

HOMESITE COVENANTS

Date: June 1, 2005

**COUNTRY GARDENS INC.
Country Gardens Development (the “Development”)**

With the intention that the burden of these covenants shall run with and bind the land shown on a Plan of Development described in Schedule “A” (hereinafter called the “Land”), the Developer and the Owner do hereby covenant and agree with each other, and as to the Owner, with the Owner or Owners from time to time of any building lot in the development, as to which the benefit and burden of the following stipulations, restrictions and provisions are attached, and to bind their, his, her or its respective heirs, executors, administrators, successors and assigns, to observe, perform and comply with the following Homesite Covenants (collectively referred to as the “Covenants”), namely:

1. For the purposes of these Covenants the following words shall have the following meanings:
 - (a) “Building Lot” shall mean any building lot located within the Development;
 - (b) “Garage” shall include any structure used or to be used for housing or protection or motor vehicles; all terrain vehicles, boats and garden equipment;
 - (c) “Owner” means the person or persons, corporation or corporations, or their successors and assigns to whom the lands referred to in the Deed of Conveyance to which these Covenants are attached, are conveyed, and “Owner” shall include all persons or corporations who act as agents of the Owner, including all contractors, sub-contractors, or others employed by the Owner to perform works or services in relation to the land described in the Deed of Conveyance.
 - (d) “Developer” means the Vendor, its successors and assigns.
2. The Developer presumes that the Owner shall have inspected the Building Lot prior to executing an Agreement of Purchase and Sale for its purchase and is satisfied as to its suitability for construction of a house in accordance with the requirements of these Covenants. The Owner will be solely responsible for the conduct of all necessary engineering studies or sub-soil investigation together with such ditching or grading for the control of surface water as may be necessary. The Owner will also ensure that the design of the Building Lot, the house and its services meet all of the Owner’s technical requirements. The Owner hereby acknowledges that the Developer is in no way responsible for any damages that may result to the Owner by reason of the Owner’s failure, or otherwise, to comply with this and the other Covenants, and hereby indemnifies and saves harmless the Developer from all actions or causes of action which arise therefrom.
3. The Building Lot shall not be used for any purpose other than for private single family, owner occupied residential purposes and no attached or semi-detached house or duplex shall

be erected on the Building Lot and no more than one detached dwelling house may be erected on the Building Lot.

4. a) The construction of a house on the Building Lot shall be started within twelve (12) months of the closing date of the purchase of the lot. If it is not so started the Owner will pay to the Developer a penalty equal to 10% of the lot purchase price.
 - 2) The construction of a house on the Building Lot shall be completed within twenty-four (24) months of the closing date of the purchase of the lot. If it is not so completed the Owner will pay to the Developer a penalty equal to 25% of the lot purchase price.
 - 3) If construction has not started within twenty-four (24) months of the closing date of the purchase of the Building Lot, the Owner will, at the request of the Developer, convey the lot back to the Developer at the original purchase price.
5. No dwelling house shall be erected or stand upon the Building Lot or any part thereof which shall have a floor area of less than:
 - (i) 150 square meters (1,615 square feet) in the case of a one storey dwelling;
 - (ii) 110 square meters (1,185 square feet) in the case of a two storey dwelling;
 - (iii) 90 square meters (970 square feet) in the case of a three storey dwelling.

Split-level dwellings shall be considered to have the number of storeys of their highest structure. The areas shall be calculated as the area of the ground floor only, measured to the outside of the main walls, and excluding any garage, porch, verandah, or fully-glazed attached conservatory or sun-room.

6. Prior to the commencement of any construction including excavation, the Owner shall submit to the Developer plans of the proposed dwelling house, which plans shall include a plot plan indicating location of footings and foundation, finished basement floor elevation, finished lot grading, driveway location and utilities location, exterior architectural materials and any such plans shall be subject to review and approval by the Developer.
7. No building, wall, fence (including hedges), gate, post or other structure shall be commenced, constructed or maintained on the Building Lot, nor shall any addition to or alteration thereof be made until the architectural engineering plans, specifications and siting plan showing the nature, location, materials, colour and height of any such building, wall, fence (including hedges), gate, post or other structure and any addition or alterations thereto shall have been submitted to and approved in writing by the Developer who may in its discretion refuse to approve any such plans, specifications or siting plan, which, in its opinion are unsuitable or undesirable. In approving such plans, specifications and siting plan, the Developer may take into consideration the material of all exterior walls, woodwork, windows, fencing, paving and landscape details proposed and the harmony thereof with the

surroundings and the effect of the structures as planned on the outlook from adjacent or neighboring properties. The suitability of the dwelling plan for the topography of its site, and its appropriateness in relation to the view and access to the road will be major factors taken into consideration.

