



AND WHEREAS the burden of this covenant shall run with the land hereinbefore described. The Grantor and the Grantee do hereby respectively covenant and agree with each other, and, as to the Grantee, with the owner or owners from time to time of any other building lot to which the benefit and burden of the following stipulations, restrictions and provisions is attached and their, his, her, or its respective representatives, successors, assigns, to observe, perform and comply with the following building and other restrictions.

NOW THEREFORE the Grantor and the Grantee agree as follows:

1. The Grantee agrees to become part of the Neighborhood Association for the purpose of maintaining the interests of the majority of lot owners in the subdivision as it applies to the operation and maintenance of the subdivision and boat launch. This Neighborhood Association shall have no authority in any way over the operation of the business of the Grantor where it applies to the golf course or any other business or ventures the Grantor may see fit to establish or operate outside of the subdivision and boat launch. The Neighborhood Association will be operated through a "not-for-profit" limited company which will be established by the Grantor with the intention of turning the not for profit company over to the control of the Neighborhood Association. The Neighborhood Association shall elect an executive, one member shall be a representative assigned by the Grantor, and other members as it sees fit from the lot owners within the Granite Hills subdivision, and form a constitution or charter and appropriate by-laws to govern the Neighborhood Association. Together with the Grantor, the Neighborhood Association will make all decisions regarding these covenants. Changes to be made to any covenant must have 70% of the votes cast on the basis of one vote per lot. The Grantor's representative shall have veto rights over any changes that may be viewed by the Grantor to negatively affect the Grantor's business.

2. The Grantor shall have the right to assign any or all powers, covenants and rights hereunder to the Neighborhood Association and in the event of such assignment, the term "Grantor" herein shall be deemed to refer to the Neighborhood Association in regard to the specific covenant or covenants assigned.

3. Construction - All residences and structures including garages, sheds, fences, etc on the building lot must meet local building codes and be constructed and pass inspection under the authorization of a building permit. Ready to move (RTM) homes are allowed provided they were constructed in Manitoba and meet the other requirements of this Agreement. Relocation of an existing home will require inspection and approval of the Municipal Inspector prior to moving and must meet the other requirements of this agreement. Mobile homes (trailers) are not allowed. The R.M. of Lac du Bonnet has building code standards and regulations, which must be adhered to as *a minimum*. Within

this Development Agreement there are also standards and regulations. In the event of a conflict, the more stringent regulation shall apply.

4. All one-storey residences must have an interior floor area of at least 1,200 square feet; all two-storey homes must be a minimum of 1,800 square feet on two floors, excluding garages, carports, breezeways, patios, and the like.

5. The parties hereto agree as follows:

- (a) That no more than one driveway or approach is permitted to access a lot and no driveway or approach may have more than one access onto the roadway.
- (b) All driveways or approaches shall require a permit from the Rural Municipality of Lac of Bonnet and the installation of the culvert shall be in accordance with the rules and regulations of the said Municipality and the costs of the culvert and installing same shall be the responsibility of the Purchaser but the Purchaser agrees that the installation of the culvert shall be done by the Grantor and only the Grantor.
- (c) The location of any driveway, approach, crossing or culvert shall be determined by the Grantor and the entrance road onto a lot shall be installed by the Grantor but the Purchaser shall be responsible for all costs related thereto and shall pay to the Grantor the costs of installing the entrance road.

6. Each driveway where it enters the roadway shall have a permanent marker indicating the lot number of the property. The R.M. of Lac du Bonnet may require additional numbering with reference to the local 911 numbering scheme.

7. All buildings are to be constructed with new materials. The only exception to this requirement is that reclaimed brick will be allowed for veneer.

8. All residences should be designed and constructed in such a way as to form an attractive and integral part of their environment. It is strongly desired that exterior finishes be a natural material, preferably from a renewable resource such as stucco, brick, or wood and of a color complementary with a natural environment (earth tones). However, due to its popularity vinyl siding will be allowed providing the colors are complementary of the natural environment, based on earth tones.

9. If metal chimneys are considered for use, they shall be enclosed or encased in the same material as the exterior finish if permissible by code.

