

Last Modified: September 19, 2012

SCHEDULE "B"

HAMPTON BEACH PROPERTIES

PROTECTIVE COVENANTS

The Grantee does hereby covenant and agree with the owners of Hampton Beach Properties (hereinafter called the "Grantor") and also with the owner or owners from time to time of any other lands of Hampton Beach Properties as shown on a plan of subdivision prepared by Locus Surveys Ltd., dated December 10, 2001 and registered in the Registry of Deeds for Queens County, Charlottetown, Prince Edward Island, as Plan No. 20324B, and on a plan of subdivision prepared by ISE Ltd, dated December 14, 2010 and registered in the Registry of Deeds for Queens County, Charlottetown, Prince Edward Island, as Plan No. 52101F to comply with the following protective covenants. The Grantee and the Grantor do further covenant and agree that the burden and benefit of these protective covenants shall run with the lands described in Schedule "A" annexed hereto (hereinafter called the "lands") and the stipulations, restrictions and provisions of these protective covenants shall be binding upon them and upon the heirs, executors, administrators, successors and assigns of the Grantee and the Grantor.

1. No building or structure shall be erected on the lands unless it is a site built detached private single family dwelling, one, one and one-half or two storey house constructed in a proper and workmanlike manner and no more than one such detached dwelling and one storage building shall be erected to stand at any one time. Garages may be attached or detached. No building designed for more than one family shall be erected on the lands and no mobile or modular homes shall be permitted on the lands.
2. No building shall be erected on the lands unless the plans and specifications, including exterior colours, have been submitted to the Grantor, or the Grantor's designate, and the Grantor's approval in writing is obtained. Such approval shall be subject to the protective covenants and such approval shall not unreasonably be withheld. No building or structure shall be constructed on other than a concrete slab base, 4 foot frost wall or basement with no more than 6 inches of exposed concrete and wood siding or eastern cedar shingles and architectural roofing shingles or eastern cedar roofing shingles only may be used. If buildings are painted, it must be in earth tone or pastel colours only. Buildings must be erected upon the lands in designated areas and facing a designated direction to maximize water view and placement on the lands must be approved in writing by the Grantor.
3. No dwelling house shall be erected or stand upon the lands or any part thereof which shall have a ground floor area of less than 1000 square feet or more than 2500 square feet. Dwellings and garages are not to exceed 25 feet in height and dwelling, garage and storage building must not exceed a combined width of 85 feet. No dwelling, garage or storage building shall have roof angles of less than 26 degrees. The minimum depth of any dwelling excluding deck shall be 30 feet. Storage buildings are not to exceed 100 square feet and must be built within the said 85 foot combined width restriction. The combined width restriction of 85 feet is 100 feet for dwelling, garages and storage buildings on lots 18, 19, 20, 33, 34, 35, 36, 37, 38 and 39.
4. Construction of any dwelling shall be completed within two years from the commencement date of construction.
5. No excavation shall be made on the lands except excavations for the purpose of building on the lands at the time of commencement of construction or for the purpose of improving the gardens and grounds thereof. No soil or sand shall be removed from the lands except with the prior written approval of the Grantor.
6. There will be no construction of any septic system which contravenes any regulation of the Province of Prince Edward Island.
7. No building waste shall be dumped or stored on the lands, except clean earth for the

purpose of leveling in the connection with the erection of a building thereon or the immediate improvement of the grounds.

