RiverRidge
BUILDER PHASE II RIVER LOT SALE AGREEMENT

THIS AGREEMENT made this ____ day of May, A.D 2009

BETWEEN:

RidgeCrest Inc
C/O 400-570 Portage Avenue
Winnipeg, Manitoba
R3C 0G4

Hereinafter called the "Vendor"

OF THE FIRST PART

- And -

Hereinafter called the "Purchaser"

OF THE SECOND PART.

The parties hereto mutually covenant and agree as follows:

1. Purchase Price

1.1 Lot Selection(s)

The Vendor agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Vendor the following land legally described as follows:

(Hereinafter called the "Lot")

It is agreed that the Lot is located and legally described as shown in the Survey Plan of Subdivision attached as **Schedule "A"** (hereinafter referred to as the **Subdivision Survey Plan**) and shall comprise a lot width and area as shown in the attached **Schedule "B"** (hereinafter referred to as the **"Certified Lot Widths and Areas"**).

1.2 TOTAL PURCHASE PRICE/TERMS OF PAYMENT

The total purchase price for the Lot shall be _____Dollars ($_____) (the "Purchase Price") and the Purchase Price shall be payable by the Purchaser to the Vendor as specified herein for each lot type identified as follows:

Terms of Purchase:

Initial Deposit:

(a) The sum of _____ Dollars ($_____) by way of deposit representing Thirty (30%) percent of the Purchase Price to be paid on account of the Purchase Price upon the execution of this Agreement, said payment to be paid to **RidgeCrest Inc.**

Balance of Purchase Price:

(b) The balance of the Purchase Price, namely_____ Dollars ($_____) representing Seventy (70%) percent of the Purchase Price for the Lot shall be due and payable to **RidgeCrest Inc.** together with such other charges as are hereinafter set forth and shall be paid on the earlier of the following:

(i) the date the Vendor transfers title for the Lot to the Purchaser; or

(ii) September 30, 2009;

(hereinafter referred to as the "**Closing Date**");

1.3 Interest Commencement Date

The Interest Commencement dates for all Lots are as follows:

a) The **Interest Commencement Date** is the Closing Date. From the Closing Date, the unpaid balance of the Purchase Price shall bear an interest rate of Ten (10%) percent per annum until paid in full;

2. Services Included In Purchase Price

2.1 The cost of the installation of the following services shall be included in the Purchase Price:

(a) Underground electric power, gas, cable and telephone lines to the front property line;

(b) Sewer lines and water mains; pavement on streets; grading and gravelling until pavement on streets is installed; ornamental street lights; permanent street signs; boulevard tree plantings, park pathways, concrete sidewalks on the streets designated and flood protection dike; all of which will be installed generally in accordance with the provisions of an agreement or agreements and amendments thereto, together with the Plans and Specifications which form a part thereof, between the City of Winnipeg and the Vendor (the "Agreements");

(c) The sewer, water, land drainage and flood protection dike services, as specified in the Agreements;

(d) House connections from the street mains to the front Lot line; and

(e) The concrete and asphalt roadway services, as specified in the City of Winnipeg Development Agreement.

The Vendor agrees to install all street lights and signs, in accordance with the terms of the Agreements, provided that if the Engineer referred to in the Agreements orders that the installation of any services be delayed for any period of time, it is understood and agreed that the respective dates of installation shall be extended by a similar period of time.

3. Services Not Included In Purchase Price:

3.1 The Purchase Price shall not include the following:

(a) Paving of the front driveway approach from the street to the Lot line, which the Purchaser covenants and agrees to install, at its own expense, in accordance with the requirements and specifications as provided by the City of Winnipeg.

(b) Grading and sodding of building lot front or side lot boulevards abutting city streets, which the Purchaser covenants and agrees to install, at its own expense, in accordance with the requirements of the City.

4. Development Parameters:

4.1 The Purchaser acknowledges, covenants and agrees:

(a) That the Lot access driveway will be located as specified in **the Lot Access Driveway Location Plan** to be specified by Lombard North Group which the parties agree to add as **Schedule "C"** to this Agreement. It is understood and agreed that subject to the approval of Lombard North Group, changes may be made to the location of driveways under the Lot Access Driveway Location Plan.

