN 9111859
EXCEPTING THEREOUT ALL
MINES AND MINERALS

LOTS 12 AND 28
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT ALL
MINES AND MINERALS

(the "Lands")

does hereby, in consideration of the sum of One (\$1.00) Dollar, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, give and grant to STATESMAN VILLAS LTD. (the "Grantee") an easement to and for the benefit of the Lands in and against that part of the Lands shown on the attached Schedule "A" (the "Sign Sites") for the purpose of excavating for and erecting, replacing, repairing and maintaining entrance signs for the Lands (the "Signs") subject to the following terms, conditions and covenants, namely:

1. The said easement shall be for such time as the Sign Sites are required by the Grantee for the Signs.
2. The Signs shall be of such design and construction as may be deemed appropriate by the Grantee and shall be constructed on the Sign Sites.
3. The Grantee, its employees and agents shall have the full and free right and liberty to have ingress, egress and to pass and repass on the Lands either on foot or by means of vehicles or necessary machines for the purpose of erecting, replacing, repairing or maintaining the Signs.

4. The Grantee, in carrying out any of the operations referred to above, will do so in a good and workmanlike manner and will cause or do as little damage and inconvenience to the Grantor and the Lands as is possible, and any workings made or done in connection therewith shall, so far as is reasonably practicable, be restored to their former condition. The replacement of trees, shrubs, landscaping (other than grass), fences, walkways and driveways shall be deemed to be impracticable.

5. The Grantor covenants with the Grantee that it will not build, erect or maintain or permit to be built, erected or maintained on the Lands any building, structure or other improvement, including fences, which would:

(a) hinder or prevent the exercise by the Grantee of any of the rights hereunder granted; or

(b) restrict the visibility of the Signs from the roadway by which the public has access to the Lands.

6. The Grantee will indemnify and save harmless the Grantor from and against all claims, damages, debts, dues, suits, actions and causes of actions, costs (including legal costs on a solicitor and client basis) or sums of money that the Grantor may suffer or be put to by reason of anything done by the Grantee in the exercise of any of the rights and privileges herein granted.

7. This easement and the covenants herein granted are and shall be covenants running with the Lands.

8. The rights, privileges and obligations hereunder shall extend to and shall be binding upon the Grantor and Grantee and their respective successors, assigns and successors-in-title

PROVIDED HOWEVER that no action shall lie against the Grantor or its successors-in-title unless the Grantor or its successors-in-title remain the registered owner or owners of the Lands or any part thereof at the time of the alleged breach of its covenants herein. The provisions of this paragraph 8 shall constitute an absolute defence and may be pleaded as such.

IN WITNESS WHEREOF the Grantor and the Grantee have hereunto caused their corporate seals to be affixed and attested to by the hands of their proper officers in their behalf at the City of Calgary, in the Province of Alberta, this 26th day of November, 1991.

PARADISE VALLEY GOLF & COUNTRY CLUB LTD.

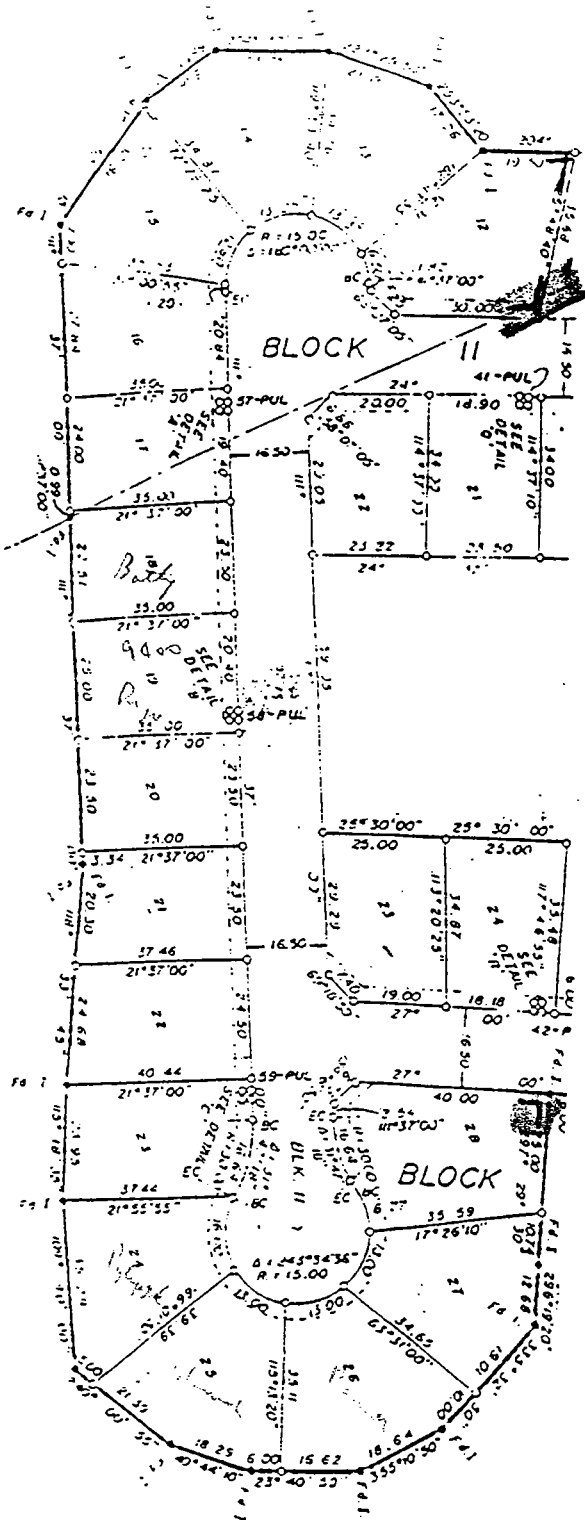
Per: [Signature] (C/S)

STATESMAN VILLAS LTD.

