

DISCLOSURE STATEMENT

Real Estate Development Marketing Act

September 15, 2005

**SAKINAW RIDGE
Pender Harbour, British Columbia**

BGD HOLDINGS CO. LTD.

Business address: 9701 - 201st Street, Langley, B.C. V1M 3E7

Registered office: 1600 – 925 West Georgia Street, Vancouver, B.C. V6C 3L2

(the “Developer”)

LANDQUEST REALTY CORP.

200 – 313 6th Street, New Westminster, B.C.

(the “Real Estate Agent”)

This Disclosure Statement has been filed with the Superintendent of Real Estate, but neither the Superintendent, nor any other authority of the government of the Province of British Columbia, has determined the merits of any statement contained in the Disclosure Statement, or whether the Disclosure Statement contains a misrepresentation or otherwise fails to comply with the requirements of the *Real Estate Development Marketing Act*. It is the responsibility of the Developer to disclose plainly all material facts, without misrepresentation.

RIGHT OF RESCISSION

Under section 21 of the *Real Estate Development Marketing Act*, the purchaser or lessee of a development unit may rescind (cancel) the contract of purchase and sale or contract to lease by serving written notice on the developer or the developer's brokerage, within 7 days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of this Disclosure Statement.

The rescission notice may be served by delivering or sending by registered mail, a signed copy of the notice to

- (a) the developer at the address shown in the disclosure statement received by the purchaser,**
- (b) the developer at the address shown in the purchaser's purchase agreement,**
- (c) the developer's brokerage, if any, at the address shown in the disclosure statement received by the purchaser, or**
- (d) the developer's brokerage, if any, at the address shown in the purchaser's purchase agreement.**

The developer must promptly place purchaser's deposits with a brokerage, lawyer or notary public who must place the deposit in a trust account in a savings institution in British Columbia. If a purchaser rescinds their purchase agreement in accordance with the Act and regulations, the developer or the developer's trustee must promptly return the deposit to the purchaser.

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1. The Developer

1.1. Particulars

The Developer was incorporated in British Columbia on April 4, 2003 under incorporation number 667224.

1.2. Specific Purpose

The Developer was incorporated specifically for the purpose of developing the Lots and does not have any other significant assets other than the lands registered in its name that are adjacent to the Development.

1.3. Registered and Records Office

1600 – 925 West Georgia Street, Vancouver, B.C. V6C 3L2

1.4. Directors

David R. Milne
Brian Spence

2. General Description

2.1. General Description of the Development

29 lots (the “Lots”) are being offered for sale pursuant to this Disclosure Statement. The Lots are shown on the Plan attached as **Exhibit “A”**. The Lots are located on Lee Road, Pender Harbour, in the Sunshine Coast Regional District. The Lots do not yet have civic addresses. It is anticipated that additional lots will be made available for sale on the adjacent land owned by the Developer, however, it is not anticipated that there will be any sharing of costs or facilities in the event that additional lots are developed.

2.2. Permitted Use

The zoning for the Lots is RU1. The permitted use is rural/residential as set out in Exhibit “B”. Lots may not be used for commercial or other purposes that are not ancillary to residential purposes.

2.3. Building Construction

Purchasers are responsible for constructing improvements on the Lots and are required to obtain a building permit with reference to such improvements. Building permits are available upon application and payment of required fees for each lot. Contact Sunshine Coast Regional District, 5477 Wharf Road, Sechelt, B.C. (604-885-2261) for further information in respect to applicable building and zoning bylaws. The Developer is not aware of any substantial costs or works

required to obtain building permits relating to the Lots. There will be a building plan registered against the title to each lot, a copy of which is attached as Exhibit "C".

3. Servicing Information

3.1. Utilities and Services

- 3.1.1. Water: All Lots will be serviced to the Lot boundary by a community water system. The anticipated date for the completion of the system is April 30, 2006.
- 3.1.2. Electricity: All Lots are serviced with electricity by B.C. Hydro to each lot boundary. Electricity will be supplied to each Lot upon application for and payment of the usual application and hook-up charges by the purchaser.
- 3.1.3. Sewerage: All Lots will be serviced by a community sewer system. The system will be pressurized which will require purchasers, at their own cost, to install a pumping system and septic tank. The anticipated date for the completion of the system is April 30, 2006.
- 3.1.4. Natural Gas: The Lots are not serviced with natural gas. It is unlikely that such service will be available to the Lots in the foreseeable future.
- 3.1.5. Fire Protection: There will be fire protection for the Lots provided by the Sunshine Coast Regional District. The anticipated date for the installation of fire hydrants is April 30, 2006.
- 3.1.6. Telephone: Telephone service will be installed to each lot boundary by April 30, 2006. Purchasers will be responsible for making application and paying hook up charges for telephone service.
- 3.1.7. Access: Roads will be paved to all Lots.

