

**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

IMAGE OF DOCUMENT REGISTERED AS:

892004743

ADVISORY

This electronic image is a reproduction of the original document registered at the Land Titles Office. Please compare the registration number on this coversheet with that on the attached document to ensure that you have received the correct document. Note that Land Titles Staff are not permitted to interpret the contents of this document.

Please contact the Land Titles Office at (780) 422-7874 if the image of the document is not legible.

892004743 REGISTERED 1989 01 07
ENCU - ENCUMBRANCE
DOC 2 OF 2 DER#: 1605550 ADR/ENG
LINC/S: 0010080919

[Handwritten signature]

6
2

WEDGEWOOD HEIGHTS

ENCUMBRANCE

TO SECURE ANNUAL RENT CHARGE PER PARCEL

PURSUANT TO "THE LAND TITLES ACT"

WEDGEWOOD HEIGHTS LTD., c/o #1200, 10130 - 103 Street, in the City of Edmonton, in the Province of Alberta, as encumbrancer (hereinafter called "the Owner") being registered owner or entitled to become registered owner of an estate in fee simple in possession, subject, however, to such encumbrances, liens and interests as are notified by memorandum endorsed hereon or expressed or implied in the existing Certificate of Title of that piece of land situate in the Province of Alberta and Dominion of Canada being composed of: -

FIRSTLY: PLAN EDMONTON 882 2434
BLOCK FORTY-TWO (42)
LOTS ONE (1) TO FIVE (5) INCLUSIVE
LOTS SEVEN (7) TO NINE (9) INCLUSIVE
LOT TEN-A (10-A)
LOT THIRTY-SEVEN A (37-A)
LOT THIRTY-EIGHT (38)
LOTS FORTY-FOUR (44) TO FIFTY-EIGHT (58) INCLUSIVE
LOTS SIXTY (60) TO SEVENTY-FOUR (74) INCLUSIVE
LOTS SEVENTY FIVE A (75-A) AND SEVENTY-SIX A (76-A)
LOTS SEVENTY-SEVEN (77) TO EIGHTY-TWO (82) INCLUSIVE
LOTS EIGHTY-FOUR (84) TO NINETY-FIVE (95) INCLUSIVE
LOTS NINETY-SEVEN (97) TO ONE HUNDRED AND FOUR (104)
INCLUSIVE

EXCEPTING THEREOUT ALL MINES AND MINERALS.

SECONDLY: PLAN EDMONTON 882 2434
BLOCK FORTY-FOUR (44)
LOTS THREE (3) TO NINE (9) INCLUSIVE

EXCEPTING THEREOUT ALL MINES AND MINERALS.

THIRDLY: PLAN EDMONTON 882 2434
BLOCK FORTY THREE (43)
LOTS THIRTEEN (13) TO FORTY-ONE (41) INCLUSIVE
EXCEPTING THEREOUT ALL MINES AND MINERALS.

EXCEPTING AND RESERVING such exceptions and reservations as are expressed in the existing Certificate of Title or may be implied in connection therewith, (hereinafter called "the lands"), and desiring to render the lands available for the purposes of securing to and for the benefit of Wedgewood Heights Ltd., c/o #1200, 10130 - 103 Street, Edmonton, Alberta, in the City of Edmonton, in the Province of Alberta, as encumbrancee (hereinafter called the

"Encumbrancee") the Rent Charge hereinafter mentioned DO HEREBY ENCUMBER said lands for the benefit of the Encumbrancee, the following sums in lawful money of Canada as to the specific sum specified for each specific parcel to which this encumbrance applies as follows:

The Rent Charge, as hereinafter defined, for each of the parcels legally described as follows:

FIRSTLY: PLAN EDMONTON 882 2434
BLOCK FORTY-TWO (42)
LOTS ONE (1) TO FIVE (5) INCLUSIVE
LOTS SEVEN (7) TO NINE (9) INCLUSIVE
LOT TEN-A (10-A)
LOT THIRTY-SEVEN A (37-A)
LOT THIRTY-EIGHT (38)
LOTS FORTY-FOUR (44) TO FIFTY-EIGHT (58) INCLUSIVE
LOTS SIXTY (60) TO SEVENTY-FOUR (74) INCLUSIVE
LOTS SEVENTY FIVE A (75-A) AND SEVENTY-SIX A (76-A)
LOTS SEVENTY-SEVEN (77) TO EIGHTY-TWO (82) INCLUSIVE
LOTS EIGHTY-FOUR (84) TO NINETY-FIVE (95) INCLUSIVE
LOTS NINETY-SEVEN (97) TO ONE HUNDRED AND FOUR (104)
INCLUSIVE

EXCEPTING THEREOUT ALL MINES AND MINERALS.