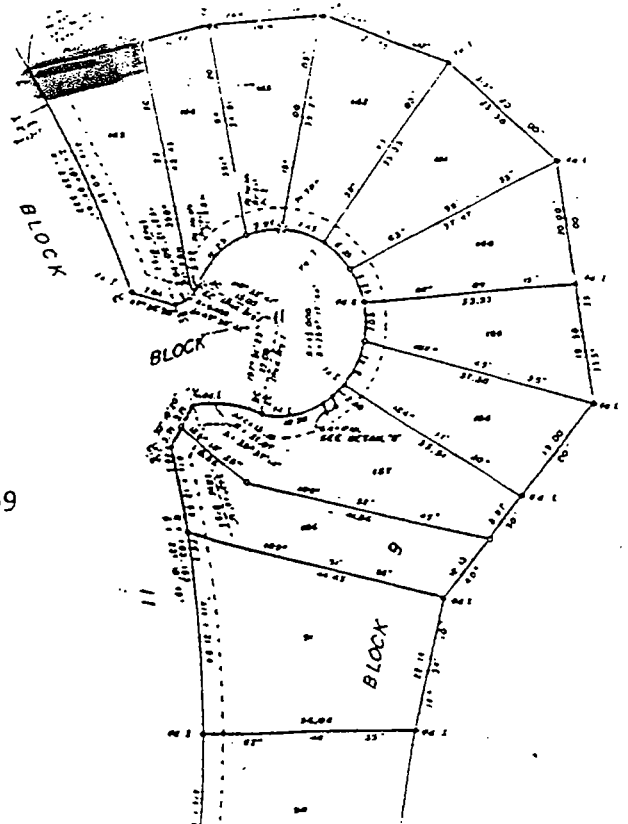
Per: [Signature] (C/S)

SCHEDULE "A"

Sign Sites indicated by "X"



Block 9
Plan 9111316



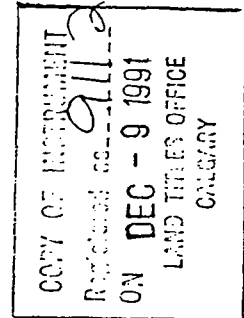
Block 9
Plan 9111859

RE: HOMEOWNERS ASSOCIATION AGREEMENT

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.



MCLEOD & COMPANY
Barristers & Solicitors
#800, 11012 Macleod Trail South
Calgary, Alberta, T2J 6A5

File: 1-19053-1

APPLICATION
for
INCORPORATION AS A SOCIETY

WE, the undersigned, hereby declare that we desire to form a Society under The Societies Act R.S.A. 1980 c.S-18, as amended, and that:

1. The name of the Society is the PARADISE CANYON HOMEOWNERS ASSOCIATION.

2. The objects of the Paradise Canyon Homeowners Association (the "Association") shall be to:

- (a) assume the obligation of servicing and maintaining the Lands (as defined in the Paradise Canyon Homeowners Association Agreement, the "Agreement") on behalf of the Owners (as defined in the Agreement) as more particularly set out in Article 2 of the Agreement;
- (b) employ or contract with such employees, agents, or contractors as the Association deems necessary in order to assist the Association in carrying out its obligations under the Agreement;
- (c) collect all rent charges payable by the Owners under the Encumbrances (as defined in the Agreement) and pay

all such rent charges to the Developer for its maintenance obligations under the Encumbrances;

- (d) assume the benefit and bear the burden of certain restrictive covenants and easements registered on the title to the Lands;
- (e) collect from the Owners monthly dues and other costs in respect of the Association's obligations pursuant to the Agreement; and
- (f) do all lawful things that the board of directors of the Association may, from time to time, deem necessary or desirable to maintain, protect, and enhance the Lands.

3. The objects and activities of the Paradise Canyon Homeowners Association shall be carried on without purpose of gain for its members, and any profits or other gains to the Paradise Canyon Homeowners Association shall be used in advancing its objects.

4. The operations of the Society are to be chiefly carried on in the City of Lethbridge, in the Province of Alberta.

DATED this 25th day of October, 1991.

Subscribers

Name and Occupation

Address

Garth Mann
Businessman

101 - 179 Midpark Way S.E.
Calgary, Alberta T2X 1M2

Raymond Parkins
Businessman

101 - 179 Midpark Way S.E.
Calgary, Alberta T2X 1M2

Bob Bannerman
Businessman

101 - 179 Midpark Way S.E.
Calgary, Alberta T2X 1M2

Gary Berwick
Businessman

101 - 179 Midpark Way S.E.
Calgary, Alberta T2X 1M2

Dar Myers
Businesswoman

101 - 179 Midpark Way S.E.
Calgary, Alberta T2X 1M2

GARTH MANN

Witness

RAYMOND PARKINS

Witness

BOB BANNERMAN

Witness

GARY BERWICK

Witness

DAR MYERS

Witness

SPECIAL RESOLUTION

Special Resolution of the Directors of the PARADISE VALLEY HOMEOWNERS ASSOCIATION, entitled to vote at a meeting of the Board of Directors duly convened, the 8th day of February, 2000.

WHEREAS a review of the Association's By-Laws was completed and it is determined necessary to amend the Association's existing By-Laws.

BE IT RESOLVED AS FOLLOWS:

1. Pursuant to Sections 11(1)(2)(3) of the Societies Act of Alberta, the Association shall amend paragraphs 3 and 14 to read as follows:

"3. "Members" of the Association include:

(a) Any person who is from time to time registered at the Land Titles Office for South Alberta Land Registration District as an owner of any of those lands described as:

Block 8,

Block 9, and

Block 10

Lots 1 - 33 inc.

all registered on Plan 9111316; and

Block 12

Lot 1

registered on Plan 9811919

(the "Lands")

provided however, where more than one person is registered as an owner of any individual lot within the Lands than those persons shall be deemed to be collectively one Member; and

(b) Any person who is registered owner of a residential unit in a Condominium Corporation ("Condominium Unit Owner") located on the Lands described above, provided that the Condominium Unit Owners within a particular Condominium Corporation unanimously voted to become individual Members of the Association, and provided the Condominium Corporation has agreed to cease to be a Member of the Association and where more than one person is registered as an owner of any individual Condominium unit within the Lands such owners shall be deemed to be collectively one Member, and provided that once the individual Condominium Unit Owners unanimously vote

to become Members of the Association they will not be entitled to discontinue their membership."

"14. Each Member of the Association is entitled to one vote at a meeting of the Members."

2. Pursuant to Sections 11(1)(2)(3) of the Societies Act of Alberta, The Society shall insert the following paragraphs proceeding paragraph 14:

"15. All Members of the Association will pay dues to the Association as determined from time to time at the discretion of and invoiced to each Member by the Board of Directors of the Association. Such dues will cover expenses including lawn cutting, snow clearing on sidewalks and driveways, costs such as administrative, legal, auditor and insurance, and other expenses as determined from time to time by the Board of Directors of the Association. Members who are individual Condominium Unit Owners pursuant to By-law 3(b) will pay 50% of the dues that each homeowner Member is required to pay."

"16. In addition to the dues payable under the immediately proceeding paragraph, each Member will, like all other Members of the Association, pay a fee as determined from time to time by the Board of Directors of the Association to cover road expenses for maintenance and snow clearing."

