

THE OWNERS: CONDOMINIUM PLAN NO. 8521719

BY-LAWS - PART I

DEFINITIONS

1. These By-laws have been enacted by the Owners: Condominium Plan No. 8521719 to replace the by-laws set out in The Condominium Property Act, being Chapter C-22 of The Revised Statutes of Alberta, 1980 and amendments thereto. The following definitions shall apply to all parts of these by-laws:

- (a) "Act" shall mean the Condominium Property Act, being Chapter C-22 of The Revised Statutes of Alberta, 1980, as amended, and any statute or statutes which may be passed in substitution for or replacement of such Act;
- (b) "Board" means the Board of Managers elected pursuant to these by-laws;
- (c) "Building" means the buildings located on the Parcel;
- (d) "By-laws" mean the by-laws of the Corporation, as amended from time to time;
- (e) "Common Expenses" means all expenses of performance of the objects and duties of the corporation and all expenses specified as common expenses in these by-laws;
- (f) "Common Property" means so much of the parcel as is not comprised in any unit shown on the Condominium Plan;
- (g) "Condominium Plan" means the plan registered under the Act at the Land Titles Office for the North Alberta Land Registration District and referred to as Condominium Plan No. 8521719;
- (h) "Corporation" means the Corporation constituted under the Act by registration of the Condominium Plan;
- (i) "Developer" means NORTHGATE TERRACE LTD.;
- (j) "Insurance Trustee" means \$ or if such company should decline or be unable to act as a trustee then a trust company authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on ordinary resolution of the Corporation.
- (k) "Manager" means the person, firm or corporation contractually appointed as manager by the Board of the Corporation from time to time;

- (l) "Mortgagee" means the holder of a mortgage registered against the title to one or more Units;
- (m) "Ordinary Resolution" means a resolution of the Corporation passed by a majority of Owners voting in favour of it at a duly convened meeting or by the signing, by a majority of the Owners, of a copy of the resolution which has been duly delivered to all Owners;
- (n) "Owner" means a person who is registered as the owner of the fee simple estate in a Unit;
- (o) "Parcel" means the land comprised in the Condominium Plan;
- (p) "Prime Rate" means that rate of interest per annum charged by the Main Branch of the Toronto-Dominion Bank, Edmonton, Alberta, to its most credit worthy customers;
- (q) "Project" means the Building and the Common Property within the Parcel;
- (r) "Residential Unit" means any Unit within the Building and used or intended to be used for residential purposes;
- (s) "Special Resolution" means a resolution:
 - (i) passed at a properly convened meeting of the Corporation by a majority of not less seventy five (75%) per cent of all the persons entitled to exercise the powers of voting conferred by the Act or the by-laws and representing not less than seventy five (75%) per cent of the total unit factors for all the units, or
 - (ii) signed by not less than seventy five (75%) per cent of all the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or the by-laws and representing not less than seventy five (75%) per cent of the total unit factors for all the units;
- (t) "Unanimous Resolution" means a resolution:
 - (i) passed unanimously at a properly convened meeting of the Corporation by all the persons entitled to exercise the powers of voting conferred by the Act or by the by-laws and representing the total unit factors for all the Units; or
 - (ii) signed by all persons who, at a properly convened meeting of the Corporation, would be entitled to

exercise the powers of voting conferred by the Act or the by-laws;

- (u) "Unit" means an area designated as a Residential Unit by the Condominium Plan and for which a separate title is or is available to be issued;
- (v) "Unit Factor" means the unit factor for each Unit as more particularly described in the Condominium Plan;

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these By-laws and other expressions used in these by-laws and not defined in the Act or in these By-laws have the same meaning as may be assigned to them in The Land Titles Act of Alberta, as amended from time to time, or in any statute or statutes passed in substitution therefor or replacement thereof, unless the context otherwise requires.

In the event that the Act is hereafter amended so as to amend, substitute or replace any section of the Act referred to herein, then such reference herein shall be deemed to be a reference to the corresponding section of the Act as amended, substituted or replaced.

These By-laws are to be read with all changes of number and gender required by the context.

The headings herein form no part of the By-laws but shall be deemed to have been inserted solely for convenience of reference.

