

This Agreement dated the ____ day of _____, 20____.

BETWEEN: Prairie Skies Resort and Marina Ltd.
of P.O. Box 3370, Humboldt, SK, S0K 2A0
(the "Developer")

AND: _____
of _____
_____ (the "Property Owner")

Building Specification and Development Agreement

WHEREAS the Developer owns land at Lucien Lake, in the District of Middle Lake, Saskatchewan, and intend to develop it;

AND WHEREAS the Property Owner has entered an agreement to purchase a parcel of land at Lucien Lake from the Developer;

AND WHEREAS both parties desire that the development be an aesthetically pleasing, and sanitary development;

AND WHEREAS the Developer requires all Property Owners to comply with the building and property development specifications contained herein;

THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the Developer selling a lot at Lucien Lake to them, the Property Owner agrees that their ownership of the property shall be subject to the following restrictions and agrees to be bound by the terms and conditions set out herein:

1. Purpose of Building and Development Agreement

1.1 The Property Owner agrees that the purposes underlying this agreement include, but are not limited to:

- i) preservation of the natural environment as much as possible;
- ii) protection and maintenance of the market value of the property;
and
- iii) respect for the rights of neighbouring Property Owners.

2. Interpretation

2.1 In this agreement, the following words shall be given the definitions set out below:

- i) Principal Residence: A detached building consisting of one dwelling and occupied or intended to be occupied as a permanent home or residence and shall include Ready to Move Homes, and Modular

Homes, but shall not include a Mobile Home or Recreational Vehicle as defined herein;

- ii) Guest Cottage: A detached accessory use building to be used as summer sleeping accommodation only, and which is located on the same lot as the Principal Residence.
- iii) Recreational Vehicle: a vehicle for short term use during casual travel and recreational camping, including, but not limited to a fifth-wheel trailer, a vacation trailer, a trailer coach, a travel trailer, and a self-propelled motor home, usually with fixed running gear and subject to licensing for highway travel.
- vi) Ready to Move Home: A ready-to-move one unit dwelling which is built to completion off site using conventional lumber and building practices according to the current National Building Code of Canada, and which may be delivered to the designated lot in the Development and placed on the foundation ready for finishing, providing that any required building permits have been obtained.
- vii) Modular Home: a factory-built home that is either manufactured off-site in one dwelling unit or is in more than one section to be assembled on-site as a dwelling unit, having been designed to be transported on a removable chassis.
- vi) Mobile Home/ Park Model Home: a transportable dwelling unit, intended for occupancy as a dwelling, that is designed to be moved from time to time, notwithstanding that its running gear is removed or jacked up, or that the unit has been placed on a foundation. Such units may be equipped to be connected to a water distribution or sewage system. Mobile Homes/ Park Model Homes are strictly prohibited in the development.

3. Utility Easements

3.1 Some properties will be subject to easements in favour of SaskPower for location of a transformer, and/ or easements in favour of SaskEnergy. The location of the transformer and which lots will be effected by easements, will not be known until SaskPower and SaskEnergy complete their design work. The Property Owner acknowledges and agrees that the lot they are purchasing may be subject to such an easement, and that there shall be no decrease or abatement of the purchase price.

4. Provision of Services

4.1 At the date of execution of this Agreement, SaskPower Corporation has agreed to provide power services to the development, SaskEnergy Corporation

has agreed to provide natural gas, and SaskTel Corporation has agreed to provide telephone services to the development. The Developer makes no representations or warranties that such services will be available from the utility service providers indefinitely.

4.2 The purchase price of the lot includes power, natural gas, and telephone utility service to the lot boundary. The Property Owner shall be responsible for the costs associated with delivery of power, natural gas, and telecommunication services within the lot boundaries, including but not limited to hook-up, maintenance, upgrades, and consumption charges.

4.3 At the date of execution of this Agreement, the Rural Municipality of Three Lakes #400 has agreed to provide gravel road maintenance. The Developer makes no representations or warranties that such services will be provided indefinitely. The Property Owner bears sole responsibility for all costs associated with the construction of an access road ("Driveway") to their lot, and the installation of any culverts that may be required in such a Driveway, to municipal standards.