8. No excavation shall be made on the Building Lot except excavations for the purpose of construction at the time of commencement of such construction or for the improvement of the gardens and grounds of the Building Lot. No soil, sand or gravel shall be removed from the Building Lot except with the prior permission of the Developer.
9. The Owner of the Building Lot may erect thereon and use internally-lighted tennis courts and lighted swimming pools provided that they are first approved by the Developer, and they shall be maintained by the Owner in accordance with the requirements of any statute, regulation or by-law promulgated by any governmental authority having jurisdiction in that regard and the Owner shall hold the Developer harmless from any action or causes of action which may arise by reason of any such tennis courts or swimming pools being located on the Building Lot.
10. No external alterations or changes to the structure of, or in respect to any dwelling, garage or other structure erected by the Owner shall be made, done or permitted except with the written approval of the Developer.
11. No signs, billboards, notices or other advertising matter of any kind, except those offering the Building Lot or buildings thereon for sale or rent shall be placed on any part of the Building Lot or upon or in any buildings or on any fence, tree or other structure on the Building Lot without the prior written consent of the Developer.
12. No exterior television or radio aerials may be erected or maintained on any part of the Building Lot without the prior written consent of the Developer.
13. No repairs to any motor vehicle shall be effected on the Building Lot save within a wholly enclosed Garage.
13. No trailer with living accommodations shall be parked or placed upon any part of the said lands except in a garage thereon in accordance with these covenants.
14. No fill, building waste or other material of any kind shall be left, dumped or stored on the Building Lot, except clean earth for the purpose of leveling in connection with the erection of a building thereon or the immediate improvements of the grounds.
15. No horses, cattle, hogs, sheep, poultry or other stock or animals other than domesticated household pets normally permitted in private homes in urban residential areas shall be kept upon the Building Lot.

16. There shall be no hunting or injuring, and no attempt to hurt or injure wildlife on or from the Building Lot.
17. No incinerator or other refuse burning device shall be erected or maintained upon the Building Lot without the prior written consent of the Developer and no such incinerator or device shall be used other than in accordance with the requirements of any statute, regulation or by-law promulgated by any governmental authority having jurisdiction in that regard. Open fires shall not be allowed regardless of whether a permit is obtained.
18. No part of any dwelling erected on the Building Lot, other than the chimney or chimneys, shall extend in height beyond 8.5 meters (28 feet) from the top of the foundation of the dwelling, measured from the main entrance floor level.
19. The Owner will repair any damage to any other lands abutting or adjacent to the Building Lot caused by any construction activities howsoever caused and will complete such repairs at the direction of the Developer and to the Developer's satisfaction and where necessary to the satisfaction of the Engineer of the Town of Portugal Cove-St. Philips or, where applicable, the Department of Transportation or any other municipal or provincial authority, NewTel Communications, Newfoundland Power or Cable Atlantic within ten (10) days from the receipt of written notice from the Developer.
20. The Owner shall be responsible for the drilling of a deep well and connection thereto, and for the construction of a septic tank and disposal field, including any importing to the site of necessary permeable soil or gravel required for the latter. The Owner shall provide a copy of Government approval for the septic installation to the Developer.
21. The Developer shall provide an easement or right-of-way for the installation of electrical, telephone and cable services to such public or private utilities as may require the easement or right-of-way along the rear of the Owner's boundary, and the Owner shall be responsible for the provision of an electrical, telephone and cable connection to the Owner's house. The Owner will place or cause to be placed, at the Owner's expense, all wires and cables leading from the public or private utilities to the house foundation on the Building Lot under the surface of the Building Lot and, after placing such wires and cables, shall restore the surface of the Building Lot, as far as possible, to the condition it was in before such wires were so placed. The location of these underground services shall be such as will minimize the need for the removal of trees and other natural landscape features.
22. The Developer shall have the right to convey to the Municipality or other public authority any part of the said lands (other than the land already conveyed) for park, recreational or other similar purposes.
23. The Owner will not damage or remove any survey stake or pin planted and if any such stake or pin is damaged or removed by the Owner, his contractor, servants, agents, workmen, vehicles, materials or equipment and in the opinion of the Developer replacement of such stake or pin is necessary, the Owner will pay the cost of such replacement by a surveyor.