4. Title and Legal Matters

4.1. Legal Description

The present legal description of the property being subdivided is:

- 4.1.1. Parcel Identifier: 015-868-770
Lot A (Reference Plan 1507)
District Lot 3921
Group 1
New Westminster District

4.1.2. Parcel Identifier: 015-869-172
 District Lot 3921
 Group 1
 New Westminster District
 Except Lot A (Reference Plan 1507)

4.1.3. Parcel Identifier: 015-869-199
 District :Lot 3922
 Group 1
 New Westminster District

(collectively, the “Lands”)

The legal description of the Lots will be:

Lots 1 to 29

Purchasers will be notified of the complete legal description once the subdivision plan is registered.

4.2. Ownership

The registered owner of the Lands is BGD Holdings Co. Ltd.

4.3. Existing Encumbrances and Legal Notations

The Lands are charged and the Lots will be charged with the following encumbrances and legal notations:

- (1) Mortgage No. BV142862 in favour of The Bank of Nova Scotia registered April 25, 2003 (the “Bank of Nova Scotia Mortgage”);
- (2) Mortgage No. BV142863 in favour of 5200 Investments Ltd. registered April 25, 2003 (the “5200 Mortgage”); and
- (3) Priority Agreement No. BV142864 granting the Bank of Nova Scotia Mortgage priority over the 5200 Mortgage registered April 25, 2003.

The above mortgages will be discharged from each Lot either from the proceeds of the Bank of Montreal Mortgage (see Section 4.4.4) or from the payment of the net proceeds from the sale of each Lot first to the Bank of Nova Scotia until the Bank of Nova Scotia Mortgage is paid in full and then to 5200 Investments Ltd. until the 5200 Mortgage is paid in full.

4.4. Proposed Encumbrances

The Developer does not anticipate registering any further encumbrances against the title to the Lots that will significantly restrict the use or occupation of the Lots, save and except :

- 4.4.1. rights of way, easements, restrictive covenants, dedications and other rights in favour of utilities and applicable government authorities;
- 4.4.2. Section 2.19 Covenant prohibiting construction within a specified distance from a water boundary and within a specified distance above sea level;
- 4.4.3. the Building Plan attached as Exhibit "C"; and
- 4.4.4. a mortgage and collateral security in favour of the Bank of Montreal (the "Bank of Montreal Mortgage").

The Developer has received a commitment from the Bank of Montreal dated July 22, 2005 pursuant to which the Bank of Montreal will provide funds to pay out and discharge the Bank of Nova Scotia Mortgage together with additional funds to complete the development of the Lands. The Bank of Montreal Mortgage, if registered, will be granted priority over the 5200 Mortgage and will be discharged from each Lot upon the payment to the Bank of Montreal of the net proceeds from the sale of each Lot.

4.5. Outstanding or Contingent Litigation or Liabilities

There is no outstanding or contingent litigation or liabilities relating to the Lots.

4.6. Environmental Matters

There have been no changes from the natural state of the Lots other than normal clearing. Based on a physical examination of the Lots and after conferring with the Ministry of Transportation, the Developer is not aware of any flooding danger to the Lots. The Developer knows of no extraordinary requirements for foundations for buildings on the Lots necessitated by the condition of the soil, subsoil or otherwise, however the Developer will conduct a geotechnical assessment of each Lot to determine any hazards or setback areas.

5. Construction and Warranties

5.1. Construction Dates

The estimated date for the completion of the servicing and utilities will be between April 30, 2006 and December 31, 2006.

5.2. Warranties

There are no construction or other warranties relating to the sale of the Lots other than as may be set out in the Contract of Purchase and Sale relating to the purchase and sale of the Lots.

6. Approvals and Finances

6.1. Development Approval

The preliminary layout approval was granted on June 1, 2004 by the Provincial Approving Officer. It is anticipated that the subdivision plan will be registered not earlier than January 1, 2006 and not later than December 31, 2006.

6.2. Construction Financing

Construction financing has been provided by the Bank of Montreal and will be secured by a mortgage and assignment of rents to be registered against the Lots. Arrangements have been made with the Bank of Montreal to obtain partial discharges of the mortgage and assignment of rents upon the sale of the Lots.

7. Miscellaneous

7.1. Deposits

All deposits will be paid to Landquest Realty Corp. or legal counsel for the Developer to be held as required by the *Real Estate Development Marketing Act*.

7.2. Purchase Agreement

The Developer does not intend on using a standard form Contract of Purchase and Sale for the Lots.

7.3. Developer's Commitments

There are no outstanding Developer's Commitments other than those set out in Sections 3.1.1, 3.1.3 and 5.1. No security has been posted to meet these commitments. **Purchasers should satisfy themselves that the Developer has the financial resources to fulfill these commitments.**

7.4. Other Material Facts

The Developer is unaware of any other facts that could reasonably be expected to affect the market price, value or use of the Lots.