4.4 The Property Owners are responsible for the maintenance and snow removal for their own driveways.

5. Further Sub-Division of Lots Prohibited

5.1 All Property Owners are expressly prohibited from undertaking any further sub-division of their lot. However, the Developer maintains the right to subdivide and develop additional lots in the area.

6. Building Construction

6.1 The Rural Municipality of Three Lakes #400 requires that a building permit be obtained prior to any construction in the municipality. The Property Owners are responsible for obtaining a building permit and are solely responsible for all costs related to the issuance of the building permit and any inspections which the Rural Municipality of Three Lakes may require pursuant to R.M. bylaws.

6.2 Any accessory use buildings, including but not limited to, private detached garages, workshops, barns (only permitted on parcels greater than 5 acres), guest cottages, and all out-buildings shall comply with the following requirements:

(a) All accessory use buildings and out-buildings shall be complementary to and in keeping with the style and character of the Primary Dwelling on the property.

(b) All accessory use buildings and out-buildings shall comply with the setback requirements of sections 6 and 8, herein, and shall also be located West of the Principal Residence on the Property Owner's lot.

(c) All accessory use buildings and out-buildings must be constructed in accordance with the provisions of section 6.3 below.

6.3 Subject to the fore-going, all Principal Residences, Guest Cottages, garages, and other structures constructed, erected, or placed on lots must meet the following construction guidelines:

(a) The Principal Residence on the property must be a minimum of 75m² (approx. 800 ft²) on the main floor, excluding attached garages, decks, patios and porches.

(b) All buildings to be located on The Property must be of new construction utilizing new building materials or approved in advance of placement on property by developers and the RM of Three Lakes. Modular homes and RTMs (ready to move homes) are permissible.

(c) Mobile home trailers, Vacation Trailers, Trailer Coaches, and park model homes are strictly prohibited.

(d) Must be sided with one of the following permissible materials: vinyl, rock, wood, stucco, or brick. Metal or asphalt siding are not permitted, except on garages, barns, and workshops.

(e) May be roofed with any of the following materials: asphalt, metal, clay tiles, cedar shakes or cedar shingles.

(f) All buildings on The Property containing a basement shall have a sump pit and weeping tile drainage system which meets all Saskatchewan building code requirements.

(g) All driveways shall be graveled or paved. Dirt or grass driveways are not permitted.

6.4 The exterior of all buildings erected on the Lot must be completed within twelve (12) months of the commencement of the building project.

6.5 Travel trailers, motor homes, motorized campers, and park model homes are permissible for temporary use, during the initial construction phase of the Primary Dwelling, for a period **not exceeding 36 months from the date of purchase of the Lot**. Recreational Vehicles may not be skirted in or otherwise affixed for permanent use.

6.6 Notwithstanding the foregoing, the Property Owner is permitted to keep a maximum of two recreational vehicles, or holiday trailers ("RVs") on their lot, provided that they at all times shall remain mobile. Property Owners are encouraged to establish primary storage for their RV beside or behind the Primary Dwelling, to minimize the RV's visibility from the municipal road.

6.7 All fencing must be limited to the lot, and it is the individual Property Owner's responsibility to ensure that fencing does not encroach on neighbouring properties, municipal reserve, or environmental reserve areas. Location of property boundaries will be indicated by survey pins, any additional identification of property boundaries will be responsibility of the Property Owner. Barbed-wire fencing is not permitted on any lot, for any purpose whatsoever, including use as a horse fence.

7. Setback Requirements

7.1 All buildings constructed on the property must comply with the following setback requirements. Setbacks will be measured from the portion of the building located closest to the edge of the property:

- a. Minimum setback from rear lot boundary of 6 metres.
- b. Minimum setback from sideyard of 6 metres.
- c. Minimum setback from the lot boundary on the municipal road side of the property ("front yard"), of 30 metres.
- d. Roof overhangs must be a minimum of 1 metre from sideyard.
- e. The Principal Residence must be the feature of the acreage and must be located on the property closer to the municipal road (Lucien Lakeshore Drive), than all other buildings on the property.