SECONDLY: PLAN EDMONTON 882 2434
BLOCK FORTY-FOUR (44)
LOTS THREE (3) TO NINE (9) INCLUSIVE

EXCEPTING THEREOUT ALL MINES AND MINERALS.

THIRDLY: PLAN EDMONTON 882 2434
BLOCK FORTY THREE (43)
LOTS THIRTEEN (13) TO FORTY-ONE (41) INCLUSIVE
EXCEPTING THEREOUT ALL MINES AND MINERALS.

for each year to be paid to the Encumbrancee in lawful money of Canada, at the Encumbrancee's office in the City of Edmonton, aforesaid (or such other place as Developer may from time to time designate in writing) commencing on the earlier of the 31st day of March, 1993 or the 31st day of March first following the date that the Developer transfers the Common Facilities Lands to the Association, and ending on the 31st day of March, 2009.

FOR THE PURPOSES of the provisions hereof the terms defined shall have the meanings herein specified. The terms: -

- (a) "Association" shall mean the Homeowner's Association to be established by the Developer to own, operate and maintain the Common Facilities;
- (b) "Common Facilities" shall mean those facilities to be constructed by or for the Developer including parks, landscaping, certain ornamental fountain or fountains, playground facilities, tennis courts and other facilities and improvements that may be built from

time to time by the Developer for the use, benefit and enjoyment of the Wedgewood Heights residents and all to be constructed upon The Common Facilities Lands.

- (c) "Common Facilities Lands" shall mean those lands upon which the Common Facilities are to be constructed;
- (d) "Developer" shall mean Wedgewood Heights Ltd.
- (e) "Encumbrancee" shall mean, in the first instance, the Developer and its successors in title of the Common Facilities Lands, from time to time;
- (f) "Mortgagee" shall mean the lender or lenders granting a mortgage on the security of any of the lands;
- (g) "Prime Rate" shall mean the highest interest rate charged by the Royal Bank of Canada at its Main Branch, Edmonton, Alberta, to its most preferred commercial customers;
- (h) "Rent Charge" or Annual Rent Charge shall mean;
 - (i) until increased pursuant to sub-paragraph h(ii) below, the sum of One (\$1.00) per year, payable annually in advance; and
 - (ii) upon the organization of the Association, such amounts as are set from time to time by the association;

And in consideration of the Owner's covenants hereinafter set out the Encumbrancee DO TH HERE BY COVENANT AND AGREE with the Owner and with any Mortgagee hereinafter mentioned:

- (a) That this encumbrance and rent charge secured hereby are, subject to delivery of the matters set out in (b) below, subordinate to and are hereby postponed to any first specific mortgage charge granted to a Mortgagee in respect of such lands and any improvements thereon, whenever and however granted, and to each and every advance made thereunder so that such mortgage or other security will take precedence and priority in all respects as to principal, interest, rights and remedies but limited to a sum not in excess of ninety-five (95%) Percent of the market value of such lands.
- (b) As a true condition precedent to the operation of the postponement, referred to in Clause (a) immediately preceding, a Mortgagee shall deliver or cause to be delivered to the Encumbrancee, at the address given above, an agreement, in form satisfactory to Witten Binder, Barristers and Solicitors, #2500, 10303 Jasper Avenue, Edmonton, Alberta.
 - (i) In the event that the Mortgagee shall, for any reason whatsoever, succeeds to the interest of the Owner or its successor in title in any of the lands, the right and benefit of the Encumbrancee under this Encumbrance shall not be diminished by reason thereof and further the Mortgagee shall be

bound to the Encumbrancee under all the terms, covenants and conditions of this Encumbrance, and the Encumbrancee shall from and after such event have the same remedies against the Mortgagee for the breach on the part of the Mortgagee occurring from and after such event of an agreement contained in the Mortgage that the Encumbrancee might have had under such Mortgage against the Owner if the Mortgagee had not succeeded to the interest of the Owner;