3. Pursuant to sections 11(1)(2)(3) of the Societies Act of Alberta, the entire By-laws of the Association are amended to read as stated in the attached Schedule "A".

4. THAT Articles of Amendment be prepared and that the President of the Association or the Corporate Solicitor be and are hereby authorized to sign the same on behalf of the Association and to attend to registration of the same with Corporate Registry.

DATED at the City of Lethbridge, in the Province of Alberta, and signed by the Directors of the Association, this ____ day of February, A.D. 2000.

LINDA WILLIAMS

CHRIS VAN LENT

ERIC BAKER

DAVID MORTIN

REMIE BENOIT

GARY JOHNSON

DAVID SEBASTIAN

SCHEDULE "C"

THE RESIDENCES AT PARADISE CANYON

EXTERIOR ARCHITECTURAL APPROVAL

FINISH	TYPE/MANUFACTURERS	COLOUR
ROOF	CONCRETE TILE	AUTUMN TAN
MAIN EXTERIOR MATERIAL	STUCCO	MEDIUM IVORY LIGHT BROWN ACCENT
FRONT ENTRANCE	STEEL INSULATED	MEDIUM IVORY GLOSS
GARAGE DOOR	METAL	WHITE
WINDOW GRILLES	WOOD	WHITE
TRIM	OLYMPIC STAIN	CHAMOIS
SOFFIT & FASCIA	PREFINISHED ALUMINUM	WHITE
EAVESTROUGH	PREFINISHED ALUMINUM	IVORY
DOWNSPOUTS	PREFINISHED ALUMINUM	IVORY
SUNDECK	PLYWOOD WIHT DURA DECK	BEIGE TONE
RAILING	IRON	BLACK

SCHEDULE "A"
BY-LAWS
OF
PARADISE VALLEY HOMEOWNERS ASSOCIATION
(the "Association")

INTERPRETATION

1. In these By-laws words referring to a singular number or the masculine gender shall include plural numbers or the feminine gender, as the case may be, and vice-versa, and references to persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

MEMBERSHIP

2. The initial members of the Association shall be the subscribers of the application for incorporation of the Association and these By-laws and such other persons as are subsequently admitted as members of the Association pursuant to By-laws 3 and 5 and remain qualified as members of the Association.

3. "Members" of the Association include:

(a) Any person who is from time to time registered at the Land Titles Office for the South Alberta Land Registration District as an owner of any of those lands described as:

Block 8,

Block 9, and

Block 10

Lots 1 - 33 inc.

all registered on Plan 9111316; and

Block 12

Lot 1

registered on Plan 9811919

(the "Lands")

provided however, where more than one person is registered as an owner of any individual lot within the Lands then those persons shall be deemed to be collectively one

Member; and

(b) Any person who is from time to time a registered owner of a residential unit in a Condominium Corporation ("Condominium Unit Owner") located on the Lands described above, provided that the Condominium Unit Owners within a particular Condominium Corporation unanimously voted to become individual Members of the Association, and provided the Condominium Corporation has agreed to cease to be a Member of the Association, and where more than one person is registered as an owner of any Condominium unit within the Lands such owners shall be deemed to be collectively one Member, and provided that once the Condominium Unit Owners unanimously vote to become individual Members of the Association they will not be entitled to discontinue their membership.

4. A Member who ceases to be registered at the Land Titles Office for the South Alberta Land Registration District as an owner of any of the Lands shall cease to be a Member on and from the date on which he ceases to be registered as an owner of any of the Lands.

5. A person who is not an owner of any of the Lands may be admitted as a Member by the Board of Directors upon the unanimous consent of all Members being obtained in writing.

6. A Member who is not registered as an owner of any of the Lands may withdraw from the membership in the Association by providing written notice to the Board of Directors.

7. A Member who is not registered as an owner of the Lands may be expelled from the Association by an ordinary resolution of the Members passed at a general meeting or special meeting called for that purpose.

ASSOCIATION MEETINGS

8. The directors of the Association shall call an annual meeting of Members to be held not later than 18 months after the date of incorporation of the Association and subsequently not later than 15 months after holding the last preceding annual meeting. The directors may at any time call a special meeting of Members.

9. Any meeting of the Association may be called at any time by the directors and written notice of the time and place of such meeting of Members shall be sent not less than 14 days before

the meeting to:

- a) each Member at the address of the Member as indicated on the records of the Association;
- b) each director; and
- c) the auditor of the Association.

Notice of a meeting of Members sent by mail to a Member is deemed to be sent to the Member on the day on which it is deposited in the mail.

10. All business transaction at a special meeting of Members and all business transacted at an annual meeting of Members, except consideration of the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor, is deemed to be special business.

11. Notice of a meeting of Members at which special business is to be transacted shall state:

- a) the nature of that business in sufficient detail to permit the Member to form a reasoned judgment on that business; and
- b) the text of any special resolution to be submitted to the meeting.

12. A special meeting of Members shall be called by the Chairman of the Board of Directors or the Secretary of the Association upon receipt by him of a petition signed by not less than one-third of the Members in good standing, which petition shall set out the information required under By-law 11.

13. Three (3) Members in good standing shall constitute a quorum at any meeting. If a quorum is present at the opening of a meeting of Members the Members present may, unless the By-laws otherwise provide, proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting, and in the event a quorum is not present at the opening of a meeting of Members, the Members present may adjourn the meeting to a fixed time and place but may not transact any other business.

14. Each Member of the Association is entitled to one vote at a meeting of the Members.

15. All Members of the Association will pay dues to the Association as determined from time to time at the discretion of and invoiced to each Member by the Board of Directors of the Association. Such dues will cover expenses including lawn cutting, snow clearing on sidewalks and driveways, costs such as administrative, legal, auditor and insurance, and other expenses as determined from time to time by the Board of Directors of the Association. Members who are individual Condominium Unit Owners pursuant to By-law 3(b) will pay 50% of the dues that each homeowner Member is required to pay.

16. In addition to the dues payable under the immediately proceeding paragraph, each Member will, like all other Members of the Association, pay a fee as determined from time to time by the Board of Directors of the Association to cover road expenses for maintenance and snow clearing.

17. If a body corporate or other association of persons is a Member of the Association, the Association shall recognize any individual authorized by a resolution of the directors or governing body of the body corporate or association to represent it at meetings of Members.

18. An individual authorized under By-law 17 may exercise on behalf of the body corporate or association he represents all the powers it could exercise if it were an individual Member.