8. Preservation of Vegetation, Landscaping & Site Maintenance

8.1 The Property Owner expressly acknowledges and agrees that the Developer shall be entitled, but not obligated, to plant an additional row of trees along the Western boundary of their lot, such row to be planted within 5 metres of the Western property boundary and to be completed on or before September 1, 2014. The Property Owner agrees not to remove or clear such trees, whether planted by the Developer before, or after the effective date of the purchase and sale.

8.2 The Property Owner is expressly prohibited from clearing any vegetation outside the boundaries of their lot, whether in the Municipal reserve area, the neighbouring property, or elsewhere.

8.3 Basic landscaping on the property is mandatory. The Property Owner shall be responsible for all maintenance on the property including, but not limited to: mowing or haying, trimming of grass, weeds, trees, etc. This includes abiding by Rural Municipality of Three Lakes bylaws regarding mandatory control of noxious weeds.

8.4 No open excavations shall be permitted on the property and no soil, sand or gravel shall be removed from the property except for the purpose of

construction on the property, or for the improvement or landscaping of the property. However, the Developer maintains the exclusive right to remove or store-pile such materials on lots that are unsold.

9. Livestock & Pets

9.1 No poultry, birds, livestock (swine, cattle, sheep, goats etc.) or animals of any kind other than dogs, cats and horses shall be kept on the property.

9.2 Upon approval of the Rural Municipality, Property Owners owning lots equal to, or greater than, 2.0 hectares (5.0 acres), are permitted to keep horses on their property, on the following terms and conditions:

- a. Property Owners shall be permitted to keep a maximum of two horses on the property, upon obtaining the approval of the Developer.
- b. Horses shall not be pastured within 15 meters of any Principal Residence not owned by the Property Owner.
- c. No buildings or structures intended to contain animals shall be located within 30 m of the lot boundary.

9.3 All domesticated household pets, regardless of type, shall not be permitted to run at large.

10. Sanitation Requirements

10.1 The Property Owner will be responsible to supply water to their dwelling. All dwellings must have either a well, an internal holding tank, or a buried cistern.

10.2 The Property Owner is responsible for their own grey and sewage water disposal and agree to follow all Federal, Provincial, Municipal, and Regional regulations with respect to the same, including, but not limited to *The Saskatchewan Pollution & Drainage Regulations, and The Shoreland Pollution Control Regulations*.

10.3 The Property Owner further agrees that it will comply with all rules and regulations set out by the Saskatoon Health Region in regard to waste management and any other subject, and any further regulations or rules declared by any Federal, Provincial, Municipal, or regulatory body after the date of execution of this Agreement.

10.4 The Purchaser(s) will be responsible to provide the sewage/septic system for their Lot. This shall include a one cell holding tank that has a minimum of 1,000 gallon capacity, and has been CSA approved in accordance with the Rural Municipality of Three Lake Bylaws.

10.5 The Property Owner acknowledges and agrees that pursuant to the bylaws of the Rural Municipality of Three Lakes No. #400, waste water disposal must be handled by a licensed operator and dumped in a licensed facility.

10.6 No septic field pumpouts are permitted.

10.7 All plumbing and sewage systems require a permit and inspection from the Saskatoon Health Region.

10.8 Property Owners agree that neither the Developer nor the Rural Municipality of Three Lakes are responsible to provide for the disposal of the Property Owner's garbage.

10.9 The Property Owner is responsible for removal of their household waste and garbage disposal. Construction garbage must be removed from the property on a monthly basis. The Property Owner shall abide by all other garbage disposal regulations imposed by the Rural Municipality of Three Lakes.

10.10 No rubbish, trash, garbage or other waste material shall be kept or permitted on any property except in a sanitary container that prevents odour from escaping, which may be offensive to adjoining Property Owners, or which may interfere with the use and enjoyment of adjoining properties.

10.11 No lumber, grass, shrubs or tree clippings, plant waste, metals, bulk materials, scrap, unsightly objects, construction materials, or debris shall be kept, stored or allowed to accumulate on any portion of the property except within an enclosed structure screened from view.