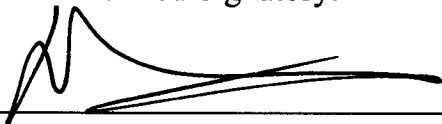
Section 22 of the *Real Estate Development Marketing Act* provides that every purchaser who is entitled to receive this Disclosure Statement is deemed to have relied on any false or misleading statement of a material fact contained in this Disclosure Statement, if any, and any omission to state a material fact. The developer, its directors and any person who has signed or authorized the filing of this Disclosure Statement are liable to compensate the purchaser for any misrepresentation, subject to any defences available under section 22 of the Act.

DECLARATION OF DEVELOPER

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of September 15, 2005.

BGD HOLDINGS CO. LTD.

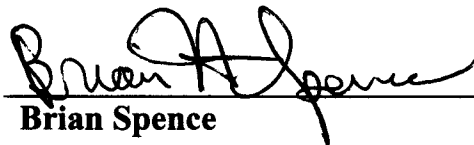
Per Authorized Signatory:



All Directors in their Personal Capacity



David R. Milne



Brian Spence

SOLICITOR'S CERTIFICATE

CANADA
PROVINCE OF
BRITISH COLUMBIA

IN THE MATTER OF THE *Real Estate
Development Marketing Act* and the
Disclosure Statement of:

Sakinaw Ridge, Pender Harbour, British
Columbia

For property to be subdivided and
described as:

Parcel Identifier: 015-868-770
Lot A (Reference Plan 1507)
District Lot 3921
Group 1
New Westminster District; and

Parcel Identifier: 015-869-172
District Lot 3921
Group 1
New Westminster District
Except Lot A (Reference Plan 1507); and

Parcel Identifier: 015-869-199
District :Lot 3922
Group 1
New Westminster District.

I, John H. Fraser, Solicitor, a member of the Law Society of British Columbia, having read over the above described Disclosure Statement dated July 20, 2005, made any required investigations in public offices, and reviewed same with the developer therein named, hereby certify that the facts contained in paragraphs 4.1, 4.2 and 4.3 of the Disclosure Statement are correct.

DATED at the City of Vancouver, in the Province of British Columbia, this 6th day of OCTOBER, 2005


Name: John H. Fraser

EXHIBIT "A"

Draft Subdivision Plan

EXHIBIT "B"

Permitted Use

EXHIBIT "C"

Building Plan

RU1 ZONE (RURAL RESIDENTIAL)

Permitted Uses

- 1011.1 (1) Except as permitted in Part V, land, buildings and structures on parcels 3500 square metres or less in the RU1 zone shall be used for the following purposes only:
- (a) one single family dwelling;
 - (b) agriculture;
 - (c) bed and breakfast home.
- (2) On parcels exceeding 3500 square metres the additional permitted use is:
- (a) a second dwelling unit to create a duplex; or
 - (b) one auxiliary dwelling unit;
 - (c) auxiliary light industry.
- (3) On parcels exceeding 8000 square metres the additional permitted uses are:
- (a) a second single family dwelling, a transition house or a bed and breakfast inn;
 - (b) garden nursery;
 - (c) raising of fish for domestic consumption.
- (4) On parcels exceeding 1.75 hectares the additional permitted uses are:
- (a) riding stable and academy;
 - (b) campgrounds;
 - (c) a single fully enclosed building to house manufacturing or storage provided that:
 - (i) there is no storage outside of an enclosed building;
 - (ii) no such building shall exceed 4.5 meters in height;
 - (iii) the required setback from all parcel lines is 7.5 meters;
 - (iv) the floor area of such a building shall not exceed 75 square meters;

Dwelling Units Per Parcel

- 1011.2 No more than two dwelling units may be located on a parcel.

Floor Area

- 1011.3 The total floor area of a transition house shall not exceed 300 square metres.

Campground Density

- 1011.4 The maximum number of campsites and recreational vehicle sites in a campground is 10 per hectare of parcel area.

Siting of Structures

- 1011.5 No structure may be located within:
- (a) 5 metres of the front or rear parcel line;
 - (b) 1.5 metres of a side parcel line; or
 - (c) 4.5 metres of an exterior side parcel line.

Parcel Coverage

- 1011.6 With the exception of public utility buildings and structures on parcels less than 100 square metres, the parcel coverage of all buildings and structures shall not exceed 15 percent size except where the parcel is 2000 square metres or less the parcel coverage shall not exceed 35 percent.