19. Voting at a meeting of Members shall be by show of hands except when a ballot is demanded by a Member entitled to vote at the meeting. A Member may demand a ballot either before or on the declaration of the result of any vote by show of hands.

BOARD OF DIRECTORS

20. Until the first general meeting of the Association, the subscribers to the application for incorporation of the Association shall constitute the Board of Directors of the Association. From and after the first general meeting of the Association there shall be a minimum of five (5) directors on the Board of Directors.

21. Members shall, by ordinary resolution at the first meeting of Members and at each succeeding annual meeting at which an election of directors is required, elect directors each of whom must be a Member to hold office for a term expiring not later than the close of the next annual meeting of Members following the election.

22. If a meeting of Members fails to elect the minimum number of directors required by the By-laws by reason of the disqualification or death of any candidate, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum.

23. The Board of Directors shall, subject to the By-laws or directions given it by majority vote of Members at any meeting of Members properly called and constituted, have full control and management of the business and affairs of the Association.

24. Meetings of the directors shall be held as often as the business of the Association shall require, and at least once every six months.

25. Meetings of the directors shall be held at such time and on such day as the chairman of the board, president or a vice-president, if any, or any two directors may determine. Written notice of meetings of the directors shall be given to each director not less than forty-eight hours before the time when the meeting is to be held at the address most recently provided to the Association by the respective directors. Each newly elected board may without notice hold its first meeting for the purposes of organization and the election and appointment of officers immediately following the meeting of Members at which such board was elected, provided a quorum of directors is present.

26. At all meetings of the directors every question shall be decided by a majority of the votes cast on the question, and in case of an equality of votes the chairman of the meeting shall be entitled to a second or casting vote.

27. Four (4) directors shall constitute a quorum for the transaction of business at any meeting of directors and meetings of directors may be held without notice if a quorum is present, provided, however, that any business transacted at such meetings shall be ratified at the next regularly called meeting of the directors, failing which such business shall be null and void.

28. The directors shall elect a Chairman and Vice-Chairman of the Board of Directors and the Chairman of the Board shall be a member of all committees of directors. He shall, when present, preside at all meetings of the Association and of the Board of Directors. In his absence, the Vice-Chairman shall preside at any such meetings, and in the absence of both the Chairman and the Vice-Chairman, a chairman for that particular meeting may be

elected by the meeting providing a quorum is present.

OFFICERS

29. The directors may appoint as officers individuals of full capacity, specify their duties and delegate to them powers to manage the business and affairs of the Association. A director may be appointed to any office of the Association, and two (2) or more offices of the Association may be held by the same person.

30. It shall be the duty of the Secretary to attend all meetings of the Association and of the directors, and to keep accurate minutes of all meetings. He shall have charge of the seal of the Association which seal whenever used shall be authenticated by the signature of the Secretary and the Chairman, or, in the case of the death or inability of either to act, by the Vice-Chairman. In case of the absence of the Secretary, his duties shall be discharged by such officer as may be appointed by the directors. The Secretary shall have charge of all the correspondence of the Association and be under the direction of the Board of Directors.

31. The Secretary shall also keep a record of addresses for Members of the Association and send all notices of directors' and Members' meetings as required.

32. The Treasurer shall receive all monies paid to the Association and shall be responsible for the deposit of same in such bank the directors may order. He shall properly account for the funds of the Association and keep such books as may be directed by the Board of Directors. He shall present a full, detailed account of receipts and disbursements to the directors when requested and shall prepare for submission to the annual meeting a statement duly audited, as set out in the By-laws, of the financial position of the Association and submit a copy of same to the Secretary for the records of the Association.

33. An officer or director may be removed from office by a majority vote of Members at a duly constituted meeting of Members.

34. Officers shall, in addition to those prescribed by these By-laws, perform duties and exercise such powers of management of the business and affairs of the Association as may from time to time be prescribed by the Board of Directors.

AUDIT

35. The books, accounts and records of the Secretary and Treasurer shall be audited at least once each year by a duly qualified accountant or by two Members of the Association elected for that purpose at the annual meeting. A complete and proper statement of the standing of the books for the previous year shall be submitted by such auditors at the annual meeting of the Association. December 31st in each year shall be the end of the fiscal year of the Association.

36. The books and records of the Association may be inspected by any Member of the Association at the annual meeting of Members or at any time upon giving reasonable notice and arranging a time satisfactory to the officer or officers having charge of same. Each member of the Board of Directors shall at all times have access to such books and records.

GENERAL

37. Unless authorized at any duly constituted meeting of the Members, no officer, director or member of the Association shall receive any remuneration for his services.

38. For the purpose of carrying out its objects, the Association may borrow or raise or secure the payment of money in such manner as it thinks fit, and in particular by the issue of debentures, but his power shall be exercised only under the authority of the Association, and in no case shall debentures be issued without the sanction of a special resolution of the Association.

39. The Board of Directors may suspend from membership in the Association any Member who is in default of any of his obligations of that member to the Association, and such suspension shall continue in effect until such default is remedied.

40. Any Member against whose lands the Association has registered any lien or charge in accordance with any agreement to which such lands are subject and to which the Association is a party shall be suspended from membership in the Association without further act of the directors and such suspension shall continue until such lien or charge is discharged.

41. The By-laws may be repealed, amended or added to by a special resolution passed by a majority of not less than 75% of such Members as are present in person, at a duly constituted

meeting of which 21 days written notice specifying the intention to propose the resolution as a special resolution has been duly given.

DATED this ____ day of February, 2000.

WITNESS

LINDA WILLIAMS

WITNESS

ERIC BAKER

WITNESS

REMIE BENOIT

WITNESS

DAVID SABASTIAN

WITNESS

CHRIS VAN LENT

WITNESS

DAVID MORTIN

WITNESS

GARY JOHNSON

DATED: _____, 1991

BETWEEN:

PARADISE VALLEY GOLF
& COUNTRY CLUB LTD.

- and -

PARADISE VALLEY
HOMEOWNERS ASSOCIATION

HOMEOWNERS ASSOCIATION AGREEMENT

MCLEOD & COMPANY
Barristers & Solicitors
#800, 11012 Macleod Trail South
Calgary, Alberta
T2J 6A5

Solicitor's File 1-19053-1

PARADISE VALLEY HOMEOWNERS ASSOCIATION AGREEMENT

THIS AGREEMENT made the 27 day of NOVEMBER, 1991.