(b) The Flood Protection Dike as specified in the **Flood Protection Dike Lot Easement Location Plan** and attached as **Schedule "D"** shall be built by the Vendor to the City of Winnipeg and Province of Manitoba 700 year flood protection standards. The Flood Protection Dike will be incorporated into the "River Dike Lot", identified as Lot 2 to 12 of Block 6 Plan 45041 inclusive and Lot 1 to lot 11 Deposit Plan No. 1072-06_form part of the lot grading works installed by the Vendor. Within each River Dike Lot designated the City of Winnipeg shall register a four meter (13.123 foot) easement in the rear yard as identified in Schedule "D". Under the City of Winnipeg Development Agreement the Dike Easement prohibits the construction of any portion of the dwelling or accessory building within the easement which would have the impact of impeding emergency access or installation of temporary flood protection works by the City of Winnipeg or its assigns, in the event a flood of a magnitude greater than the 700 year flood was projected. Works such as patio areas plantings, landscape works or ornamental fencing are permitted within the Dike Easement, but the City is under no liability to repair or replace in the event they become damaged during an emergency flood event.

(c) That every dwelling constructed on the Lot shall have a two-car attached garage.

(d) To grade and sod the boulevards fronting and flanking the Lot. The said boulevard to be landscaped to comply with City of Winnipeg specifications.

(e) All house construction must comply with the "**RiverRidge House and Site Design Standards"** as provided in **Appendix "E".** House plans must be submitted and receive approval of the Vendor's Planners and Landscape Architects, Lombard North Group prior to submission of plans for a building permit, no building permits will be processed by the City of Winnipeg without Lombard North Group confirmation house designs are consistent with "**RiverRidge House and Site Design Standards"** .

(f) Applications for building permits must receive approval by the Vendor's Planner to confirm compliance with RiverRidge design standards.

4.2 The Purchaser further acknowledges, covenants and agrees:

(a) That each of the Lot is a building site;

(b) That before commencing the construction of any building on any of the Lot and before applying to The City of Winnipeg for a building permit in connection therewith, the Purchaser shall notify the Vendor in writing of his intention to proceed with the construction and agrees to engage UMA Engineering to set building and lot elevations and confirm their compliance as-built to the specifications provided by the Vendor's engineer (UMA Engineering) all to the satisfaction of the City of Winnipeg.

(c) That the Lot will be used for the sole and exclusive purpose of building thereon single family dwellings;

(d) That in the construction of dwellings on the Lot, the Purchaser will comply with all applicable zoning and building by-laws;

(e) That the Purchaser is responsible for the removal of surplus trees, shrubs and earth from the Lot and/or the securing of the required fill to bring the finished level of the Lot to the required grade elevation;

(f) That the Purchaser will not deposit or store refuse, debris, soil, or other materials on any land in the Vendor's subdivision, including the Lot and shall remove any materials so deposited within 48 hours of notice from the Vendor, failing which, the Vendor may remove such material at the cost of the Purchaser;

(g) That the necessary grade elevations will be obtained by the Purchaser, at the Purchaser's expense, from the City Engineer and the Purchaser will erect single family dwellings on the Lot, in full and proper compliance with such elevations and the Purchaser will pay for any damage or costs that may result from a breach of this provision;

(h) That no building permit shall be applied for by the Purchaser unless the Lot for which a building permit has been applied for, is serviced with the following municipal services: sewer, water mains and street works. Municipal services have been completed and building permits are available for all lots.

(i) That the Purchaser will keep down noxious weeds and will comply in all respects with the requirements imposed upon an owner and occupier of the land, under "The Noxious Weed Act" with respect to the Lot and shall indemnify and save harmless the Vendor from all costs and expenses and penalties, which may be imposed upon the Vendor in the event that the Purchaser be in default hereunder;

(j) That the Purchaser will pay the Vendor the cost of cleaning, replacement or repair of any damaged water and sewer lines, manholes, catch basins, water boxes, hydrants, valves, roadways, curbs, sidewalks, hydro works, surveyors marks, grade stakes, or other services on or adjacent to, or pertaining to the Lot, or elsewhere in the subdivision, which damage may be caused by the acts or omissions of the Purchaser or his workmen, agents, or by anyone for whom he is responsible, or by trucks making deliveries of materials to the Lot. The Vendor shall also be entitled to interest, calculated at the rate of ONE AND ONE-HALF (1.5%) percent per month, computed from the date that the cost is incurred, to the date of payment by the Purchaser. Prior to making a claim under this paragraph (k), the Vendor shall first obtain certification of cleaning, replacement or repair from the Project Engineer, and notify the Purchaser in writing of the Vendor's claim that the Purchaser must be responsible for repair. The Vendor shall then forthwith attend to repair as soon as reasonably possible (weather conditions permitting) and invoice the Purchaser. If the Purchaser fails to repay the cost of repair within fifteen (15) working days then the Vendor may withdraw funds from the Purchaser's Security Deposit, held in trust by the Vendor to assure compliance with this agreement and require the Purchaser to replenish the funds held in the damage deposit by the amount equal to the value of the repair. The Purchaser has fifteen (15) days to replenish the damage deposit to its full value, after the Vendor has notified the Purchaser that funds have been used from the Purchaser's Security Deposit to complete the repairs;