10. Exterior structures, such as any detached building (garage or shed) must be constructed with the same exterior finish material and the same roofing materials as the primary residence using earth tone colors.

11. Portable or instant type sprung structures (vinyl, plastic, cloth material stretched over ridged metal pipe or wood) are not allowed on the building lot. (These types of structures are often referred to as instant garages or instant storage units).

12. All building lots must be hand cleared of trees and vegetation. Clearing of building lots by mechanical means (caterpillar, loader, and the like) will not be allowed. All undergrowth, small bushes, branches and twigs must be hauled to the local landfill or may be burned only under the permission of a burning permit during the period of time when snow is present on the ground.

13. Mature trees that have been cleared for building lot development can be piled and stored for firewood. The materials shall be neatly piled in such a manner that it is not easily viewed from the roadway or adjoining lots. This material shall be cut and split as required and shall be consumed within 3 years of the original clearing.

14. (a) The elevation of the building lot shall not be altered or changed so as to materially affect the surrounding lots with regards to drainage and aesthetics; perching and drainage slope angles surrounding the residence must conform to the Municipal Standards.
- (b) The Purchaser agrees that he will not, at any time, do anything to impede or obstruct the natural drainage of the lot or of any of the surrounding land. The Purchaser further agrees that he will not, at any time, erect or permit the erection of any buildings or other structures in, over and upon the natural drainage or any part thereof and the Purchaser further agrees not to plant trees or make any other improvements of any kind, whatsoever, to the natural drainage of the land.
- (c) The Purchaser agrees that if there are any drainage problems with respect to the lot being purchased or with respect to the surrounding land, the Rural Municipality of Lac of Bonnet shall not be responsible for any drainage problems and the Purchaser agrees and promises not to take any legal action against the Rural Municipality of Lac Bonnet with respect to any drainage problems.
- (d) The Purchaser acknowledges and agrees that proper drainage is important and nothing must interfere with or impede the natural drainage of water and as a result, the Purchaser shall allow the Grantor access to the lot being purchased so that the Grantor can ensure that the natural drainage is not being interfered with and is not adversely affected by any structures or trees on the lot. The Purchaser hereby grants permission to the Grantor to go onto the property from time to time to inspect same.

15. All landscaping shall be completed within one year of completion of the exterior of the residence.

16. The dwelling and property are to be kept in a neat and tidy condition at all times to the reasonable satisfaction of the Grantor.
17. All residences shall have holding tanks for sanitary sewage and grey water. Septic fields shall not be allowed. Holding tanks must comply with Municipal regulations and the lot owner must obtain a permit from the Municipality to install a holding tank.
18. No signs, billboards or other advertising matter of any kind (except the ordinary signs offering for sale or rent the lands and the buildings thereon) shall be placed on any part of the said lands or upon any buildings or on any fence, tree or other structure on said lands.
19. No trailers, mobile homes, tents or other portable or temporary housing accommodation may be placed on a building lot for the purpose of storage or as a temporary or permanent residence, except for a two-year period during the time that a permanent residence is being constructed, starting from the date of the commencement of construction. No secondary/detached buildings will be allowed for accommodation including guest, summer homes, and the like.
20. Following the commencement of construction of a residence, the exterior and the exterior finish must be completed within two years. This includes outbuildings such as, but not limited to garages, sheds, and the like.
21. (a) No portion of any residence or any other building or structure situated on a lot abutting onto the golf course may be constructed within 50 feet of the property line of the golf course. All buildings or structures must be constructed in accordance with Municipal requirements and permits must be obtained from the Municipality before the building of any residence or other building.
- (b) Residences or other buildings situated on lots on the north side not abutting onto the golf course must be constructed in accordance with Municipal requirements and permits must be obtained from the Municipality before building any residence or other building.
22. The Rural Municipality of Lac du Bonnet has requirements for clearances from property lines, building sizes, etc. and these requirements must be conformed to.
23. Notwithstanding anything contained in the within Agreement, because of the limited number of trees on any lot, removal of trees shall be limited to the roadway, building site, and to deadfall. The parties agree that the siteline shall require the approval of the Grantor.