BETWEEN:

PARADISE VALLEY GOLF & COUNTRY CLUB LTD., a corporation duly incorporated under the laws of the Province of Alberta, (the "Developer")

- and -

PARADISE VALLEY HOMEOWNERS ASSOCIATION, a society incorporated pursuant to the Societies Act (Alberta), (the "Association")

PREMISES

A. The Developer is, or is entitled to become, the registered owner of certain lands legally described as follows:

LOTS 1-10 INC. BLOCK 8 PLAN 9111316 EXCEPTING THEREOUT ALL MINES & MINERALS	LOTS 1-11 INC. BLOCK 9 PLAN 9111316 EXCEPTING THEREOUT ALL MINES & MINERALS	LOTS 29-51 INC. BLOCK 9 PLAN 9111316 EXCEPTING THEREOUT ALL MINES & MINERALS
LOTS 156-165 INC. BLOCK 9 PLAN 9111859 EXCEPTING THEREOUT ALL MINES & MINERALS	LOTS 1-33 INC. BLOCK 10 PLAN 9111316 EXCEPTING THEREOUT ALL MINES & MINERALS	LOTS 87-109 INC. BLOCK 9 PLAN 9111906 EXCEPTING THEREOUT ALL MINES & MINERALS

(the "Lands")

B. The Lands are, or shall be, subject to encumbrances as follows:

- 4911 HQ	Zoning Regulations - Subject to the Lethbridge Airport Zoning Regulations
- 741 091 031	Irrigation Counsel Order - This property is included in the Lethbridge Northern Irrigation District
- 911 075 094	Irrigation District Resolution - Part of an irrigable unit
- 911 145 499	Restrictive Covenant
- 911 146 242	Utility Right of Way in favour of the City of Lethbridge

- 911 146 245 Easement
 - * Restrictive Covenant (Fencing)
 - * Sign/Sign Site Easement
 - * Sprinkler System Easement (not affecting lots 1-10, Block 8, Plan 9111307)
 - * Homeowners Association Agreement
 - * Party Wall Agreement (only affecting lots with semi-detached "villa" homes)
 - * Encumbrance to Secure Rent Charge (separately referred to as the "Rent Charge")
- ("*" - denotes "to be registered")

(collectively the "Encumbrances")

C. The terms "Owner" or "Owners" in this Agreement shall include the Developer and all of its successors-in-title to the Lands hereinbefore defined.

D. The Association was incorporated for the purposes of:

- (i) assuming certain maintenance obligations, as set out in this Agreement, in respect of the Lands;
- (ii) coordinating and monitoring the obligations of the Owners of the Lands as required under the Encumbrances; and
- (iii) acting as a liaison between the Rent Charge encumbrancer, 496156 Alberta Ltd. ("496156"), and the Owners of the Lands in respect of the Rent Charge to coordinate and monitor the performance of 496156 and to receive and disburse the monies paid by the Owners thereunder;

all on behalf of the Owners of the Lands, as constituted from time to time.

E. The Developer and the Association intend to evidence and clarify the arrangements and agreements between the

Developer, its successors-in-title and the Association by entering into this Agreement.

AGREEMENT

IN CONSIDERATION OF the premises, the sum of \$10.00 paid by the Developer to the Association (the receipt and sufficiency of which are acknowledged by the Association) and the terms and conditions of this Agreement, the parties agree as follows:

ARTICLE 1 - APPOINTMENT OF ASSOCIATION

1.1 The Developer, for itself and for the Owners, irrevocably and unconditionally appoints the Association to:

- (i) assume the obligation of servicing and maintaining the Lands on behalf of the Owners as more particularly set out in Article 2;
- (ii) employ or contract with such employees, agents, or contractors as the Association deems necessary in order to assist the Association in carrying out its obligations under this Agreement;
- (iii) collect all monies payable by the Owners under the Rent Charge and attend to the payment of invoices submitted by 496156 for its maintenance obligations under the Rent Charge;
- (iv) collect from the Owners monthly dues and other costs, as more particularly detailed in paragraph 2.1(vii) hereof, in respect of the Association's obligations under this Agreement;

- (v) act on behalf of the Owners, as agent for the Owners and as covenantor under the Encumbrances, to do, perform, observe and carry out the duties and obligations of the Owners as covenantor under the Encumbrances and to exercise the rights as granted under the Encumbrances; and
- (vi) do all lawful things that the board of directors of the Association may, from time to time, deem necessary or desirable to maintain, protect, and enhance the Lands.

1.2 The Association accepts the appointment as set out in section 1.1 and agrees to be bound by its obligations set out in this Agreement and to carry out its appointment to the best of its ability. The Association also agrees to assume such other maintenance obligations which the parties may agree upon from time to time.

ARTICLE 2 - OBLIGATIONS OF THE ASSOCIATION

2.1 In respect of the Lands, the Association agrees to:

- (i) ensure all driveways and sidewalks are cleared of ice, snow and other debris;
- (ii) provide for garbage collection from points designated by the Association throughout the Lands;
- (iii) provide for proper maintenance of all fencing, signs, sign sites and underground water sprinkler systems constructed or installed on the Lands by Developer, or the Owners, which are subject to restrictive covenants and easements registered or to be registered on the title to the Lands;

- §(iv) where practicable, establish and maintain suitable lawns, gardens, trees, shrubs, and other landscaping on the Lands;
- (v) place such insurance as shall be required to assist the Association in fulfilling its appointment and obligations pursuant to this Agreement, including, without limitation, to insure against any liability arising from maintaining the Lands and as shall be deemed necessary or desirable by the board of directors of the Association in respect of any other matter;
- (vi) the Association shall estimate and charge the Owners for costs, expenditures and outgoings (whether of a capital nature or otherwise) which may from time to time be required to be expended by the Association in connection with its appointment and its obligations under this Agreement; and
- (vii) the Association shall assess and charge dues to the Owners on a monthly basis where practicable, for such costs, expenditures and outgoings of the Association provided that the Association may, where it deems reasonable and prudent, assess a particular group of Owners or any one or more Owners individually for a cost, expense or outgoing of the Association relating to such one or more Owners. All such assessments and charges for dues shall be determined and assessed against the Owners pro-rata and based on the calculation of rent charged to the Owners under the Rent Charge.

ARTICLE 3 - OBLIGATIONS OF THE OWNERS

3.1 The Owners grant to the Association an interest in the Lands of the nature and to the extent necessary to allow the Association, its agents, employees and contractors (inclusive of subcontractors) to enter upon the Lands or any part of the Lands to effect and carry out its appointment and obligations pursuant to this Agreement.

3.2 The Owners agree to pay to or reimburse the Association all dues as established from time to time by the Association, all costs (as actually incurred), expenses (including, without limitation, all administrative expenses) and outgoings of the Association incurred by the Association in fulfilling its appointment and obligations pursuant to this Agreement.