(k) The Purchaser shall be responsible, at his own expense, for all sewer and water connections from the front Lot lines to the dwelling to be erected on the Lot, in accordance with the requirements of The City of Winnipeg and to secure from The City of Winnipeg, all necessary permits in connection therewith and to pay to The City of Winnipeg, all its charges.

5. General Provisions

5.1 Upon payment to the Vendor by the Purchaser of the Purchase Price for the Lot, the Vendor shall deliver to the Purchaser, a registerable Transfer of Land for the Lot, which Transfer, upon registration in the Winnipeg Land Titles Office, shall be sufficient to vest title to the Lot in the name of the Purchaser free and clear of all registered encumbrances (except those placed by or through the Purchaser and except for building restriction caveats, zoning by-laws of the City of Winnipeg, caveats registered in connection with easements or rights-of-way related to the installation of sewer, water, power, telephone and gas lines).

5.2 In addition to other payments hereunder, the Purchaser agrees to pay the Vendor the sum of **Four Hundred and Seventy-five ($475.00) DOLLARS** for legal fees with respect to the Transfer of Land provided to it by the Vendor.

5.3 As security deposit for payment of costs or non-compliance of the terms and conditions set out in this Agreement, the Purchaser shall provide the Vendor, prior to applying for a building permit, with a security deposit of **FIVE THOUSAND ($5,000) DOLLARS ("Security Deposit")** for the Lot purchased. The security deposit may be in cash or by way of an irrevocable Letter of Credit, in a form acceptable to the Vendor. It is understood and agreed that the entire Security Deposit may be applied to remedy the Purchaser's default with respect to this Agreement; however, said Security Deposit shall in no way be deemed to limit the liability of the Purchaser. The unused balance of the Security Deposit shall be repaid by the Vendor at the end of thirty (30) days after the Purchaser has constructed the family dwelling on the Lot and the driveway approach and sod has been installed for the Lot.

5.4 ***Real Property Taxes for the Lot shall be adjusted as of the date of this agreement*** (set forth at the top of page 1) and the Purchaser covenants and agrees that it shall be the duty of the Purchaser to pay any and all real property taxes, which may be assessed against from the date of this Agreement.

5.5 The Purchaser covenants and agrees <u>not to resell the Lot within one (1) year of the date hereof, without the written consent of the Vendor first had and obtained</u>. The Vendor reserves the right to refuse its consent to any resale of the Lot or may consent to such resale, subject to such terms and conditions (including the right to increase the sale prices of the Lot in the event of resale), as the Vendor may in its uncontrolled discretion determine. Should the Purchaser resell the Lot in contravention of this

provision, such resale shall be considered a default hereunder and the Vendor shall, in addition to the remedies set forth in Paragraph 5.6 hereof, be entitled to recover from the Purchaser any profit made by the Purchaser on such resale, which amount will be recoverable as liquidated damages and not as penalty.

5.6 (a) Upon default in payment of the monies due hereunder, or any part thereof on the days and times aforesaid with respect to the Purchaser's lot, or in performance of fulfillment of any of the stipulations, covenants, provisos and agreements on the part of the Purchaser herein contained, the Vendor may mail in a registered package addressed to the Purchaser at the address shown hereinafter or may deliver to the Purchaser, a notice signed by or on behalf of the Vendor, to the effect that if at the end of fifteen (15) days from the time of mailing or delivery thereof, the amount so due be not paid or the stipulations, covenants, provisos and agreements so in default be not performed or fulfilled, this Agreement shall ipso facto be determined and at an end and the Vendor shall be entitled to retain any sum or sums paid hereunder as and by way of liquidated damages and all rights and interest created herein or then existing in favour of the Purchaser, or derived under this Agreement, shall thereupon cease and determine, and the Lot shall revert and revest in the Vendor without any further declaration or forfeiture, or notice or act of re-entry and without any other act by the Vendor to be performed and without any legal proceedings or suit to be brought or taken, without any right on the part of the Purchaser to any compensation for or return of monies paid hereunder and the Purchaser shall deliver up quite and peaceful possession of the Lot to the Vendor or its agent immediately at the expiration of the said fifteen (15) days, and shall further forthwith upon such written demand by the Vendor, and without legal proceedings, reconvey the title to the Lot to the Vendor at the Purchaser's sole expense.