24. The Grantor or its assigns or successors are not responsible for damage occurring to homes, garages, sheds or any other property or persons caused from golf balls, golf clubs or any other equipment normally used on a golf course. The Grantee is aware and accepts the liability of such items that may from time to time be caused to enter the building lot from the adjoining golf course.

25. No unlicensed motor vehicles, including but not limited to cars, trucks, vans, buses, motorcycles, snowmobiles, etc, shall be stored outside. All vehicles of these types shall be stored indoors. Abandoned and/or derelict vehicles are not allowed.

26. Storage of motor homes, 5th wheel trailers, travel trailers, boats are allowed on the building lot. However, these items must be stored in an inconspicuous location and shall be subject to paragraph 19 herein.

27. No horses, cattle, sheep, goats, llamas or the like or other stock animals other than household pets normally permitted in private homes shall be kept upon the said lands and no breeding of pets for sale shall be carried out upon the said lands. Household pets shall be confined within the building lot or shall be on a leash. Free roaming of pets will not be allowed.

28. All garbage, rubbish, refuse and waste materials shall be properly stored in a sanitary manner in order and so as not to be accessible to pets, rodents or wildlife and in an enclosure large enough so that no garbage, rubbish, refuse and waste materials are visible. Removal of said garbage, rubbish, refuse and waste shall occur on a frequency to prevent odors, smell or the attraction of insects.

29. No incinerator, garbage burning barrel or other devices will be allowed on the building lot, with the exception of properly contracted and maintained composting units, or an EPA certified wood burning appliance/heating device contained within the residence. Exterior wood burning devices intended for uses such as barbeques, wiener roasts, and contained bonfires are allowed provided that they are properly constructed and approved by the local fire department and are operated under the permission of a permit if required. Regular domestic propane/charcoal barbeques are allowed.

30. Any business conducted within the building lot must be wholly contained within the buildings on the site. No parking or storing of vehicles, materials, parts, etc. external to the buildings will be allowed and must conform to paragraph 18 herein.

31. Legal Survey – Monuments. The Grantor has performed a legal survey on the subdivision in block plan form and a copy of the plan of survey will be registered at the land titles office for

Manitoba. The Grantor shall be responsible for installing iron pins in order to establish the boundary of each lot, but will not necessarily install pegs in all four corners of the lots.

32. Golf Memberships - The parties hereto understand that it is the intention of Granite Hills Golf Course to limit the amount of golf memberships available for the golf course. The exact limitations are yet to be determined however the Grantor will guarantee, at a minimum, that the owner of a lot(s) in Granite Hills Estates will be eligible to purchase (2) two golf memberships annually for a price to be determined by Granite Hills Golf Course on an annual basis, for each lot owned. This limitation and pricing is the sole right of the Grantor, operating as Granite Hills Golf Course, and only appears in this Development Agreement as information. The Neighborhood Association, once formed, will not have any jurisdiction regarding the amount of golf memberships available to Granite Hills Golf Course or the price of the said memberships.

33. The Grantor will not be providing potable water or any water whatsoever. It will be the lot owner's responsibility to obtain their own water supply.

34. The Grantor will arrange for the installation of primary hydro service along the roadway and will recover the cost of this service from the Grantee at the time of purchase. Certain rebates are available from Manitoba Hydro for the provision of this service; however, the rebates are pro-rated and are time sensitive over a period of one to ten years. The Grantee should make inquiries as to the amount of rebate (if any) that may be available to them from Manitoba Hydro.

35. The parties hereto acknowledge and agree that lots 1 to 4 in the Granite Heights subdivision may contain multi-family residential units.

36. The preamble hereto shall and does form an integral part of this Agreement.

37. The Agreement and covenants herein contained shall run with all of the lands hereinbefore described.

38. The covenants herein contained are severable and the invalidity or unenforceability of any restrictions shall not affect the validity or enforceability of any other restrictions.

39. Should the Grantee breach any of the covenants contained herein, the Grantor may serve written notice to the Grantee requiring compliance within fourteen (14) days. After service of such notice, the Grantor may enter the lands and perform the covenants and may recover the cost of such performance from the Grantee.