EXHIBIT "C"

**SAKINAW RIDGE
BUILDING PLAN**

SCHEDULE OF RESTRICTIONS

1.0 DEFINITIONS

In this Building Scheme, unless the subject matter or context requires otherwise, the following words or phrases shall have the following meanings:

"Accessory Building" means any Building ancillary to the House on any Lot including, without limitation, storage sheds;

"Building" means a House or an Accessory Building and each and every other improvement and structure of any type or kind located above or below ground level and any parts thereof (footings excluded), but shall not include Landscaping;

"Building Plans" means complete drawings and specifications of a proposed Building on a Lot including, without limitation:

- a topographic survey prepared by a British Columbia Land Surveyor including all existing elevations at curbs and lot corners;
- a site plan drawn at a scale of 1/8" = 1'-0" showing: the north direction; the Lot number; the locations, bearings, dimensions and elevations of the property lines; the locations of the curb lines, roadway sidewalks and catch basins; existing and proposed easement, right of way and restrictive covenant lines; the location of all street lights, and of proposed fences (including description), driveway (including elevations, slope and surface), walkways (including surface), steps, patios (including dimensions and finish), swales (including direction); minimum and proposed setbacks. Existing and proposed grade elevations at the corners of the proposed building and at the property lines; the elevations of the basement, crawl space, main floor and upper floor of the proposed building; foundation lines of the proposed building, cantilevered floors and decks; roof ridge, hip and valley lines;
- a plan of all exterior elevations, existing and proposed perimeter grade elevations, all detailing, types of materials and finishes, and roof overhang description;
- floor plans showing exterior dimensions, floor areas and room names;
- exterior material and colour descriptions of the roofing, soffits, body, trim and accents of the proposed building;
- a landscape plan drawn at a scale of 1/8" = 1'-0" showing the type and location of all proposed landscaping including but not limited to all sodded, planted and treed areas;

- a certificate from a British Columbia Land Surveyor, if required; and
- any other information the Developer may reasonably require to ensure compliance with this Building Scheme;
- but shall not include “mirror-image “ type plans.

“*Building Scheme*” means this Schedule of Restrictions;

“*City*” means the Sunshine Coast Regional District or other successor local municipal body having jurisdiction over the Lots;

“*Commencement Date*” means the date of commencement of the construction of a Building by the Owner;

“*Designer Consultant*” means BGD Holdings Ltd or nominee;

“*Developer*” means BGD Holdings Ltd. or nominee and its successors and assigns;

“*House*” means a single family residential building containing one dwelling unit, and “*Houses*” means more than one House;

“*Landscaping*” means all plant materials of any type or kind located above or below ground level on a Lot, and any type or kind of pool, swimming pool, hot tub, landscape lighting, retaining walls, walkways, fencing, privacy walls, sidewalks or driveways located on a Lot;

“*Lot*” means any one of the Lots;

“*Lots*” means the lots described in this Agreement and any portion or portions into which such lots may be subdivided or consolidated, whether by subdivision plan, strata plan or otherwise;

“*Owner*” means the person registered in the register of a land title office as owner in fee simple of a Lot, whether entitled to it in his own right or in a representative capacity or otherwise, or:

- (a) where there is a registered agreement for sale and purchase of the Lot, the registered holder of the last agreement for sale and purchase; and
- (b) where there is a registered life estate, the tenant for life.

“*Zoning Bylaw*” means any zoning bylaw adopted by the City (as defined above).

2. CONSTRUCTION AND APPROVAL REQUIREMENTS

In respect of any Lot:

- no landfill or any other like substance shall be placed or deposited on the Lot;
- no excavation, blasting or removal of any fill or ground cover, or the felling of trees, clearing of brush or other removal of natural vegetation shall occur on a Lot;
- no application shall be made for a building permit for the construction of any Building; or
- no placement, erection or construction of any Building, may be commenced if a building permit would normally be required by the City for any such work;

unless and until the Building Plans have been provided to the Design Consultant, in triplicate, and the Design Consultant has provided its written approval of the Building Plans.

2.1 Plan Approvals

All Building Plans submitted for approval shall conform to the City's bylaws and to the British Columbia Building Code in effect at that time. The Design Consultant shall have the right and power to approve or arbitrarily reject Building Plans. The Design Consultant shall notify the owner within ten (10) days of receipt of the completed plans of the approval or disapproval of the plans. Any approval of Building Plans granted by the Design Consultant shall expire one and one-half (1.5) years from the date of such approval. Any changes to the approved Building Plans, including changes required by the City for the issuance of a building permit, must receive written approval from the Design Consultant prior to the changes being constructed. If substantial change approvals of the Building Plans are required, such additional approvals may be charged at a rate of \$150.00 per occurrence and will be paid directly to the Design Consultant.

Two sets of the Building Plans marked "Approved" and signed by the Design Consultant will be returned to the Owner or the Owner's agent for submission to the City as required prior to the issuance of a building permit.