24. Subject to the other terms and conditions contained in these covenants, the Owner will permit the Developer to clear, grade and seed a six (6) meter (20 feet) wide strip of land on the front of the Owner's property out to the road reservation, and the Owner shall be responsible for its maintenance and upkeep, as well as the grass provided by the Developer on the strip of land out to the edge of the paved road. The Owner shall be responsible for the repair of these strips of grassed lands should they become damaged by any construction activity whatsoever and shall maintain them in a neat, tidy and reasonable manner.
25. All construction by the Owner shall meet all requirements of all authorities having jurisdiction.
26. The building lot shall not be subdivided or have its boundaries changed without the approval of the Developer.
27. Driveways shall be finished with asphalt, concrete or paving stones and maintained in a good and attractive condition.
28. Roof slopes shall not exceed 1:2.5.
29. Flat roofs are permitted.
30. The Owner and his contractors shall only use building materials that have been approved by the Developer.
31. The set-back shall be a minimum of 12 meters (40 feet) from the front boundary of the Building Lot. Where a building lot has boundaries on two streets, the set-back shall be a minimum of 12 meters (40 feet) from both boundaries, and for purposes of all these Covenants, the front of the lot shall be either of the two boundaries at the discretion of the Owner, but not both.
32. Side yards from boundary to house shall be a minimum of 6 meters (20 feet).
33. No construction or new landscaping shall take place within 15 meters (50 feet) of ponds, designated streams and designated natural areas e.g. bogs.
34. House designs shall be selected to aesthetically blend with site slopes.
35. Main rooms and their windows shall face the view of Conception Bay.
36. The Owner shall install a standard driveway culvert for each lot at its own expense and at a location to be decided upon by the Owner. The edge of the driveway culverts shall be constructed to the Developer's standard design.
37. No fences shall be permitted forward of dwelling house centreline.

38. Fences shall be post and rail and approved by the Developer.
39. Sites shall be landscaped from the front boundary to a minimum of 6 meters (20 feet) behind the rear wall of the house.
40. Landscaping shall be generally grass sod with shrubs, trees and hard surfaces of materials approved by the Developer. The Owner shall ensure that the building lot is landscaped so that the view of surrounding property owners is not impeded. The Developer will resolve any landscaping concerns in an amicable and non-confrontational manner.
41. Where trees exist, a buffer of trees shall be maintained to a depth of 12 meters (40 feet) along the rear boundaries and 6 meters (20 feet) along the side boundaries. Where underground electrical services run from the rear of a building lot to the road reservation for the purposes of connecting to street lighting, the right-of-way for such services shall run equally between two adjoining property owners and the 6 meter (20 foot) tree buffer shall be measured from the edge of the right-of-way on each lot.
42. All trees having a trunk diameter of 10 centimeters (4 inches) minimum at .30 meters (1 foot) above ground shall be retained except where the dwelling and septic tank system construction do not permit and the approval of the Developer is given to remove them. On no account, however, shall deciduous trees such as birch, cherry, larch or maple trees be removed from the building lot unless specific approval is obtained from the Developer in order to facilitate construction of a dwelling or services to or for the dwelling.
43. All dead, seriously diseased, or fallen trees shall be removed from the Building Lot.
44. Existing vegetation shall be retained wherever possible except in landscaped areas.
45. Landscaped surfaces shall not have abrupt or steep changes in slope, other than by a retaining wall approved by the Developer.
46. Ditches, if any, shall be sodded or rip-rapped swales rather than steep-sided with bare soil. Where the rip-rapped swales are sodded, the Owner shall be responsible for their maintenance and upkeep, even though such sodding may be between the boundary line of the Owner's property and the road shoulder.
47. Rock shall only be excavated with the approval of the Developer.
48. The Owner agrees to obtain from any subsequent purchaser or transferee from him an agreement to observe the Covenants herein set forth including this clause.
49. In these restrictive covenants pronouns imparting the singular shall include the plural and both masculine and feminine and neuter, as the context may require.

50. The Covenants herein contained are severable and the invalidity or unenforceability of any Covenant shall not affect the validity or enforceability of any other Covenants.
51. Provided always that notwithstanding anything herein contained, the Developer and its successors and assigns shall have power by instrument or instruments in writing from time to time to waive, alter or modify the above Covenants in their application to any lot or lots or to any part thereof comprising part of the said land without notice to the owner of any other lot on the said lands.
52. These Covenants shall not be held binding upon the Owner or any other person, persons or corporation claiming through the Owner except in respect to breaches committed or continued during his, her, their or its ownership of the said land, upon or in respect to which such breaches shall have been committed.

DATED at St. John's, in the Province of Newfoundland, this day of , 2005.

Developer

Developer

Witness

Owner

Owner

Witness