8. The lands shall not be regraded in such a manner as will block or impede any water course or swail or cause water to be diverted over or built up upon any adjoining lands.
9. No fence or wall shall be erected or maintained anywhere on the lands with the exception of perimeter mounding built by the Grantor and fencing on lots 18-20 and 33-39 in accordance with paragraph 28 below. The design and layout of fencing must be submitted to the Grantor for approval in writing, which approval shall not unreasonably be withheld.
10. Driveway access to lots 1-7 and lots 18-20 is Ince Drive and lots 33-39 are off private right-of-way parcels S-1 and S-2, lots 8-17 is Gamble Court, lots 29-32 is MacLeod Court, lots 27 and 28 is either MacLeod Court or Harrington Court and lots 21-26 is Harrington Court. Driveway access, the cost of which shall be borne by the grantee, must be submitted to the Grantor for approval in writing, which approval shall not unreasonably be withheld.
11. Trees may be planted only on the western boundary of Lots 18-20. Shrubs native to Prince Edward Island may be planted on any lands but must not exceed a height of 6 feet or extend beyond grass cutting area referred to in paragraph 13 below.
12. There shall be no application of herbicides or pesticides on the lands without the permission of the homeowners association.
13. Grass cutting will be restricted to 1/3 acre on lots 1-17, lots 21-32 and 1/3 of total area for lots 18-20 and lots 33-39. This restriction includes the area occupied by buildings. Replanting of any grass disturbed during construction of any building or otherwise is the responsibility of the grantee and must be seeded out in a mixture specified by the Grantor.
14. No alteration, addition or change to the structure or exterior appearance (including colour) of a dwelling or other structure shall be made, done or permitted to be done except with the express written approval of the Grantor.
15. No portion of the lands disturbed by construction shall remain not landscaped for any period beyond 9 months from the completion of the construction of any structure built upon the lands.
16. The Grantee shall be responsible for any damage to curbs, gutters, and any underground services occasioned during construction or any works carried on by the Grantee on the lands of the Grantee. The Grantee also agrees that in the event that any survey pins are lost or removed during construction or otherwise on the lands of the Grantee, the Grantee, at his cost, shall cause a licensed surveyor to replace any such survey pins that may have been removed or lost.
17. There shall be no unregistered vehicle kept on the lands except within a wholly enclosed garage. No major repairs to any motor vehicles shall be effected save within a wholly enclosed garage upon registered vehicles owned by the property owner.
18. No truck or other vehicle over one ton shall be placed, located, kept or maintained on the lands.
19. No motor vehicle, camper or tent with living, sleeping or eating accommodations shall be placed, located, kept or maintained on the lands for a period exceeding 14 days at any one time and no long than 30 days in any one calendar year. Trailers will only be permitted on the lands during the construction period referred to in paragraph

4 above.

20. No parking is permitted in common area parcel 0-3, parcels R-4 and R-5 or parcels B, D and E or along any of the rights-of-way within the subdivision. Vehicle access for boat drop off and pick up is permitted through the 24 foot right-of-way parcel R-5. Parking will be permitted in common area parcels 0-1, 0-2, A and C. Non-motorized boat storage is permitted, on dollies only, in designated areas within parcel 0-3.
21. No incinerator or other refuse burning device shall be erected or maintained upon the lands.
22. No owner of a dog shall permit it to run at large, at any time of year.
23. There shall be no use of snowmobiles, ATVs, dirt bikes or other off-road motorized vehicles except on the common roadways provided for automobile traffic.
24. There shall be no occurrence or activity on the lands which contravenes any applicable Municipal, County, Provincial or Federal regulations or law.
25. The lands mentioned herein and any house or building erected or to be erected thereon shall not be used for the purpose of any profession, trade, employment, service, manufacture, or business of any description nor as a school, hospital or other charitable institution, nor as an apartment house, rooming house or place of public resort, nor for any sport (other than such as are usually played in connection with the occupancy of a private residence) nor for any other purpose than a private residence for the use of one family only; nor shall anything be done or permitted upon any of the lands mentioned herein or in any house or building erected or to be erected thereon which might be a nuisance to the occupants of any neighbouring lands or houses.
26. No signs, billboards, notices or other advertising or informational matter of any kind (except the ordinary signs offering lands or buildings for sale or rent) shall be placed on any part of the lands or upon or in any of the buildings on the lands.
27. No cattle, hogs, sheep, poultry or other stock and no animals or birds other than household pets normally permitted in private homes in urban residential areas shall be kept on any of the lands and no breeding of pets for sale or other purpose shall be carried on upon the lands.
28. This paragraph applies to the lands designated as lots 18-20 and lots 33-39 only. Horses will be permitted on these lands if properly and acceptably fenced. One additional building may be erected to house horses and must be constructed of wood siding or eastern cedar shingles and architectural roofing shingles or eastern cedar roofing shingles and painted in earth tone or pastel colours and placed in a location designated and approved by the Grantor and which building is not to exceed 500 square feet or a height of 16 feet or have roof angles of less than 26 degrees. No building shall be erected on these lands noted as lots 18-20 and lots 33-39 unless the plans, including exterior colours, if painted, have been submitted to the Grantor and the Grantor's approval in writing is obtained. Such approval shall not unreasonably be withheld.
29. Water for lands noted as lots 18-20 and lots 33-39 will be provided by individual private wells, the cost of which is to be borne by the Grantee of such lands. Water for lands noted as lots 1-17 and lots 21-32 will be provided to lots lines by way of a central water system.
30. Power and telecommunications for lands noted as lots 18-20 will be provided by the Grantor to the western boundary of these lands by way of utility poles. The Grantee will be required to extend by way of underground conduit any power or