10.12 Property Owners are advised that garbage disposal services may be contracted for with REACT Waste Management by either individual lot owners, or as a collective of lot owners, by the Property Owners purchasing or leasing a designated disposal dumpster and paying REACT the prescribed fees for emptying of the dumpster on a scheduled basis. Property Owners are advised to contact REACT directly to enquire about the provision of such services. Alternately, Property Owners may haul their garbage to any REACT transfer station during public hours of operation.

11. Home Based Business

11.1 Property Owners wishing to operate a home-based business from their property must comply with all applicable legislation, including the bylaws of the Rural Municipality of Three Lakes.

11.2 No Property Owner shall operate a campground, or RV park of any sort from their lot.

11.3 Property Owners operating a home-based business shall be permitted to install one sign, not exceeding 3'x4', on their property. No signage shall be permitted outside the boundaries of the Property Owners own lot.

12. Lake Access

12.1 The Developer has developed a number of walking paths that allow the Property Owners to use the paths for pedestrian or bicycle traffic only. Driving any type of vehicle, recreational vehicle, all terrain vehicle, or other motorized vehicle on the walking paths is expressly prohibited.

12.2 The Property Owners acknowledge and agree that their access to the lake for the purposes of boating, or introducing any type of water craft into the lake, shall be through the marina and/or boat launch area. Launching any type of boat, sea-doo, or other water craft whether motorized, or not, from the Municipal Reserve area in front of the lakefront lots is expressly prohibited.

12.3 Property Owners agree not to encroach on the lots owned by lakefront lot owners, and agree that their use of the lakefront area shall be limited to the dedicated Municipal Reserve areas, and in accordance with the preceding two paragraphs.

12.4 Property Owners shall not construct a boat launch adjacent to the Municipal Reserve area in front of the lakefront lots.

13. Compliance With Laws

13.1 The Developer, or any other Property Owner shall be entitled to bring a proceeding against any person or persons violating any covenant or restriction contained herein, and in such proceeding may seek any remedies available at law or in equity. Failure by the Developer or any Property Owner to enforce any covenant or restriction herein shall not be deemed to be a waiver of the right to do so thereafter.

13.2 Nothing herein shall require or obligate the Developer to enforce the provisions of this document or render the Developer liable for the failure of any Property Owner to adhere and conform to the covenants contained in this document.

13.3 The covenants contained herein are in addition to the requirements of any municipal or other governmental authorities having jurisdiction in regard to the use of the properties, and nothing herein shall be construed as permitting or authorizing anything which is otherwise prohibited, controlled or regulated by any statute, bylaw, or regulation.

13.4 The Property Owner understands that the terms and conditions set out herein are a minimum and the Property Owner must comply with all applicable Federal, Provincial, and Municipal building codes and zoning regulations,

environmental laws and all applicable regulations from any other governing body or authority.

13.5 The Property owner must comply with all sanitary, health or other building conditions imposed by the Department of Community Planning whether set out herein, or declared at a later date.

13.6 The Developer will not be held liable and is absolved from any responsibility for the breach of any Federal, Provincial, or Municipal statute, regulation, bylaws, policies, or building requirements by any Property Owner.

14. Agreement to Run with the Land

14.1 The Property Owner understands that this agreement constitutes a restrictive covenant and is binding on their heirs, executors and assigns, and that the agreement shall bind all subsequent purchasers. The Property Owner expressly acknowledges that it has been made aware that an Agreement containing terms identical or substantially identical to those herein will be registered against Title to the Lot, for the protection of the Property Owner and other lot owners in the subdivision being developed by the Developer. The Developer shall bear all Land Titles and legal fees associated with registration of such an Agreement.

15. Miscellaneous

15.1 This agreement shall be governed by the laws of the Province of Saskatchewan.

15.2 The parties hereto agree to execute all further documents necessary to give effect to this agreement.

15.3 Time shall be of the essence.

IN WITNESS WHEREOF the Developer, Prairie Skies Resort and Marina Ltd., has hereunto set affixed its seal, attested to by the proper signing officer in that regard, this _____ day of _____, 2013.

Prairie Skies Resort and Marina Ltd.

Per: _____

IN WITNESS WHEREOF the Purchaser, has hereunto set his/her hand and seal this _____ day of _____, 20____.

SIGNED, SEALED AND DELIVERED)
in the presence of)
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Witness