

ENCUMBRANCE

TO SECURE ANNUAL MAINTENANCE CHARGE AND FEES OF **\$150 (Escalating)**

LA VITA LAND INC. (the "**Owner**"), a body corporate entitled to carry on business in the Province of Alberta, with offices at 150, 221 - 19th Street S.E., Calgary, AB T2E 7M2 as encumbrancer, being the 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 Certificates of Title to that land situate in the Province of Alberta, composed of and described as:

LOTS: 42 to 77 inclusive
BLOCK: 12

LOTS: 1 to 8 inclusive
BLOCK: 15

LOTS: 1 to 34 inclusive
BLOCK: 16

PLAN: _____
(the "**Lands**");

Does hereby charge and encumber the Lands to, in favour and for the benefit of the Fireside Homeowners' Association (the "**Association**") incorporated as a society under and pursuant to the *Societies Act* of the Province of Alberta, with offices at 315A 19th Street S.E., Calgary, AB T2E 6J7 an encumbrance, for the annual charge in the amount of \$150 (the "**Principal Sum**") (subject to rights of escalation), all interest thereon and all other sums which are hereby secured to be paid by the Owner to the Association, in lawful money of Canada, at the Association's offices in the City of Calgary (or at such other place in the said city or town as the Association may from time to time and at any time designate in writing) commencing on the 1st day of April, 2010, and on the 1st day of April in each and every year thereafter.

The Owner does hereby covenant, acknowledge and agree that:

1. The purpose of this Encumbrance is to charge and secure the Lands for certain ongoing indebtedness of the Owner to the Association arising from, pursuant to and out of:
 - (a) certain one or more contracts and agreements entered into between the Owner and the Association whereunder the Association shall perform certain maintenance, repair and reconstruction of fencing and other facilities on the Lands for the benefit of the Owner (the "**Maintenance Obligation**"); and,

(b) the Owner's membership in the Association (the "**Membership Obligation**"); which,

the Owner has expressly agreed to be charged against and secured by the Lands.

2. The Principal Sum represents the estimated and budgeted cost to the Association, as at December 22, 2010, in respect of the Maintenance Obligation, alone, and in the event that, either or both, the actual cost of the Maintenance Obligation shall increase or the Owner shall become indebted to the Association pursuant to the Membership Obligation, this Encumbrance shall include, charge and secure such additional sums as hereinbefore described in addition to the Principal Sum; provided that the Principal Sum, hereunder secured, shall in no event be less than **ONE HUNDRED FIFTY (\$150.00) DOLLARS** per year of the currency of this Encumbrance.
3. The Owner shall pay the Principal Sum hereby secured, and all other sums hereby secured at such times and places hereinbefore set forth without deduction or set-off, failing which any amount unpaid or in default of payment shall bear interest (and the Owner agrees to pay such interest to the Association) at the rate of 18% per annum, calculated and compounded monthly, not in advance, until all such unpaid amount plus interest thereon is paid in full to the Association, and this Encumbrance shall charge and secure such interest payable hereunder, if any, in addition to the Principal Sum and such other sums secured and charged against the Lands hereunder.
4. Notwithstanding the payment dates as aforesaid, the encumbrancee shall have the unilateral right to amend the payment date upon notice to the Owner.
5. The Association shall be entitled to and is hereby granted the right of distress together with all powers and remedies of an encumbrancee under the Land Titles Act of Alberta, in addition to such remedies, rights and privileges available to the Association at law or in equity in respect of the collection of debt.
6. Any discretion, option, decision or opinion hereunder on the part of the Association shall be sufficiently exercised or formed if exercised or formed by or subsequently ratified by the manager, acting manager or an executive officer of the Association or any officer or agent appointed by the Association for such purpose.
7. Any notice to be given by the Association to the Owner may be forwarded by ordinary mail addressed to the Owner at the civic address of said land or to the last post office address of the Owner known to the Association and shall be deemed to have been received by the Owner within the ordinary time for delivery of mail from the post office where mailed to such address.
8. All legal costs as between solicitor and client, and taxable court costs, incurred in respect to the enforcement of this Encumbrance are secured hereby and shall constitute a charge on the Lands.

9. The true consideration for the granting of this Encumbrance and for the covenant to pay the Principal Sum hereby secured is the Maintenance Obligation.
10. If any provision hereof shall be determined to be ineffective or unenforceable by a court of competent jurisdiction, the Owner acknowledges that such provision shall be severed from this Encumbrance and all remaining provisions hereof shall continue to be binding and of full force and effect.
11. These presents shall enure to the benefit of the Association'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 _____ day of August 2015.

LA VITA LAND INC.

Per: _____ c/s