BY-LAWS - PART II

DUTIES OF AN OWNER

- 2. An Owner shall:

Corporation Access to Units

- (a) permit the Corporation and its agents, at all reasonable times on notice (except in case of emergency when no notice is required), to enter his Unit for the purpose of inspecting the Unit and maintaining, repairing and renewing pipes, wires, cables, ducts, conduits, plumbing, sewers, party walls and other facilities for the time being existing in the Unit and capable of being used in connection with the enjoyment of any other Unit or Common Property, or for the purpose of inspecting, maintaining, repairing, replacing or renewing Common Property, or for the purpose of ensuring that the By-laws are being observed;

Government Work Ordered

- (b) forthwith carry out all work that may be ordered by any municipality or public authority in respect of his Unit, other than such work as may be for the benefit of the Building generally and pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his Unit;

Repair and Maintain

- (c) repair and maintain his Residential Unit and all windows in, attached to or immediately adjacent to and associated with the Unit and whether or not such windows or part thereof are part of the Common Property, and keep the Unit and such windows in a state of good repair;

Use of Common Property

- (d) use and enjoy the Common Property in such a manner as to not unreasonably interfere with the use and enjoyment thereof by other Owners or occupants of Units or their families, visitors or invitees;

Use of Unit

- (e) not use his Unit or permit it to be used in any manner or for any purpose which may be illegal, injurious, or that will or might cause nuisance or hazard to any Owner or occupier of a Unit or their families, guests or invitees;

Notice of Title Changes

- (f) notify the Corporation forthwith upon any change of ownership or of any first mortgage or other dealing in connection with his Unit;

Tenants and Occupiers Subject to By-Laws

- (g) ensure that he and his family, tenants, visitors and other occupants of his Unit follow and comply with the By-laws and regulations of the Corporation in force from time to time. No Owner shall lease or grant possession of his Unit until he causes the tenant or other occupant to deliver to the Corporation an agreement signed by the tenant or other occupant that they and members of their household and their guests from time to time will, in using the Unit and the common elements, comply with the Act, the By-laws and all rules and regulations of the Corporation during the term of their tenancy or occupation. The signing of such agreement shall not in

any way remove, waive or alter the responsibility of each Owner for the observance of all by-laws by all persons leasing or occupying his Unit. No Owner shall rent, lease or grant exclusive possession to anyone under the age of eighteen (18) years.

Payment of Assessments

- (h) pay when due the amount of all Common Expenses levied by the Corporation on the Owner with respect to his Unit, whether or not that Unit is occupied by the Owner, a tenant or other occupant, and to pay interest on any arrears of such payments at a rate equal to the Prime Rate plus four (4%) per cent calculated from the date due. In the event that the tenant of a Unit is notified by the Corporation that the Owner is in default of payment of contributions levied by the Corporation, the tenant shall deduct from the rent payable to the Owner the Owner's share of Common Expenses levied and interest accrued thereon and shall pay the same to the Corporation and the amount so paid shall constitute rent paid to the Owner by the tenant;

No Caveat

- (i) not file a caveat against the Common Property or any real property owned by the Corporation with respect to any right of use which the Owner may have therein;

Pay Fines

- (j) pay forthwith any fine or penalty of not more than Two Hundred (\$200.00) Dollars or such other amount as may be permitted by the Act, when imposed by the Corporation in respect of each contravention of the By-laws by the Owner or any occupant of the Unit or their families, visitors or invitees.

BY-LAWS - PART III

DUTIES OF THE CORPORATION

3. The Corporation shall:

Management of Property

- (a) control, manage and administer the Common Property and all property owned by the Corporation for the benefit of all Owners and for the benefit of the entire undertaking of the Corporation;

Maintain Common Property

- (b) keep in a state of good and serviceable repair and properly maintain the fixtures, fittings, recreational facilities and other apparatus and equipment used in connection with the Common Property;

Maintenance and Repair

- (c) maintain and repair (including renewal where reasonably necessary) foundations, pipes, wires, cables, ducts, conduits, plumbing, sewers, facilities for furnishing utilities and other facilities for the time being existing in the parcel and capable of being used in connection with the enjoyment of more than one Unit or Common Property;

Maintain Paving

- (d) maintain and keep in a state of good repair as may be required as a result of reasonable wear and tear all paved portions of the common property including allocated parking stalls;

Maintain Property of Corporation

- (e) control, manage, administer, maintain and repair all chattels and any real and personal property whatsoever owned by the Corporation;

Landscaping

- (f) where practicable establish and maintain suitable lawns, hedges, gardens and landscaping generally on the Common Property excepting Privacy Areas as hereinafter defined;

Exterior Surfaces

- (g) maintain and keep in a state of good repair, as may be required as a result of reasonable wear and tear:
 - (i) all exterior surfaces of the Units, including without limiting the generality of the foregoing, exterior of doors, the roof and supporting structure, eavestroughs and exterior drains and exterior trim;
 - (ii) all fencing, posts, driveways, sidewalks;
 - (iii) all hardware and accoutrements affecting the exterior appearance, useability, value or safety of the Parcel or the Units;