3.3 The Owners agree that any dues, assessment or charges for such costs, expenditures and outgoings unpaid when due shall bear interest as from time to time determined by the Association until paid, and such assessment or charge, together with any interest and all costs incurred in connection with the collection of such charges, including legal costs on a solicitor-and-own-client basis, shall be a charge against the Lands or such one or more lots comprising the Lands to which such unpaid assessment or charges relate as the Association shall deem appropriate.

3.4 The Owners agree to pay to the Association such sums as the Association may from time to time determine in its sole discretion are required to establish a contingency reserve fund to meet the obligations of the Association. Such sums when due shall bear interest as from time to time determined by the Association until paid, and such sums, together with any interest and all costs incurred in connection with the collection such charges of, including legal costs on a solicitor-and-own-client basis, shall be a charge against the Lands, or such one or more

lots comprising the Lands to which such unpaid sums relate as the Association shall deem appropriate.

3.5 The Developer, the Owners, and the Association acknowledge that the Owners shall from time to time vary both in number and in constituency as the Lands or portions of the Lands are sold, transferred and conveyed, and it is expressly agreed that:

- (i) this Agreement shall run with the Lands and shall be binding upon the parties to this Agreement and their respective heirs, executors, successors or assigns;
- (ii) the Association may register against title to the Lands in the Land Titles Office of the South Alberta Land Registration District, such instrument as it deems necessary to evidence and protect this Agreement and, if required, the Owners agree to execute an encumbrance in respect of this Agreement and to the registration of such encumbrance in the Land Titles Office of the South Alberta Land Registration District against each title comprising the Lands; and
- (iii) the Owners shall execute and deliver any further documents and do all acts and things, from time to time, as the Association may deem necessary to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

ARTICLE 4 - GENERAL

4.1 This Agreement shall be altered or terminated only upon unanimous agreement of the Owners and the Association and in any event shall not be terminated until the discharge of the Encumbrances from all of the Lands.

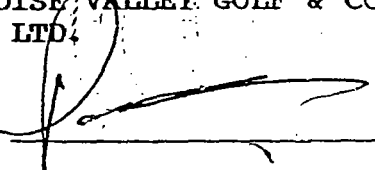
4.2 The parties agree that any person or persons who may be an Owner, shall cease to be liable or responsible under this Agreement upon such person or persons:

- (i) ceasing to be a registered Owner of the Lands or any portion of the Lands; and
- (ii) paying any outstanding charges or arrears remaining due by such Owner under this Agreement.

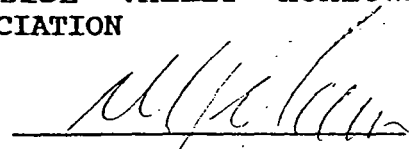
The Association shall release such person or persons, upon the fulfillment of such conditions.

4.3 This Agreement shall be effective upon the date which it is registered at the Land Titles Office for the South Alberta Land Registration District.

PARADISE VALLEY GOLF & COUNTRY
CLUB LTD.

Per:  c/s

PARADISE VALLEY HOMEOWNERS
ASSOCIATION

Per:  c/s

PARADISE VALLEY GOLF & COUNTRY CLUB LTD.

- and -

PARADISE VALLEY GOLF & COUNTRY CLUB LTD.

78438

COPY OF INSTRUMENT
Registered as 9112
ON DEC - 9 1991
LAND TITLES OFFICE
CALGARY

5-

PARTY WALL AGREEMENT

MCLEOD & COMPANY
Barristers & Solicitors
#800, 11012 Macleod Trail South
Calgary, Alberta
T2J 6A5

Solicitor's File 1-19053-1

SCHEDULE "A"

Parcel 1

LOTS 3 - 10 INCLUSIVE
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 2

LOTS 1 - 11 INCLUSIVE
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 3

LOTS 29 - 41 INCLUSIVE
AND LOTS 43, 44, 46, 47,
48 AND 50
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 4

LOTS 156 - 165 INCLUSIVE
BLOCK 9
PLAN 9111859
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 5

LOTS 1 - 33 INCLUSIVE
BLOCK 10
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 6

LOTS 87 - 109 INCLUSIVE
BLOCK 9
PLAN 9111906
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 7

LOTS 142 AND 143
BLOCK 9
PLAN 9210706
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 8

LOTS 150, 151, 154 AND 155.
BLOCK 9
PLAN 9211090
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 9

LOTS 136 AND 137
BLOCK 9
PLAN 9211230
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 10

UNITS 1 - 4 INCLUSIVE
(AND THEIR RESPECTIVE SHARES IN THE
COMMON PROPERTY)
CONDOMINIUM PLAN 9210554
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 11

UNITS 1 -4 INCLUSIVE
(AND THEIR RESPECTIVE SHARES OF
THE COMMON PROPERTY)
CONDOMINIUM PLAN 9212150
EXCEPTING THEREOUT
ALL MINES AND MINERALS

PARTY WALL AGREEMENT

BETWEEN

PARADISE VALLEY GOLF & COUNTRY CLUB LTD., a
body corporate, having its registered office
at in the City of Calgary, in the Province of
Alberta,

(hereinafter called the "Party of the First
Part")

- and-

PARADISE VALLEY GOLF & COUNTRY CLUB LTD., a
body corporate, having its registered office
in the City of Calgary, in the Province of
Alberta,

(hereinafter called the "Party of the Second
Part")

WHEREAS the Party of the First Part is or is entitled to
become the registered owner of the following lands:

PLAN 9111859
BLOCK 9
LOT 156

EXCEPTING THEREOUT ALL MINES AND MINERALS
(hereinafter referred to as "Parcel A")

AND WHEREAS the Party of the Second Part is or is entitled
to become the registered owner of the following lands:

PLAN 9111859
BLOCK 9
LOT 157

EXCEPTING THEREOUT ALL MINES AND MINERALS
(hereinafter referred to as "Parcel B")

AND WHEREAS Parcel A and Parcel B (collectively referred to herein as "the land" or the "parcels") are parcels immediately adjoining each other;

AND WHEREAS there is to be erected on Parcel A and on Parcel B a building having as to Parcel A a wall on and adjoining the common boundary line existing between Parcel A and Parcel B and having as to Parcel B a wall on and adjoining the common boundary line existing between Parcel B and Parcel A;

AND WHEREAS the wall to be erected on Parcel A and on Parcel B will form a single centre wall on both sides of the common boundary line existing between Parcel A and Parcel B;

AND WHEREAS the parties hereto have agreed to use of the said centre wall and foundations therefore as a party wall (hereinafter called "the party wall");

NOW THEREFORE in consideration of these premises and the sum of One (\$1.00) Dollar now paid by the Party of the First Part and the Party of the Second Part each to the other (receipt whereof is hereby acknowledged) and the protection of each Parcel and its respective owners, the Party of the First Part covenants and agrees with the Party of the Second Part and the Party of the Second Part covenants and agrees with the Party of the First Part as follows:

1. The Party of the First Part, as owner of Parcel A (hereinafter sometimes referred to as the "servient tenement") does hereby grant unto the owner of Parcel B (hereinafter sometimes referred to as the "dominant tenement") its heirs, successors, administrators and assigns, the rights, privileges, covenants and easements hereinafter described.

