

SCHEDULE "B"

Restrictive Covenants

The Grantee or Grantees, as applicable, (herein called the "Grantee") covenants and agrees with Point Pleasant Courts Inc. (herein called the "Developer") to observe and comply with the following restrictions and agreements (herein called the "Covenants") made in pursuance of the building scheme established by the Developer. The burden of these Covenants shall run with the lands hereby conveyed, being the lands described in Schedule "A" annexed hereto (herein called the "Lands") forever, and the benefit of these Covenants shall run with each of the lots in the Lighthouse Point subdivision in Stanhope, Queens County, Province of Prince Edward Island. These Covenants shall be binding upon and enure to the benefit of the heirs, executors, administrators, representatives, successors and assigns of the parties.

I Restrictions

1. No more than one dwelling building and no more than one accessory building shall be erected or stand at any time upon the Lands.
2. No dwelling building shall be erected or placed on the Lands other than a newly-constructed, permanent, private dwelling building. No temporary structures or mobile homes or trailers are permitted on the Lands.
3. No dwelling building shall be erected or stand upon the Lands or any part thereof which has a floor area of less than 2,000 or greater than 6,000 square feet. For the purpose of this clause, "floor area" shall be calculated and measured from the outside measurements of the main walls of the dwelling building excluding the garage, porch, veranda, sunroom, attic, basement and/or semi-basement.
4. Construction of the dwelling building and landscaping shall be completed in a proper and workmanlike manner and in accordance with plans, dimensions, specifications, siting plans and plot plans approved by the Developer.
5. The Grantee shall comply with all federal and provincial laws, regulations, by-laws and zoning and set back requirements in connection with the construction of any building upon the Lands. Building location will be identified by the Developer prior to purchase of the Lands.
6. The Grantee shall be wholly responsible for construction and maintenance of his/her/its own septic tank and field tile, which shall be in accordance with the specifications established by provincial regulation and by government departments including, but not limited to, the sewer system fill requirements imposed by the Department of Community and Cultural Affairs (all lots are approved for Type I systems).
7. Any building damaged by fire shall be removed or repaired within sixty days of receipt of insurance proceeds.
8. No items, including, but not limited to, exterior television, radio, aerials, satellite dishes or receivers larger than 30" in diameter, heat pumps, Selkirk/propane chimneys, and above-ground storage tanks, shall be erected or maintained on any part of the Lands. No building or structure higher than 32 feet from ordinary grade of the surrounding lands shall be permitted.
9. The Lands and any building thereon shall not be used for the purpose of any profession, trade, employment, service, manufacture or business of any description, nor as a school, hospital or other charitable institution, hotel, apartment, house, rooming house or place of public resort, nor for any purpose other than as a private residence for the use of only one family to each dwelling building.
10. Nothing shall be done upon the Lands that is or would likely be a nuisance to the occupants of any neighbouring lands or buildings within the subdivision. Without limiting the generality of the foregoing no one shall use recreational off road vehicles on the Lands or beaches adjacent to the Lands.

11. All buildings, walls, structures, driveways and landscaping placed or maintained upon the Lands or any portion thereon shall at all times be maintained in good condition and repair, including, but not limited to, the seeding, watering and mowing of all lawns, the pruning and cutting of all trees and shrubbery and the painting (or other appropriate external care) of all buildings, houses or other improvements and external appurtenances, all in a manner and with such frequency as is consistent with good property management. All Lands, whether occupied or unoccupied, shall be maintained in a manner acceptable to the Developer. The Developer, in its sole discretion, may determine whether or not the Lands, or any part thereof, are orderly. The Developer may have any objectionable items removed so as to restore the proper appearance of the Lands, without liability therefore, and charge the Grantee for any costs incurred in the process and the Grantee agrees to pay such charges.
12. The Lands shall be kept clean, sanitary, free from refuse, debris and fire hazard at all times and no sewage or building waste or other waste material of any kind shall be dumped or stored on the Lands, except clean fill for the purpose of leveling in connection with the construction or erection of a dwelling or other structure therein or the immediate improvement of the Lands.
13. No major repairs to a motor vehicle, boat or trailer shall be effected on the Lands, except within a wholly enclosed garage. No portion of the Lands shall be used for the storage or repair of derelict vehicles.
14. No trailer or camper with or without living, sleeping or eating accommodations, boat, or motor vehicle in excess of one tonne shall be placed, located, kept or maintained on the Lands.
15. No portion of the Lands shall be used for the parking or storage of commercial vehicles, including, but not limited to, school buses, oil trucks, freight trucks, trucks over one tonne and any other vehicles of a similar nature.
16. No cattle, hogs, sheep, poultry, horses or other livestock or animals, other than household pets normally permitted in private homes in urban residential areas, shall be permitted or kept on the Lands. No kennels and no breeding of pets for sale shall be permitted on the Lands.
17. The Grantee shall not allow any pet to leave the Lands unless the pet is under the immediate care and control of a competent and responsible person.
18. The Grantee shall connect the dwelling on the Lands to electricity via an underground conduit from the lot line to the dwelling.
19. The Grantee shall pay the annual assessment levied on each lot for costs of operating the water system.
20. The Grantee shall connect to the central water system at the Grantee's cost at the time a dwelling is constructed on the lot.
21. For any lot purchased and remaining vacant, the Grantee shall pay the Developer an annual fee for the purpose of maintaining the Lands in a manner acceptable to the Developer including, without limitation, seeding, watering and mowing of the lawn and pruning and cutting of all trees and shrubbery.
22. The Grantee shall pay the Developer an annual maintenance fee for the purpose of maintaining all common areas. In addition, the Grantee shall pay the Developer a proportional fee on a per lot basis for maintaining all street lighting.