Provide Insurance Particulars

- (h) on the written request of an Owner or registered Mortgagee of a Unit, within twenty (20) days of receiving that request, produce to the Owner or Mortgagee, or a person authorized in writing by the Owner or Mortgagee, a copy of the policy or policies of insurance effected by the Corporation, and the receipt or receipts for the last premium or premiums in respect thereof;

Subsequent General Meeting

- (i) Call a first annual general meeting of the Owners and such registered first Mortgagees who have notified the Corporation of their interest in accordance with the requirements of the Act and thereafter call a general meeting of the Owners and such registered first Mortgagees once in every calendar year and in all cases allow no more than fifteen (15) months to elapse from one general meeting to the next;

Insurance

- (j) provide and maintain in full force all such insurance as the Corporation is required to provide and maintain by the Act and by the provisions of these By-laws;

Privacy Areas

- (k) irrevocably grant to each Residential Unit Owner, his family and guests, all tenants and occupants of the Residential Unit and all subsequent owners of the Residential Unit the right to exclusive use and enjoyment of:
 - (i) one parking stall per Residential Unit to be allocated by the Developer and numbered with the same number as the Unit;
 - (ii) the fenced area associated with the Residential Unit and contiguous to the back of the Residential Unit provided always that the owners of the Residential Unit shall be responsible for maintaining suitable lawns, hedges, gardens and any landscaping in the said fenced area, and the doorsteps and walkways associated with the Residential Unit.

All such privacy areas shall, except as otherwise specifically provided herein, be maintained or cause to be maintained and kept in a state of good repair by the Residential Unit Owners to whom such privacy areas are allocated including, without restriction removing ice, snow and debris from the above walkways and doorsteps.

Ice and Snow Removal

- (l) remove ice, snow and debris from and maintain all walkways, driveways, parking lots and areas, (except as otherwise provided herein) designated for pedestrian and vehicular traffic;

Records

- (m) at all times keep and maintain for the benefit of the Corporation and all Owners, copies of all warranties, guarantees, drawings and specifications, plans, written agreements, certificates and other documents including any documents initially provided to the Corporation by the Developer, in relation to the operation, administration and management of the project;

Annual Report

- (n) prepare and submit an annual report to the general meeting of the Owners consisting of such information as the Board may determine from time to time or as may be directed by an Ordinary Resolution.

Compliance by Corporation

- (o) do all things required of it by the Act, the By-laws and any other rules and regulations of the Corporation in force from time to time.

PART IV

POWERS OF THE CORPORATION

- 4. The Corporation may:

Acquire Property

- (a) purchase, hire or otherwise acquire personal property and real property for use by Owners in connection with their enjoyment of Common Property or property owned by the Corporation;

Borrow

- (b) borrow monies required by it in the performance of its duties or the exercise of its powers provided that the Corporation shall not borrow in excess of Two Thousand (\$2,000.00) Dollars on any single occasion or incur aggregate indebtedness at any time exceeding Seven

Thousand Five Hundred (\$7,500.00) Dollars without such borrowing or incurring of debt being approved by Ordinary Resolution provided such approval need not be obtained in emergency situations.

Give Security

- (c) secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, or mortgage or unpaid contributions (whether levied or not), or mortgage of any property vested in it, or by combination of those means.

Invest

- (d) invest any funds collected for administrative expenses in investments in which a Trustee may invest under the Trustee Act of Alberta;

Agreement With Owner or Occupier

- (e) make an agreement with any Owner or occupier of a Unit for the provision of amenities or services by it to the Unit or to the Owner or occupier thereof;

Exclusive Use

- (f) grant to an Owner a lease of Common Property as contemplated by Section 41 of the Act (or any section in substitution therefor) or grant to an Owner the right to exclusive use and enjoyment of Common Property, or special privileges in respect thereof, and on such terms and conditions with respect to maintenance thereof or otherwise as the Corporation or the Board may direct but any such grant shall be determinable on reasonable notice, unless the Corporation by Special Resolution otherwise resolves;

Board - Honorarium

- (g) pay an annual honorarium or salary, or stipend, to a member of the Board as may be determined from time to time by resolution at a general meeting;

Enforce By-Laws

- (h) do all things reasonably necessary for the enforcement of the By-laws and the control, management and administration of the Common Property including without limitation:

- (i) the making of such reasonable rules and regulations as it may deem necessary from time to time to

facilitate the performance of its objects and duties; and

- (ii) the imposing of a penalty of not more than Two Hundred (\$200.00) Dollars for each contravention of a By-law by an Owner or occupant of a Unit, their families, visitors or invitees and the commencement of proceedings under the Small Claims Act to recover a penalty from an Owner or tenant as permitted by the Act;

Levy Assessments

- (i) levy and collect by monthly instalments contributions or assessments of Owners on account of Common Expenses for the Common Property and other obligations of the Corporation (including such amount as the Board may deem reasonable to establish cash reserves for the replacement or repair of capital assets and improvements and for operational reserves) and in that regard the Corporation may require post dated cheques and may charge interest on any unpaid balance of a contribution owing to it by an Owner;

Appoint Auditors

- (j) appoint an auditor or auditors or authorize the Board to appoint an auditor or auditors, who may be an Owner or Owners;

Control of Tenants

- (k) do all things which are specified in the Act, with respect to the tenancy of Units, including imposing or collecting a deposit from the Owner of a Unit which is being rented, under Section 44 of the Act, giving notice to a tenant to give up possession of a Unit under Section 45 of the Act, and making applications to the Court of Queen's Bench of Alberta for an Order requiring a tenant to give up possession of a Unit under Sections 46 and 47 of the Act;

Deductions From Rent

- (l) require that a tenant, on receiving notice from the Corporation that the Owner is in default of a payment or contribution or assessment levied by the Corporation or an instalment or instalments thereof, deduct from the rent payable to the Owner the contribution or assessment levied or the instalment or instalments in arrears and any interest owing thereon and require that the tenant pay the same to the Corporation and the amount so paid shall be deemed to constitute rent paid to the Owner by the tenant;

Interest

- (m) charge interest on any contribution, assessment, levy, fine, penalty or other money owing to it by any Owner or other person, after the due date thereof at a rate equal to the Prime Rate plus four (4%) per cent per annum (or such other rate of interest as may be approved from time to time by the Board);

Bonding

- (n) on Ordinary Resolution require that all members of the Board shall be bonded by recognized bonding institutions in an amount of not less than Ten Thousand (\$10,000.00) Dollars, the cost of such bonding to be a Common Expense of the Corporation.

PART V

THE BOARD

5. Powers Vested

- (a) The Board of the Corporation, for the benefit of the Corporation and all Owners and Mortgagees, shall have vested in it the powers of the Corporation and shall enforce the provisions hereof subject always to any restrictions imposed upon or directions given to it at a general meeting.

Size

- (b) Forthwith upon these By-laws coming into effect the Board shall consist of such person or persons as shall be appointed by the Developer. Following the first general meeting of the Corporation, the Board shall consist of not less than two (2) nor more than seven (7) persons, each having attained the age of majority, and shall be elected at each annual general meeting, but where there are no Mortgagees who have given notice of their interest to the Corporation and not more than two (2) owners, the Board shall consist of all Owners or such person or persons in such number as the Owners of all Units shall designate;

Eligibility

- (c) Except in the case of registered first Mortgagees who have notified the Corporation of their interest, ownership of a Unit is necessary for election and membership on the Board and any Owner or such registered first Mortgagee (or if a corporation their authorized

representative) shall be eligible for nomination and election to the Board provided:

- (i) if a Unit has more than one Owner, only one such Owner may sit on the Board at one time;
- (ii) no Owner who is indebted to the Corporation for a contribution levied and which is overdue by more than thirty (30) days shall be eligible for election or membership on the Board;

Voting

- (d) At any election of members of the Board each person entitled to vote shall be entitled to vote for as many nominees as there are vacancies to be filled on the Board;

Term of Office

- (e) Board members shall be elected for a one (1) year term but any Board member may be re-elected at any annual general meeting.

6.

Removal or Disqualification From the Board

Removal of Board Members

- (a) Except where the Board consists of all the Owners, the Corporation may by Special Resolution at an extraordinary general meeting remove any member of the Board before the expiration of his term of office and appoint another person in his place to hold office until the next annual general meeting;

Grounds for Removal

- (b) The office of a member of the Board shall, ipso facto, be vacated:
 - (i) if he becomes insolvent or falls more than thirty (30) days into arrears in payment of any payments required to be made by him as an Owner of the Corporation in force from time to time.
 - (ii) if he becomes of unsound mind or mentally incompetent, or a lunatic, or dies;
 - (iii) if he is convicted of an indictable offence;
 - (iv) if he resigns his office by writing, under his hand, sent to or left at the address for service of the Corporation;