(b) Part payment of the amount so due or part performance only of the said stipulations, covenants, provisos or conditions so in default, after the mailing or delivery of the said notes, shall not operate to prevent this Agreement from being determined at an end, or to prevent the operation of the next preceding paragraph of this clause, at the end of the said fifteen (15) days, unless the Vendor shall expressly so agree by writing under its hand and no waiver by the Vendor of any stipulations, covenants, provisos, agreements or conditions, or of any breach thereof, shall operate to waive any other breach thereof or any other matter or thing herein contained.

(c) The provisions of this paragraph shall in no way limit, restrict or prevent the Vendor from taking suit or legal proceedings for specific performance or any other proceeding necessary to enforce the provisions of this Agreement.

5.7 Whenever the singular and masculine pronouns are used in this Agreement, the same shall be construed as being plural or feminine or neuter, where the context or the parties hereto so require and all covenants herein contained shall be several as well as joint and the time shall be of the essence of this Agreement.

5.8 This Agreement shall be binding upon the Vendor, its successors and assigns and enure to the benefit of and shall be binding upon the Purchaser, his heirs, executors, administrators and successors, but shall not be assignable by the Purchaser; and it is further understood and agreed that the obligations of the parties under this Agreement shall continue and not be merged by reason of execution and delivery of the documents or any of them referred to herein.

5.9 The Purchaser shall be responsible to control and to initiate clean-up of the litter and refuse generated by his activity, both on-site and off-site, during the construction of buildings on the Lot. The clean-up of litter and refuse shall be done on a regular basis. Accordingly, the Purchaser shall ensure that commercial refuse containers are supplied, placed and maintained in close proximity to the Lot, during his construction of buildings.

5.10 Any tender of documents or money may be made on the Vendor or the Purchaser or on their respective solicitors. Money shall be tendered by a certified cheque of a Canadian chartered bank or lawyer's trust cheque.

5.11 The Vendor may register a Caveat by virtue of this Agreement.

5.12 The Purchaser shall pay all and any Goods and Services Taxes ("GST") that may be exigible in connection with the purchase of the Lot. The GST shall become due and payable to the Vendor on the Possession Date. The Vendor's GST Registration Number is 82402 6546 RT 0001.

5.12 Any notice permitted or required to be given hereunder shall be in writing and personally delivered, mailed, postage prepaid, or faxed. Any notice will be deemed to have been received on the day of actual delivery or if mailed shall be deemed to have been received on the third business day after mailing and if transmitted by fax shall be deemed to have been

received on the first business day after the fax transmission. Addresses and facsimile numbers of the Parties are as follows:

(a) To the Vendor at: Ridgecrest Inc
C/O 200-570 Portage Avenue
Winnipeg, Manitoba
R3C 0G4
Fax: 204- 956-2783

(b) To the Purchaser at:

5.14 Attached hereto as Schedules to this Agreement are the following:

Schedule "A" Subdivision Survey Plan

Schedule "B" Certified Lot Widths and Areas

Schedule "C" Lot Access Driveway Location Plan

Schedule "D" Flood Protection Dike Lot Easement Location Plan

Schedule "E" RiverRidge House and Site Design Parameters

IN WITNESS WHEREOF the parties hereto have executed these presents, the day and year first above written.

RidgeCrest Inc.

Per: _____

President
I have authority to bind the Corporation.