2. The Party of the Second Part, as owner of Parcel B (hereinafter sometimes referred to as the "servient tenement") does hereby grant unto the owner of Parcel A (hereinafter sometimes referred to as the "dominant tenement"), its heirs, successors, administrators and assigns, the rights, privileges, covenants and easements hereinafter described.

3. The single centre wall and foundations therefor located both above and below ground level on and adjoining the common boundary existing between Parcel A and Parcel B is and is hereby declared to be a party wall between the building erected on Parcel A and the building erected on Parcel B and shall be used and maintained as a party wall and owned jointly by the owners of the parcels upon which such party wall has been constructed. The middle line of the party wall is on the dividing line between Parcel A and Parcel B and shall coincide with the common boundary existing between Parcel A and Parcel B.

4. Any encroachment by the party wall or the fire wall or lot wall located on, near or adjoining the common boundary between Parcel A and Parcel B where such wall extends beyond the party wall and which wall has been solely erected and constructed for the purpose of support of the roof of one of the dwelling units only (which said fire wall or lot wall shall be deemed to be included in the definition of "party wall" but is sometimes hereinafter referred to as an "extension wall") and the foundations and footings therefor and any existing projections such as roof eaves, eaves troughs, gables, overhangs, trims or exterior cladding shall constitute a perpetual right, privilege and easement insofar as it encroaches on the dominant and servient tenements respectively. Each owner, their agents, contractors or employees shall have access to the adjoining lot to the extent reasonably required for the purpose of constructing, maintaining, repairing and rebuilding the party

wall and the utilities thereon or thereunder. Either of the owners of Parcel A or B, their agents, contractors or employees shall have the right to break through the party wall and to dig up the land for the purpose of repairing or restoring sewage and water lines and other utilities, subject to the obligation to restore the party wall and the land to their previous condition at their own expense and the payment to the adjoining owner of any damages caused thereby.

5. The owner of either parcel, their agents, contractors or employees may rebuild the whole or any portion of the party wall excepting an extension wall in the event of its partial or total destruction, and the cost of repairs and maintenance of the party wall in the event of its partial or total destruction, except in the case of negligence by one of the owners or their agents, employees, invitees or tenants, shall be borne equally by the owners from time to time of Parcel A and B and each owner hereby agrees to so contribute upon request to such cost PROVIDED THAT whenever the party wall or any portion thereof is rebuilt it shall be erected on the place where it now stands and shall be of the same size and of the same or similar materials and of like quality with the present or last existing party wall and shall be constructed in accordance with the minimum standards provided in the building by-law applicable in the municipality or in the absence of such a by-law, then in accordance with the minimum standards provided by the Alberta Uniform Building Standards Act, R.S.A., 1980, Chapter U-5, as amended.

6. Prior to rebuilding of the party wall, excepting an extension wall, the party who intends to actually rebuild shall send to the other party plans and specifications of the party wall to be rebuilt and request the other's written approval thereof. Upon written approval by the other party of the said plans and specifications, the party so requesting may proceed

with the rebuilding in accordance therewith. Should written approval not be received within seven (7) days after request, then any party may make a submission pursuant to the Arbitration Act, R.S.A., 1980, Chapter A-43, as amended, and there shall be two (2) arbitrators, one named by each party, and they shall proceed to make their determination pursuant to the Schedule thereof and the parties shall be bound by the terms of the said Act.

7. Whenever the party wall, excepting an extension wall, is being rebuilt, any injury caused by construction of such rebuilding shall be made good, and any rebuilding shall be of good materials and workmanship and when rebuilt shall remain a party wall subject to the terms of this Agreement. Except as otherwise provided herein, the respective owners of the Parcels shall not alter or change the party wall, excepting an extension wall, in any manner, interior decoration excepted.

8. The use of the party wall by the owners from time to time of Parcel A and Parcel B shall be perpetual but no covenant herein shall be personally binding upon a party from time to time except in respect of a breach occurring during the period that he is the owner of the Parcel A or of the Parcel B, as the case may be.

9. No part of the estate in fee simple of Parcel A upon which the party wall is constructed shall become vested in the owner of Parcel B and no part of the estate in fee simple of Parcel B on which the party wall is constructed shall become vested in the owner of Parcel A.

10. If either owner is in breach of his covenants to repair, rebuild, maintain or contribute to the costs of the party wall or damage done to adjoining parcel by virtue of the exercise of any rights under this Agreement, the other owner may repair, rebuild,

maintain or pay for the party wall or other damage as required, and may recover the cost of same from the owner in breach to the extent that such owner is obligated to contribute to the cost, and shall be entitled to file a Builder's Lien against the Parcel of the owner in breach.

11. Each owner shall have the right to encroach on the adjoining parcel to repair or replace any extension wall or projections and the owner thereof, their agents, contractors or employees is hereby granted an easement for such reasonable access as is required to maintain, repaint, refinish, repair or replace or otherwise maintain any extension wall or projection. Where such extension wall faces and abuts the property line of the adjoining parcel, the owner of such adjoining parcel covenants and agrees that it will not erect, construct or attach any apparatus or device or any nature or kind whatsoever, nor will it suffer, permit or allow any use on their parcel which will or would be likely to hinder, molest, annoy or otherwise cause nuisance to the other owner or interfere with maintenance of such extension wall. The party to whom the benefit of the within easement is granted shall not damage any grass, shrubbery, bushes, plants or improvements on the parcel of the party granting the easement and, in the event of any such damage, the party suffering such damage shall be entitled to be compensated therefor.