2.2 Construction and Construction Approvals

Once construction of any Building on any Lot is commenced in compliance with the foregoing restrictions, the construction of such Building shall not be discontinued and shall be completed as to external appearance, including finished painting, not later than twenty-four (24) months from the Commencement Date (construction period).

During construction, the Design Consultant or its agents, shall carry out on-site inspections during the construction period of a Building to ensure compliance by the Owner with the approved Building Plans. The following inspections are required to be completed by the Design Consultant and shall be requested by the Owner or the Owner's agent at the following times:

- **roof sheathing stage home and site inspection:** to be requested upon completion of the roof sheathing of the House and any Accessory Building to receive approval of work in place. If a siting location or height non-compliance is suspected by the Design Consultant, a certificate from a British Columbia Land Surveyor may be required to verify whether there is non-compliance. Photographs of corrected site non-compliances may be accepted to avoid requiring another inspection at this stage;
- **completed home and perimeter grades inspection:** to be requested within eighteen (18) months from the Commencement Date;
- **completed landscaping inspection:** to be ordered within thirty-six (36) months from the Commencement Date, unless inclement weather results in a delay, in which case, the time period for this inspection shall be extended to account for such delay.

If it is necessary for repeat inspections to be performed, such inspections shall be completed by the Design Consultant and a fee of \$150.00 may be charged for each inspection, which fee will be payable directly to the Design Consultant.

During Construction on a Lot, the Lot shall at all times be maintained in a neat, tidy and safe manner so as to cause no unnecessary or unreasonable disturbance, nuisance or danger to persons or neighboring Lots. Such maintenance shall be the sole responsibility of the Owner who shall be solely responsible for the costs thereof.

2.3 Design Approval Process

The Design Consultant coordinates the review and approval of all plans. The Design Consultant will ensure that all design criteria are met. The Design Consultant may resolve to:

- Approve the plans;
- Approve the plans subject to the satisfaction of specified conditions;
- Request further information and/or modification of the plans prior to further review; or
- Reject the plans.

2.4 No Obligation to Enforce

Nothing in this schedule will be construed as an admission of responsibility or liability on the part of BGD, the Design Consultant or the developer to or for the benefit of any third party, whether an owner of lands or a lot or lots in the area or otherwise, to enforce, oversee, pursue, maintain or otherwise control the activities of an owner or others with respect to the use of or the enforcement of any conditions in this schedule which will be in the sole discretion of the Developer as he/she sees fit from time to time.

2.5 Right to Modify

The Developer hereby reserves the right to modify, waive, release or vary this schedule at any time, but no such modification, waiver, release or variance may be acted upon without the written consent of the Developer first being obtained. There may be a nominal fee charged for the issuance of a Variance Permit, depending on the scope of variance requested.

To reflect improvements and changes in building technology and design, the Developer reserves the right to modify this schedule as it considers appropriate in view of such changes.

2.6 No Liability for Non-Compliance

By acting as the approving body under this schedule or by the creation or variance of this schedule, the Developer or the Design Consultant does not assume any liability for damage resulting from structural defects in any structure erected on the lots nor any responsibility in connection with the site selected for any structure nor for the determination of lot boundaries, nor in the event of non-compliance with or non-fulfillment of any of the covenants, stipulations, restrictions or conditions in this schedule or in any Building or Development Permit or Licence, or in any conveyance or other agreement for the sale or lease of any of the lots. The Developer or the Design Consultant accepts no responsibility for construction design or methods of construction. All construction must meet the British Columbia Building Code and all By-laws and Permit conditions of the City.

3. SITE REQUIREMENTS

3.1 Uses

As per Regional District zoning bylaws.

3.2 Setbacks

No Building shall be constructed unless the setbacks will conform to those established by the City in the Zoning Bylaw provisions applicable to the Lot, and such increased setbacks as may be prescribed by the Design Consultant or the Developer in the interests of tree preservation, variety in the streetscapes or maximization of privacy.

3.3 Siting

Attention should be given to siting of the Buildings in relationship to adjacent properties.

4. SITE DESIGN

4.1 Site Analysis

The success of any project relies on the strong understanding of a site's strengths and weaknesses and the context in which it is set.

Prior to initiating any site design an analysis of the site must occur. The objective of any site analysis should make use of relevant professionals as required (ie. architects, landscape architects, engineers, geologists and other consultants). The analysis should use topographic surveys, site photos, soils reports and any other background material to help inform and reveal to the developer, architect and other consultant's the true conditions of the site. The results of the analysis should be utilized to convey to the Design Consultant the reasoning behind the resultant site plans.

4.2 Zoning Bylaws

The Site Plan and subsequent building development must adhere to all zoning bylaws.

4.3 Building Siting Policies

(a) Minimize the visual impact of buildings on the landscape

- The placement of Buildings should respect existing land forms and should, where possible, fit with existing contours.
- The sense of a Building should be that its walls continue down to the ground to give the sense of a solid and stable mass.