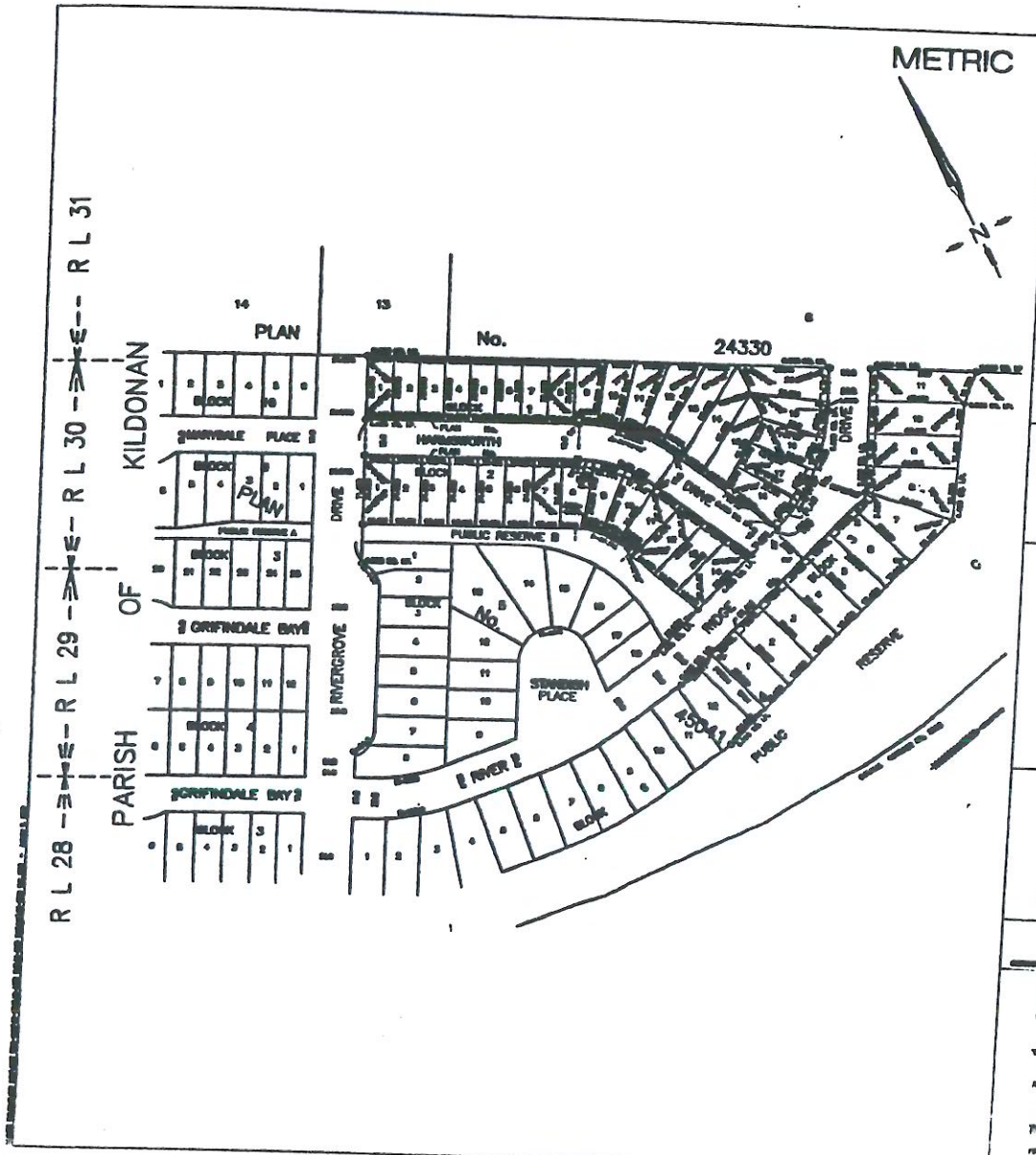
Builder

Per: _____

President
I have authority to bind the Corporation.

Schedule "A" (Phase II) Subdivision Survey Plan

DEPOSIT No. 1072/08



PLAN OF SUBDIVISION

OF PART OF

RIVER LOTS 30 AND 31, PARISH OF KILDONAN

BEING
BLOCKS 7, 8 AND 11, PLAN No.

CITY OF WINNIPEG

MANITOBA

SCALE 1 : 1000

DASSF

DEARNER & DUNCAN

Schedule "B" RiverRidge (Phase II) Certified Lot Widths and Areas

Barnes & Duncan Land Surveyors
W.O. No. 06-0725
Client : Lombard North Group
B & D Plan : 06-0725 Lot Width Sketch-2006-09-26 SEP.dwg
Date : September 26, 2006