II Written Approval Required

1. No dwelling building or other building, fence (including hedges), wall, gate post, clothesline, surface or storm drainage or other structure shall be commenced, constructed or maintained on the Lands unless the plans, dimensions, specifications and siting plan showing the nature, location (including the distances from the front, side and rear limits), colour, materials and height of same shall have been first submitted to and approved in

writing by the Developer who may in its discretion refuse to approve any such plans, dimensions, specifications or siting plan which, in its opinion, are unsuitable or undesirable. Plot plans are required to be submitted to the Developer indicating the lot grading design of the dwelling layout and proposed surface and storm drainage and landscaping and all other associated site works designed and certified by a qualified professional in this field of work preparing same indicated thereon. The design of the dwelling building, its location upon the lot, the colour of all roofs, exterior woodwork, siding and trim and all exterior masonry of the buildings to be erected shall be approved by the Developer in writing. In approving such plans, dimensions, specifications, siting plans and plot plans, the Developer may take into consideration the material and colour of all roofs, exterior walls, woodwork, windows, hardware and lighting fixtures, fencing, paving and landscaped details proposed and the harmony thereof with the surroundings and the effect of the structures as planned on the outlook from adjacent or neighbouring properties. Compulsory items are cedar shingles or Hardie Plank or brick or other wood products, and the use of earth tone colours. Steel roofs shall not be permitted. The Developer shall notify the Grantee of its decision to either approve or reject the said plans, dimensions, specifications, siting plans and/or plot plans within fourteen (14) days of being provided all of the said plans, dimensions, specifications, siting plan and plot plan.

2. No fence and/or trees shall be erected or maintained on the Lands or any part thereof without written approval of the Developer.
3. No signs, billboards, notices or other advertising matter of any kind (except signs of the size and type ordinarily employed by real estate brokers in the area, offering the Lands for sale) shall be placed on any part of the Lands or upon or in any buildings or on any fence, tree or other structure on the Lands without the prior written consent of the Developer.
4. No excavation shall be made on the Lands except excavations for the purpose of building on the same at the same time of commencement of such building or for the improvement of the gardens or grounds thereof. No soil, sand or gravel shall be removed from the Lands except with the prior written consent of the Developer.

III Developer Rights

1. The Grantee hereby agrees to consent to any future land development by the Developer.
2. The Developer shall have the right to convey to any governmental agencies or other public authorities any part of its remaining lands for parks, recreational or other similar purposes, for roadways or for pipes or conduits for sewage, drainage and electricity.
3. The Developer shall have the right to grade the lands within and adjacent to the Lands as may be a required for drainage and the construction of the streets, walkways and other improvements necessarily incidental to the Development.
4. The Developer, its successors and/or assigns, may, in its sole discretion and without the consent of the Grantee, alter, waive or modify any of the foregoing building and other Covenants, provided their substantial character is maintained.

IV Homeowner's Association

1. The Grantee, together with all others who own lots in the Lighthouse Point subdivision, shall be members in the Homeowner's Association established by the Developer.
2. The Developer will provide year round snow removal for roadways and, if necessary or applicable, common areas, with the costs of such removal borne and paid equally by all lot owners on which homes or cottages have been constructed.
3. The Developer may transfer the roadways, central water system and common areas to the Homeowner's Association at any time.
4. If the Developer has transferred the roadways and common areas to the Homeowner's Association, the Homeowner's Association will be considered the Developer for the

purpose of these Covenants and shall have the right to grant the various approvals contemplated by these Covenants.

V Covenants Severable

1. The Covenants herein are severable and the invalidity or unenforceability of any Covenant shall not effect the validity or enforceability of any other Covenant.

VI Subsequent Purchaser

1. The Grantee agrees to obtain from any subsequent purchaser or transferee a covenant to observe the Covenants herein set forth, including this clause.