(b) Location of Buildings on their sites, and the construction of such Buildings must be situated in a way that creates a carefully scaled relationship between adjacent buildings and landscape features.

- Residential projects should consider their effect on privacy, view lines and overshadowing of neighbouring properties.

4.4 Site Coverage

(a) General

No Building shall be constructed on a Lot unless the site coverage of such Building is in accordance with the Zoning Bylaw.

(b) All Houses

The total finished living area (excluding the garage and basement) shall be at least 1200 square feet (111 square metres). Some exceptions may be permitted at the discretion of the Design Consultant.

(c) Accessory Buildings

No Accessory Building may be constructed on a Lot unless the design and location of the Accessory Building is first approved by the Design Consultant. The roof and design of an Accessory Building shall be consistent in slope and style of the House.

(d) Garages, Driveways and Walkways

- No garage shall be constructed on any Lot unless it will comfortably contain a minimum of two standard passenger size motor vehicles and is contiguous to the House of which it forms a part, unless the Design Consultant deems it appropriate to approve a garage separate from the House for a particular architectural design.
- All driveways must be finished with at least crushed gravel or better. Concrete, brick or asphalt pavement are preferred. All driveways will be designed to control water runoff to rock pits. If a driveway is constructed of coloured materials, such materials must contain sort, not radically contrasting colour transitions.
- No garage or driveway shall be constructed unless and until its location and design are approved by the Design Consultant to ensure compatibility with adjacent Houses. If approved by the Design Consultant, garages may extend toward the public roadway or street.

(e) Lot Grading

- Except during the construction period for a Building on a Lot and as may be permitted by the City temporarily during the construction period, no Lot shall have lot grading or ground conditions that do not comply with the Lot grading plan approved by the City for the Lots and the City's requirements for Lot grading. Owners of Lots shall consult the City to ensure that their elevations and Landscaping conform to the lot grading plan and to the City's requirements. There shall be a smooth finished grade or ground level transition from Lot to Lot if altered from natural.
- The Owner is responsible to ensure that foundation excavations are filled back and that excess soil is removed from the Lot to an approved disposal area after construction and that Landscaping and other site changes do not interrupt the drainage pattern.
- Retaining walls shall not exceed a maximum of 3.9 feet (1.2 metres) in height above or below the finished grade and the offset from an adjacent retaining wall shall not be less than 3.9 feet (1.2 metres). The distance to a retaining wall from a Lot's property line should be at least equal to the height of the retaining wall to a maximum of 3.9 feet (1.2 metres). Retaining walls shall not be constructed of materials other than concrete, stone, brick or wood, unless by the approval of the Design Consultant. If a retaining wall is constructed of concrete, the concrete may not display a plain or brushed finish and must display a decorative cap or be concealed by plantings.

(f) Signage

- Street signs, pedestrian signs, traffic signage shall be approved by the Design Consultant.
- Commercial signage shall not be erected in residential areas, unless approved by the Design Consultant.

- No billboards, placards, advertising or signs of any kind will be contained on residential lots, nor on any visible surface of any building contained on residential lots.
- Exceptions include "For Sale" or "For Rent" signs not exceeding three (3) feet by two (2) feet in size or signage that has been approved in writing by the Design Consultant.
- Street address numbers shall be posted in a clearly visible area from the street, shall be lighted and/or reflective, and no smaller than 15cm (6") in height for easy identification in emergency situations (fire, police, etc.).

5. ARCHITECTURAL DESIGN REQUIREMENTS

Regardless of compliance with the criteria set out in this Building Scheme, no Building shall be constructed unless the architectural design requirements are to the Design Consultant's satisfaction in all respects.

It is important that the residential buildings at Sakinaw Ridge be designed such that they:

- Relate to the people living there;
- Harmonize with the area and its natural features and;
- Reflect the desired character of development.

(a) Size and Scale

- The total finished living area (excluding the garage and basement) shall be at least 1200 square feet (111 square metres).
- No unbroken expanse of building façade may exceed 24' before a minimum shift in wall plane of 0.6 metres (2 ft) must occur and; no unbroken expanse of building façade may exceed 36 ' before a minimum shift in wall plane of 1.2 metres (4ft) must occur. Building facades should appear as a composition of several segments or masses rather than a large, homogenous entity.
- The principle ridge line on the building must not exceed 15 metres (50ft), at which point the ridge line must be offset or shifted, or take on a different alignment.
- Appurtenances and attachments that provide variety in building form are encouraged.
- Buildings and structures together shall cover no more than the gross lot area as per the applicable zoning bylaw.
- Building height is to be consistent with the zoning bylaws.