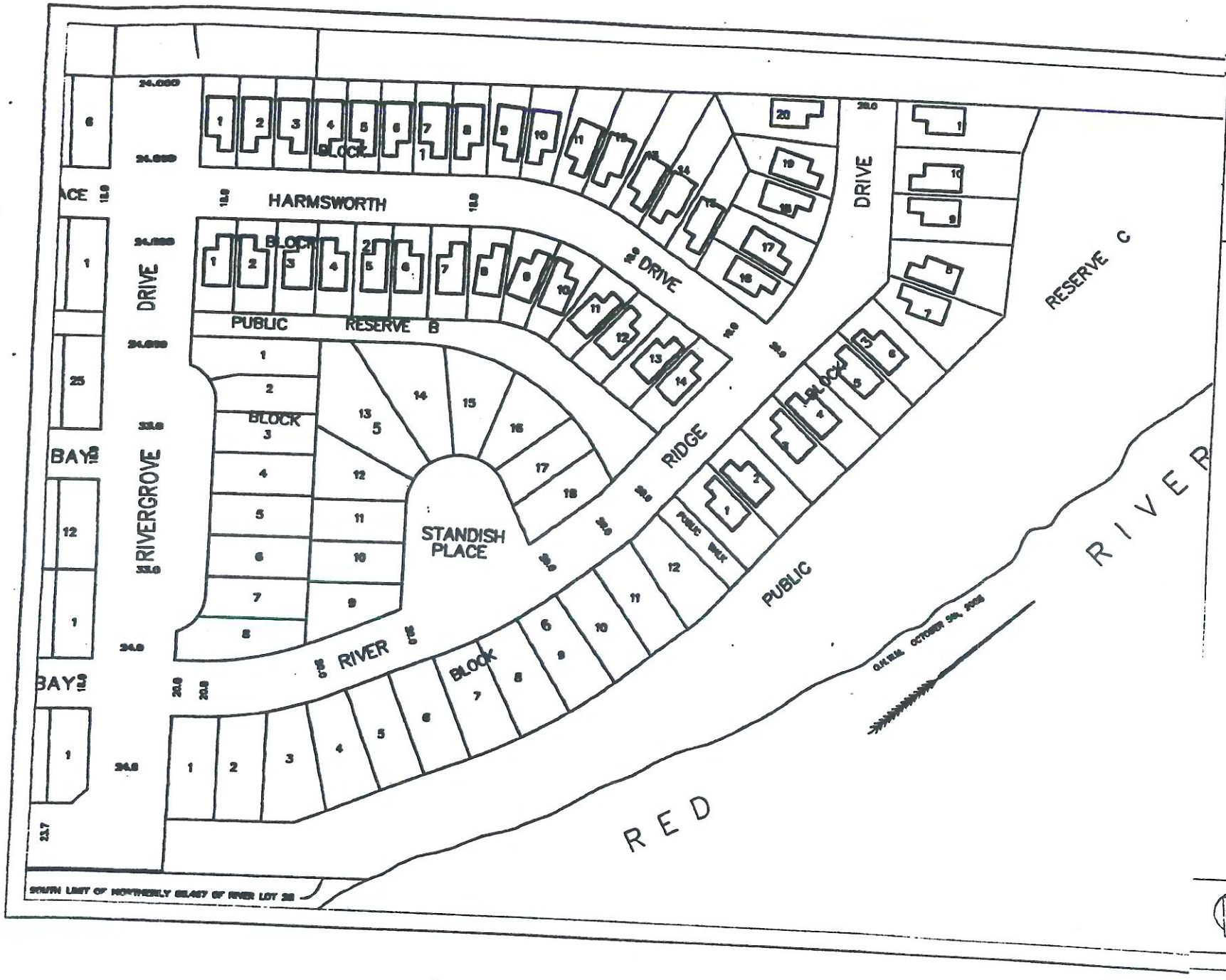
Points of Measurement for "Site Width" used in the following table are :