12. The owner of each parcel, their agents, contractors, or employees shall have the right to enter onto the other parcel to the extent reasonably required to dig up, inspect, repair, maintain and replace such overhead or underground utilities including incoming conduit and service wires, junction boxes and meter bases servicing one parcel as may be located on the other parcel. Where such works are performed the owner performing such work shall expeditiously restore the other Parcel, where disturbed by such works, to the condition that existed prior to

the performance of such works. The owner of each parcel shall be responsible for a one half share of all reasonable costs incurred by the owner of either Parcel A or Parcel B for work on utilities which provide service to both the said parcels, save and except where said inspection, repair, maintenance or replacement is caused by the negligence of one owner, in which case said negligent owner shall be responsible for all costs.

13. Any provision herein found or made void or unenforceable by any court under law shall not void or render unenforceable the remaining provisions hereof.

14. The rights, privileges and easements granted and the restrictive covenants and conditions made herein shall run with and be legally annexed to the land including both Parcel A and Parcel B and they shall extend to and enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the parties hereto respectively.

15. The rights, privileges, covenants and easements hereby granted shall not be extinguished in the event that title to or ownership of either of the parcels which adjoin each other shall be vested in the same person. Further and in any event, if any such extinguishment shall occur and title for such adjoining parcel shall thereafter be divested from such common ownership, thereafter the successors in title to such parcels shall be and remain bound to and in respect of the rights, privileges, covenants and easements hereby granted and entitled to the benefits thereof as rights, privileges and obligations which are created under and by virtue of this Agreement.

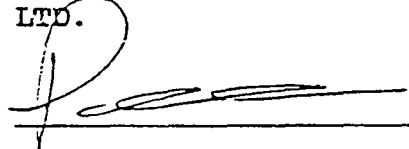
16. Nothing contained in this Agreement shall be construed so as to alter the rights of any mortgagee of either parcel to obtain payment of insurance monies in rebuilding, reinstating or

repairing all or any part of the dwelling units located on the land or at their option to have such insurance monies paid to it or paid to it partly in one way and party in the other or applied in whole or in part of the mortgage debt or any part thereof whether due or not then due.

17. The parties hereto agree to register this Agreement or a caveat or other encumbrance relating thereto in the Land Titles Office for the South Alberta Land Registration District.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement the 2th day of November, 1991, to be effective the day upon which this Agreement is registered at the Land Titles Office for the South Alberta Land Registration District.

PARADISE VALLEY GOLF & COUNTRY
CLUB LTD.

Per:  c/s

PARADISE VALLEY GOLF & COUNTRY
CLUB LTD.

Per:  c/s

SERVICE CHARGE AGREEMENT

THIS AGREEMENT made this 10th day of November, 1992.

BETWEEN:

496156 ALBERTA LTD.,
a Corporation duly incorporated under
the laws of the Province of Alberta ("496156")

-and-

PARADISE VALLEY HOMEOWNERS ASSOCIATION;
a Society incorporated pursuant to
The Societies Act (Alberta), (the "Association")

WHEREAS Paradise Valley Golf & Country Club Ltd. entered into a Paradise Valley Homeowners Association Agreement dated November 27, 1991 (the "Homeowners Association Agreement") which was registered by Caveat at the Land Titles Office Instrument number 911 278 436;

AND WHEREAS the said Caveat was registered against the following lands:

Parcel 1

LOTS 1 - 10 INC.
BLOCK 8
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 3

LOTS 29 - 51 INC.
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 5

LOTS 1 - 33
BLOCK 10
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 2

LOTS 1 - 11 INC.
BLOCK 9
PLAN 9111316
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 4

LOTS 156 - 165 INC.
BLOCK 9
PLAN 9111859
EXCEPTING THEREOUT
ALL MINES AND MINERALS

Parcel 6

LOTS 87 - 109 INC.
BLOCK 9
PLAN 9111906
EXCEPTING THEREOUT
ALL MINES AND MINERALS

AND WHEREAS the Homeowners Association Agreement contemplated execution and registration of encumbrances to secure certain services to be performed by 496156 Alberta Ltd.

AND WHEREAS the Parties hereto wish to amend the Homeowners Association Agreement by executing a Paradise Valley Homeowners Agreement Amending Agreement (the "Amending Agreement") to include the services to be provided by 496156 Alberta Ltd., which Amending Agreement is to be registered against the lands as set out in Schedule "A" (hereinafter referred to as "the lands"), by Caveat.

IN CONSIDERATION of mutual covenants and agreements contained herein, the parties agree as follows:

1.0 THE OBLIGATION OF 496156 ALBERTA LTD.

- 1.1 Until the City of Lethbridge assumes the responsibility for the following services, 496156 shall maintain, in a reasonable fashion, the roadways and sidewalks, including curbs and gutters, watermains and services, sanitary and storm sewers, including mains, catch basins and outfalls, lift stations and P.R. stations, street lighting (metered electrical costs only), snow removal, including sanding and salting, gravelling and street sweeping (collectively "the services") adjacent to the lands, and satisfy all other obligations imposed by the City of Lethbridge in this regard.

- 1.2 Upon the City of Lethbridge assuming responsibility for the services, the obligations of 496156 under this agreement will cease immediately.

2.0 RESPONSIBILITY FOR SERVICES CHARGE

- 2.1 The Association shall be responsible for the collection and shall pay to 496156 a specific charge which is referred to in the Amending Agreement in Article 3 thereof, as the 496156 services charge, and referred to herein as the "charge".

- 2.2 Notwithstanding anything contained herein to the contrary, the obligation to pay, the charge shall be and is hereby suspended and the amount thereof shall abate upon a pro rata basis for such period as any specific lot or unit comprising the lands is owned by Paradise Valley Golf & Country Club Ltd.

3.0 ASSESSMENT OF SERVICE CHARGES

- 3.1 The Association shall mail an annual assessment notice to each owner giving such owner reasonable notice and requiring remittance of the charge before January 1 of each year. Such notice shall indicate that interest will accrue thereon at the rate as set out in the Amending Agreement.

3.2 In the event of an adjustment of the charge by 496156 in any year, then 496156 shall prepare a Notice of Assessment for such year, to be submitted to the Association in accordance with Article 3 of this Amending Agreement.

3.3 Upon receipt of the charges from the owners of the lands, the Association shall as soon as reasonably possible and at least monthly, remit such amounts, together with interest paid thereon to 496156 without any deduction whatsoever.

3.4 496156 shall provide each year's budget, and financial statements for the prior year's actual costs for the services to the Association on an annual basis.

4.0 COLLECTION OF CHARGES

4.1 The Association shall assume sole responsibility for all collection activities to obtain payment of the charge from the owners of the lands. All costs incurred therein shall be for the sole account of the Association.

4.2 Should there be no payment of the charge by any owner by April 15 of any given year, the Association shall commence collection activity to obtain payment of such charge, including legal action if required.