(b) Roofs

(i) Roof Design

- Establish a predominant roof shape to visually unify a collection or cluster of buildings on each site.
- The predominant roof shape is to be a simple gable roof with a pitch between 4:12 to 10:12 unless approved by the design consultant.

- Gable roofs with false fronts are not permitted.
- Break up the mass of a single large roof into a collection of roofs and/or masses.
- The alignment of roof ridges should enhance the visual unity of groups of buildings

(ii) *Roof Forms*

- Use roof forms in a similar manner to those used historically
- Sloping roof forms, such as hip, gable and shed, should be the dominant roof shape. Flat roofs may be utilized in small quantities.
- Pitched roof slopes should be between 4:12 and 10:12.
- Roof shapes not permitted include: mansard, fake mansard, gambrel roof (barn style), curvilinear, domes, A-frame or gothic arch.

(iii) *Roof overhangs*

- Roof overhangs to be provided.
- Roof overhangs contribute to the buildings character, and are critical to protecting walls and wall openings from rain and snow.
- Roof overhang should be a minimum of 0.6 metre (2ft). Small portions of overhangs less than this will be allowed.
- Roof assembly construction to address extreme climate conditions.

(iv) *Roof appurtenances*

- Roof form should be modulated.
- Roof appurtenances, dormers, clerestories and skylights all create interesting, pleasant interior spaces and add interest to the roof. However, it is critical to avoid over-decoration and visual disorder.
- Acceptable dormer shapes include shed dormer, gable dormer, hip dormer and barrel dormers.
- Roof ornaments like finials, scroll wood on ridges and/or decorative turrets are discouraged.
- Roof top access stairs, elevator shafts and mechanical equipment should be designed to be contained within the roof and/or screened from important sight lines. Pragmatic components, as noted above, should be treated as key building elements and considered from the start of the design phase.
- Satellite dishes larger than 30" in diameter are not allowed. Satellite dishes smaller than 30" in diameter may be located on a roof providing it is visually unobtrusive.
- Skylights should be placed flush against the roof and not placed at an angle with the roof plane.

- Chimney chases and flues are to be either wood siding or masonry finished: exposed metal chimneys are not permitted.
- Clerestories should be placed within the field of the roof.
- Solar collectors shall lie flat on pitched roofs.

(v) Roof Materials

- All roofs should be finished with cedar shingles, shakes or masonry tiles except under circumstances such as design or construction.
- The Design Consultant may permit the use of substitute roofing material.
- All roof flashing must be of a colour harmonious with roof and upper wall flashing.

(c) Exterior materials

- Stained or painted wood siding is strongly recommended.
- Particle board or aluminum is not acceptable or allowed.
- Heavy wood beam and posts are encouraged.
- Exposed fasteners should be considered within the overall design.
- Stone (natural or cultured) is encouraged for use on the lower portions of buildings.
- Unfinished, exposed concrete is not acceptable unless as exposed foundation which is to be limited to a maximum exposure of 16" (0.4 metres) in height.
- A limit of three materials per building is proposed in order to reduce visual disorder.
- Exposed Styrofoam block foundations are not acceptable.

(d) Exterior Colour Palette

(i) *Muted colours are preferred for the background colour of most Buildings*

- The colour pallet of all residential structures is subject to approval by the Design Consultant prior to any construction.

(ii) *Use bright colours for accents only*

- Reserve the use of strong, bright colours for accents, signs, ornamentation and entrance. In most cases, only one or two accent colours should be used in addition to the base colour.
- Doors may be painted an accent colour or they may be left a natural wood finish.
- Luminescent or dayglo colours are not allowed.

(e) Architectural Details

(i) *Window, door and porch openings are an important element of Building form and appearance*

- Doorways should be feature points.
- Large opening windows are encouraged for every room which backs onto an outside wall.
- Windows may be constructed of wood, wood covered with colour-fast vinyl, aluminum or vinyl with trim and/or molding.
- Door openings should be protected from the wind and rain.
- Maximize the percentage of glass allowable for every elevation of the building
- Garage doors which incorporate raised panels and windows are encouraged.
- All doors and windows are to have wood trim or relief.
- Use porches, courtyards and entry features to define ground levels of buildings to provide visual interest.
- Covered walkways are to be designed within the building mass or attached to the building mass.
- Natural log or timber posts are strongly encouraged.
- Balconies should be designed to prevent interior leaks and compliment the building aesthetics.

(ii) *A variety of architectural components are encouraged which contribute to the visual interest of the building*

- Ornament and detail should be simple.
- Traditional locations for decorative elements are porches and eaves. Decks must be constructed of concrete or treated wood and should be connected to the ground by massive supports of stone/wood/log.
- Consider eaves, true window mullions, corner boards, brackets, knee braces, exposed steel fasteners and substantial trim boards.
- Architectural details add visual interest and can often showcase superior quality craftsmanship and architectural design.
- Soffits must be colour coordinated with the underside of the eave.