at ***12.192 m*** (40.0') from Front of Lot

Legal Description	Lot Depth		Lot Width			Lot Area	
	Metres	Feet	Metres	Feet	Point of Measurement	Sq. Metres	Sq. Feet
Block 1							
Lot 1	32.000	104.99	12.192	40.00	*at 12.192 m*	390.1	4199.5
Lot 2	32.000	104.99	12.192	40.00	*at 12.192 m*	390.1	4199.5
Lot 3	32.000	104.99	12.192	40.00	*at 12.192 m*	390.1	4199.5
Lot 4	32.000	104.99	12.192	40.00	*at 12.192 m*	390.1	4199.5
Lot 5	32.000	104.99	12.192	40.00	*at 12.192 m*	390.1	4199.5
Lot 6	32.000	104.99	12.192	40.00	*at 12.192 m*	390.1	4199.5
Lot 7	32.000	104.99	12.802	42.00	*at 12.192 m*	409.7	4409.6
Lot 8	32.000	104.99	12.802	42.00	*at 12.192 m*	409.7	4409.6
Lot 9	32.088	105.28	12.779	41.93	*at 12.192 m*	423.0	4552.9
Lot 10	33.594	110.22	12.802	42.00	*at 12.192 m*	450.0	4843.6
Lot 11	37.177	121.97	12.802	42.00	*at 12.192 m*	506.0	5446.7
Lot 12	43.135	141.52	12.802	42.00	*at 12.192 m*	602.7	6486.9
Lot 13	50.809	166.70	12.800	41.99	*at 12.192 m*	669.2	7202.9
Lot 14	51.229	168.07	12.802	42.00	*at 12.192 m*	657.4	7075.8
Lot 15	44.071	144.59	13.039	42.78	*at 12.192 m*	557.4	6000.2
Lot 16	34.435	112.98	15.776	51.76	*at 12.192 m*	524.1	5641.5
Lot 17	35.626	116.88	15.903	52.18	*at 12.192 m*	544.3	5858.4
Lot 18	33.929	111.32	15.769	51.74	*at 12.192 m*	515.5	5548.9
Lot 19	35.508	116.50	15.924	52.24	*at 12.192 m*	525.1	5652.0
Lot 20	42.000	137.80	15.812	51.88	*at 12.192 m*	636.4	6849.7

Legal Description	Lot Depth		Lot Width			Lot Area	
	Metres	Feet	Metres	Feet	Point of Measurement	Sq. Metres	Sq. Feet
Block 2							
Lot 1	34.000	111.55	13.411	44.00	*at 12.192 m*	456.0	4908.1
Lot 2	34.000	111.55	13.411	44.00	*at 12.192 m*	456.0	4908.1
Lot 3	34.000	111.55	13.411	44.00	*at 12.192 m*	456.0	4908.1
Lot 4	34.000	111.55	13.411	44.00	*at 12.192 m*	456.0	4908.1
Lot 5	34.000	111.55	13.411	44.00	*at 12.192 m*	456.0	4908.1
Lot 6	34.000	111.55	13.411	44.00	*at 12.192 m*	456.0	4908.1
Lot 7	34.000	111.55	13.411	44.00	*at 12.192 m*	456.0	4908.1
Lot 8	34.047	111.70	14.012	45.97	*at 12.192 m*	458.5	4935.0
Lot 9	34.000	111.55	14.119	46.32	*at 12.192 m*	439.5	4730.5
Lot 10	34.000	111.55	14.739	48.36	*at 12.192 m*	459.4	4944.8
Lot 11	34.488	113.15	14.064	46.14	*at 12.192 m*	461.1	4962.8
Lot 12	35.868	117.68	14.021	46.00	*at 12.192 m*	502.9	5413.3
Lot 13	36.696	120.39	14.021	46.00	*at 12.192 m*	514.5	5538.2
Lot 14	37.524	123.11	14.021	46.00	*at 12.192 m*	526.1	5663.2