- (ii) If the interest of the Owner in the lands under the Mortgage shall be transferred to the Mortgagee by reason of foreclosure or other proceedings for enforcement of the Mortgage, the Mortgagee shall be bound to the Encumbrancee, notwithstanding the delivery of the postponement, under all the terms, covenants and conditions of the Encumbrancee, with the same force and effect as if the Mortgagee were the Owner named in the Encumbrance, and the Mortgagee does hereby attorn to the Encumbrancee, said attornment to be effective and self operative without the execution of any further instruments upon the Mortgagee succeeding to the interests of the Owner in the lands. Upon the transfer to the Mortgagee, as aforesaid, the Mortgagee shall not cause the Encumbrance to be discharged from the title of the lands.

AND THE OWNER DOETH HEREBY COVENANT, ACKNOWLEDGE AND AGREE THAT: -

1. The true consideration for the granting of this Encumbrance and for the covenant to pay the Rent Charge hereby secured is the payment of ONE (\$1.00) DOLLAR and other good and valuable consideration by the Developer to the Owner (the receipt of which is hereby acknowledged), and the construction and maintenance of the Common Facilities developed by the Developer for the benefit of, inter alia, the Owner; and

2. The Owner shall pay said Rent Charge to the Encumbrancee at the time and place hereinbefore set forth without deduction or defalcation; and any amount in default shall bear interest at the rate of FIVE (5%) PER CENT above the Prime Rate, calculated and compounded monthly, and payment of said rent charge and such interest shall be secured by these presents; and

3. The Encumbrancee, or its successors in title as owner or owners of the said Rent Charge at any time thereafter shall be entitled to and are hereby granted the right of distress together with all powers and remedies of an encumbrancee under the Land Titles Act; and

4. For the purpose of realizing the security hereby granted by the Owner or the Encumbrancee, the Encumbrancee shall be deemed to be a mortgagee enjoying all the rights and privileges of a mortgagee as provided under the laws of the Province of Alberta and the Encumbrancee shall be entitled, without restricting the generality hereof, to take any proceedings for sale and/or foreclosure concurrently or otherwise with any other step or proceeding available to it at equity or in law; and

5. That in case of default being made in any of the covenants, agreements, provisos and stipulations herein contained, and by reason of such

default the Encumbrancee considers it necessary to place this Encumbrance in the hands of its solicitors for the purpose of having such default remedied, then the Owner covenants and agrees with the Encumbrancee to pay the full cost of said solicitors as between solicitor and client; and

6. This Encumbrance shall be construed and governed by the laws of the Province of Alberta; and

7. The waiver of any one or more defaults under this Encumbrance shall not be construed as a waiver of any subsequent or other default; and

8. The Encumbrancee may register this Encumbrance against the title to the lands in the Land Titles Office for the North Alberta Land Registration District, and the Encumbrancee shall have the right to transfer this Encumbrance to the Association.

9. Any notice to be given by the Encumbrancee to the Owner may be forwarded by ordinary mail addressed to the Owner at the municipal address of said lands or to the last post office address of the Owner known to the Encumbrancee, and shall be deemed to have been received by the Owner within the ordinary time required for deliver of mail from the post office where mailed to such address; and

10. The words in the hereinbefore contained covenants, provisos, conditions and agreements referring to the Owner which import the singular number shall be read and construed as applied to each and every Owner male and female and to his or her executors, administrators and assigns, and in the case of a corporation, to such corporation and its successors and assigns, and that in case of more than one Owner, the said covenants, provisos, conditions and agreements shall be construed and held to be several as well as joint; and

11. These presents shall enure to the benefit of the Encumbrancee's successors and assigns and shall be binding upon the Owner and the Owner's executors, administrators, assigns and successors in title.

IN WITNESS WHEREOF the Owner has subscribed, affixed the Owner's seal and delivered these presents as the Owner's deed this 19th day of December, 1988.

WEDGEWOOD HEIGHTS LTD.

Per: _____

Per: _____

c/s

WEDGEWOOD HEIGHTS LTD.
ENCUMBRANCE
TO SECURE ANNUAL RENT CHARGE