telecommunications required from an existing utility pole to any building located on the lands, the cost of which is to be borne by the Grantee of such lands.

Power and telecommunications for lands noted as lots 33-39 will be provided by the Grantor to the western boundary of these lands to electrical transformers and telecommunication pedestals. The Grantee will be required to extend by way of underground conduit any power or telecommunications required, from electrical transformers and telecommunication pedestals to any building located on the lands, the cost of which is to be borne by the Grantee of such lands.

Power and telecommunications for lands noted as lots 1-17 and 21-32 will be provided by the Grantor to electrical transformers and telecommunication pedestals and to lot lines as empty conduit from transformers and telecommunication pedestals. The cost of electrical wire and telecommunication wire from transformers and telecommunication pedestals to any building located on the lands is to be borne by the Grantee of such lands.

31. The Grantee of the lands noted as lots 18-20 and lots 33-39 will be exempt from maintenance costs associated with the central water system and lots 18-20 for costs associated with underground utilities.
32. No further subdivision of lots is permitted and no buildings shall be permitted on parcels 35A, 36A, 37A, 38A and 39A.
33. The Grantee shall be required to become a member of the homeowners association, formed for Hampton Beach Properties and to contribute to the cost of maintaining the roads, central water system, underground utilities and any other common lands or rights-of-way costs within the subdivision of Hampton Beach Properties as may be required from time to time.
34. Where permission or approval of the Grantor is required or where the Grantor is given any power or authority by these protective covenants, the Grantor shall have the right to name a representative or designate to make any such decision or to exercise such power or authority. If such a representative or designate is named, the Grantee shall be notified in writing and the decision of the representative shall be binding upon the Grantee but shall be limited to that issue only for which the appointment was made by the Grantor. If for any reason the Grantor is unable to continue to fulfill its supervisory and other obligations hereunder, the Grantor shall name a permanent representative or designate to act on its behalf and shall assign its duties to such representative with written notice to all of those persons bound by these protective covenants. Any such named representative shall have the right to name a further representative, if required, under similar circumstances.
35. The Grantor, or the said home owners association, may alter, waive or modify any of the foregoing building stipulations, restrictions and provisions so long as doing so will not alter the substantial character of the subdivision.
36. The stipulations, restrictions and provisions of these protective covenants are each severable from any other of the protective covenants which may in themselves be deemed invalid or unenforceable.
37. The Grantee agrees to obtain from any subsequent purchaser, assignee or transferee an agreement to observe all of the stipulations, restrictions and provisions of these protective covenants herein set forth including this clause.