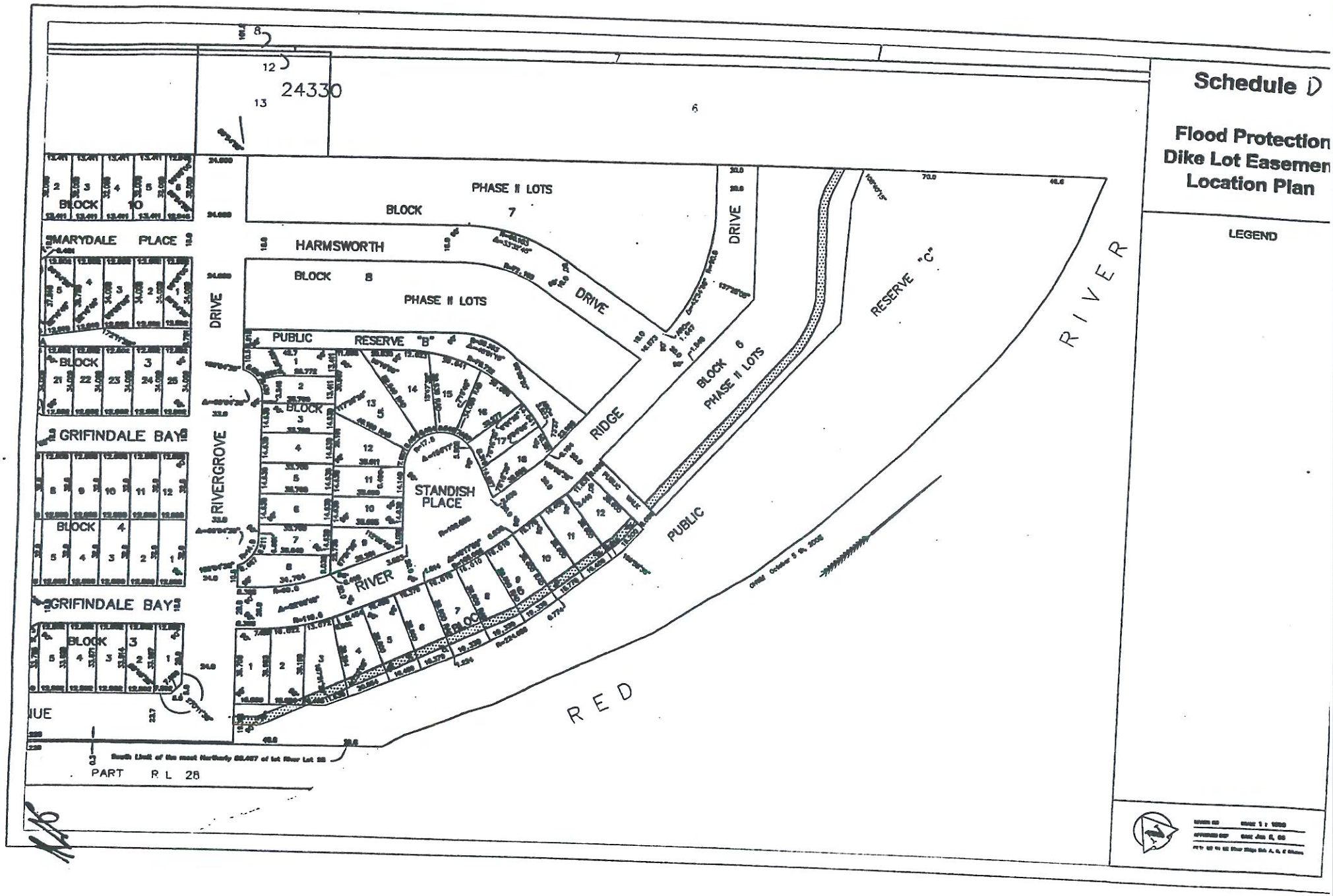
Legal Description	Lot Depth		Lot Width			Lot Area	
	Metres	Feet	Metres	Feet	Point of Measurement	Sq. Metres	Sq. Feet
Block 3							
Lot 1	38.600	126.64	16.459	54.00	*at 12.192 m*	635.3	6838.5
Lot 2	38.600	126.64	17.069	56.00	*at 12.192 m*	658.9	7091.9
Lot 3	38.600	126.64	17.069	56.00	*at 12.192 m*	658.9	7091.9
Lot 4	38.600	126.64	16.459	54.00	*at 12.192 m*	635.3	6838.5
Lot 5	38.600	126.64	16.459	54.00	*at 12.192 m*	635.3	6838.5
Lot 6	38.600	126.64	17.069	56.00	*at 12.192 m*	658.9	7091.9
Lot 7	39.768	130.47	16.163	53.03	*at 12.192 m*	770.8	8296.8
Lot 8	44.211	145.05	16.461	54.01	*at 12.192 m*	845.3	9098.8
Lot 9	45.016	147.69	16.459	54.00	*at 12.192 m*	740.9	7975.2
Lot 10	46.019	150.98	16.459	54.00	*at 12.192 m*	757.4	8152.9
Lot 11	49.210	161.45	15.850	52.00	*at 12.192 m*	780.0	8395.7



Schedule C

Lot Driveway Orientation Plan

LEGEND


Schedule D
Flood Protection
Dike Lot Easemen
Location Plan
LEGEND
24330
PHASE II LOTS
BLOCK 7
HARMSWORTH
BLOCK 8
PHASE II LOTS
DRIVE
PUBLIC RESERVE "B"
BLOCK 6
PHASE II LOTS
RESERVE "C"
RIVER
RIDGE
STANDISH PLACE
RIVERGROVE
DRIVE
MARYDALE PLACE
GRIFINDALE BAY
GRIFINDALE BAY
BLOCK 10
BLOCK 3
BLOCK 4
BLOCK 3
BLOCK 3
BLOCK 3
BLOCK 6
RIVER
RED
PUBLIC
PART R L 28