(f) Corner Lots

No House shall be constructed on a corner lot unless both street fronting elevations have sufficient architectural detailing in the opinion of the Design Consultant so that the House does not appear to "turn its back" on one street or the other.

(g) Exterior Design

- No Building shall be constructed on a Lot unless it is of a type commonly known as Traditional, Traditional/California, Cape Cod or Country, Adobe, West Coast, Contemporary, Bold California or Salt Box. All of the Buildings constructed on any one Lot must be of the same type. Spanish, Southern Colonial, Victorian or French Provincial will not be permitted.
- The appearance of any Building facing a public street or roadway must be interesting and well appointed.
- Extensive detailing with brick, granite, stone or similar material is encouraged and exteriors which appear to be plain and lacking in appropriate detailing, in the opinion of the Design Consultant, will not be permitted. Glass block will be permitted on front elevations.
- No House may be constructed on a Lot unless the main entrance to the House is visible from the driveway and the main entrance contains an interesting design element.
- Soffits over main entrances and other large soffit areas should be finished with wooden tight-joint "V" groove or similar type soffits. Soffits of aluminum or vinyl are permitted in smaller, less obvious areas. Detailing of all soffits is encouraged.

6.0 GENERAL REQUIREMENTS

6.1

No House shall be occupied by any person unless and until that House, including the exterior, is substantially finished and an occupancy permit or permission to occupy has been issued by the City.

6.2

No Owner or occupier of any Lot shall cause, commit, suffer, authorize or permit any act of nuisance to originate or emanate from his or her Lot.

6.3

There shall not be stored, kept nor permitted to be kept or stored on any Lot or on any public roadway or street adjoining any Lot, any junk or wrecked or partially wrecked motor vehicles, or any salvage materials, or goods intended for commercial use or sale, nor shall any waste or refuse be kept or stored on any Lot.

6.4

None of the Lots nor any improvement on a Lot shall be put to any commercial, industrial, trade, business, or public or private utility use and, without restricting the generality of the foregoing, none of them shall be used as an apartment house, boarding house, rooming house, "bed and breakfast" accommodation, hotel, beer parlor, store, restaurant, shop or place of trade or business unless and until such use is permitted by applicable requirements of the City and is approved in writing by the Developer who shall give such approval only where in its sole and absolute discretion such use is deemed not to be a detriment to any of the Lots.

6.5

No debris, dirt, building material, crates, packing cases, contractor's sheds, equipment or other unsightly objects or material shall be placed on any street nor on any property adjoining any Lot nor allowed to remain on any Lot otherwise than during such time as construction work is actually

in progress on such Lot, and no excavation shall be made unless necessary in connection with the erection of an approved Building.

6.6

No mobile home, construction equipment, industrial trucks or industrial trailers shall be placed, maintained or occupied on any Lot. No trailer, boat, camper, travel trailer, truck and camper, or recreation vehicle shall be parked or stored on any Lot unless the vehicle is discretely placed so as not to bother neighbours.

6.7

No construction and excavation wastes, overburden soil or other substances deleterious to aquatic life form, or used in connection with, any Lot shall be disposed of in such a manner as to permit their entry in any watercourse, ravine, or storm sewer disposal system.

6.8

The owner of a Lot shall not:

- construct, maintain, replace or repair any Buildings and Landscaping on the Owner's Lot except in compliance with the requirements of this Building Scheme;
- allow a Building to fall into a state of disrepair, reasonable wear and tear excepted;
- allow a Building which has been partially or totally destroyed by fire, earthquake or otherwise to remain in such state for more than three (3) months from the time of such destruction;
- allow the Landscaping on any Lot to become unsightly or unkept.

6.9

No Building shall be constructed on any designated corner Lot or highly visible Lot unless constructed in compliance with the restrictions contained in this Building Scheme as modified, amended, or enlarged by the Design Consultant from time to time for such Lots.

6.10

The Design Consultant shall have the right to grant special approvals on House designs for specific Lots which do not comply with some of the provisions set out in this Building Scheme if, in the opinion of the Design Consultant, the design is architecturally acceptable and generally in accordance with the intent of this Building Scheme and upon any such special approvals being given, the provisions of this Building Scheme shall be deemed to be modified, amended or enlarged to allow for such special approvals on such specific Lots.

6.11

No grading, excavation, construction, or other work shall be carried out upon a Lot which would interfere with, or alter in any way, the natural or established drainage systems of the Lot or adjoining Lots.

6.12

No grading, excavation, construction, or other work shall be carried out upon a Lot which would undermine the slope stability of any roadway base unless appropriate temporary and/or permanent earth retention is constructed by the Owner to the satisfaction of the Developer, in its sole discretion.

6.13

This Building Scheme constitutes a charge on the Lots which shall run with and bind all of the Lots.