

PURCHASE OF A LEASEHOLD INTEREST

THIS AGREEMENT MADE this        day of        , 19\_\_.

BETWEEN:            SARCEE DEVELOPMENTS LTD., a body incorporated under the laws of the Province of Alberta with its offices located on the Sarcee Indian Reserve (hereinafter referred to as "Sarcee Developments")

and

as joint tenants, the Purchaser(s) of a prepaid leasehold interest in the lands which are the subject matter of this sub-lease (hereinafter referred to as the "Purchaser")

and

Her Majesty the Queen, in the right of Canada as represented by the Minister of Indian Affairs and Northern Development (hereinafter referred to as the "Minister").

ARTICLE 1.1 - Recital

By a lease made as of September 6th, 1974 between Her Majesty the Queen in Right of Canada, as represented therein by the Minister of Indian Affairs and Northern Development, as lessor, and Sarcee Developments Ltd., as Lessee, as amended by an amending agreement made as of February 4th, 1977, between the same parties (which said lease, as amended, is hereinafter referred to as the "Head Lease"), the Minister demised and leased to Sarcee Developments lands described as:

Lot 1, according to Plan 57673 in the Canada Land Survey Records at Ottawa;

Lot 3, according to Plan 57674 in said Records;

Lot 4 and Road, according to Plan 57676 in said Records;

Lots 6, 7, and 8, according to Plan 57814 in said Records;

and

All that part of the Sarcee Indian Reserve No. 145 in Section 13, Township 23, Range 2, West of the Fifth Meridian, which may be more particularly described as follows:

Commencing at a point on the East Boundary of the said Section 13, said point lying 161 (one hundred and sixty-one) feet South of a D.L.S. Standard post marking the North East Corner of the said Section;

Thence Westerly, parallel to the North Boundary of the said Section, a distance of 2,000 (two thousand) feet to a point;

Thence Southerly, parallel to the said East Boundary, a distance of 3,267 (three thousand, two hundred and sixty-seven) feet to a point;

Thence Easterly, perpendicular to the said East Boundary, a distance of 2,000 (two thousand) feet, more or less, to the said East Boundary of the said Section 13;

Thence Northerly along the said East Boundary to the point of commencement.

Said part to be confirmed by Legal Survey within two years.

Said lots, road and part containing together 1592.26 acres more or less.

(hereinafter called the "Head Lease lands")

to hold for a term of seventy-five (75) years from September 6th, 1974 to September 5th, 2049, which said lease and amending agreement are deposited in the Surrendered Lands Register (established pursuant to the Indian Act as amended) under numbers 41168 and 50975, respectively.

ARTICLE 2.1 - Term and Land to be Leased

Sarcee Developments in consideration of the money paid and other terms and conditions contained in this sub-lease, sub-leases the following lands and premises to the Purchaser:

Lot No. 6-\_\_\_\_ Redwood Meadows  
Plan C.L.S.R. No. \_\_\_\_\_, Sarcee Indian Reserve, Province  
of Alberta  
S.A.L.R.D. No. \_\_\_\_\_  
(hereinafter referred to as the "lot")

from \_\_\_\_\_, 19\_\_ to August 5th, 2049 (hereinafter called the "term") at which time the lot and all improvements thereon will (subject to the provisions of this sub-lease) revert to Sarcee Developments.

ARTICLE 2.2 - Provision of Utilities and Services by Sarcee Developments

Sarcee Developments undertakes:

(a) to supply water, sewage disposal, natural gas, telephone and electrical power to the perimeter of the lot at points designated on the plan attached, or if no such plan is attached, to points on such perimeter to be stipulated by Sarcee Developments on request by the Purchaser.

(b) that gas, telephone and electrical services will be supplied by the respective utility companies that supply them in the area of the Head Lease lands.

(c) to operate and maintain water services and sewage disposal, to operate trash, garbage and refuse removal services and to maintain roadways within the said plan.

(d) to remove snow from the said roadways allowing access to adjacent Provincial Highways as soon as practical after snowfall.

ARTICLE 2.3 - Termination of Obligation

The obligation of Sarcee Developments to provide one or more of such utilities and services shall be deemed to have terminated at such time as:

(a) a duly authorized or empowered governmental agency or municipality, public utility company, co-operative association or other entity willing and able to do so, has become legally obligated to the Purchaser to provide for the balance of the term the utility and/or services no longer to be provided by Sarcee Developments;

(b) Sarcee Developments has assigned its interest, if any, in such utility and services to such agency, municipality, company, association, or other entity.

ARTICLE 2.4 - Lease of Utilities and Services

Sarcee Developments agrees:

(a) That in the event that Sarcee Developments or any agency, municipality, company, association or entity which has become obligated to the Purchaser pursuant to Article 2.3 (a) defaults in respect of its obligation to supply, provide, operate or maintain any one or more of the utilities and services required by this sub-lease to be provided, operated, maintained or supplied by it, Sarcee Developments will lease (or sub-lease as may be appropriate) the said utilities and services other than those provided pursuant to Article 2.2 (b) hereof and including without limitation, all equipment and machinery used in connection therewith as well as all portions of the Head Lease lands actually and reasonably required to supply, provide, operate and maintain the said utilities and services and all improvements thereto to the Purchaser together with all other persons to whom Sarcee Developments has undertaken to supply utilities and services on a basis comparable to the basis on which the same are to be supplied pursuant to this sub-lease.

(b) The rent payable pursuant to such lease shall be One Dollar (\$1.00) per year. The lease shall be for the balance of the remaining term of the Head Lease. The terms thereof shall otherwise be agreed to, or failing agreement shall be stipulated by a member of The Law Society of Alberta appointed for the purpose by a Judge of the Court of Queen's Bench of Alberta or any successor court on application by the Purchaser or any other such person to whom Sarcee Developments has given an undertaking to supply such utilities and services. In making such stipulation, the member will act in accordance with the Arbitration Act of the Province of Alberta.

(c) That the Purchaser may require that such lease be entered into by Sarcee Developments with any body corporate or other entity approved for the purpose by a majority of those persons entitled to require Sarcee Developments to enter into such lease. To facilitate the obtaining of such lease, the Purchaser may assign the right hereby granted to such body corporate or other entity. Pending the completion of such lease, Sarcee Developments, will on demand by the Purchaser, deliver possession of the property to be leased under such lease to any person or entity authorized by a majority of persons to take possession or to a receiver appointed by them or a court for such purpose. Any receiver appointed by them will be deemed to be the agent of Sarcee Developments and will have the power to manage and operate the said utilities and services as well as to take possession thereof.

ARTICLE 3.1

a) The Purchaser shall pay to Sarcee Developments the sum of \$ \_\_\_\_\_ dollars as prepaid rent to August 5th, A.D., 2049 on or before \_\_\_\_\_, 19\_\_.

b) The Purchaser shall pay to Sarcee Developments, or its successors, as rent, the Purchaser's share of costs incurred by Sarcee Developments in providing utilities, services and education to the occupants of the lot and the Head Lease lands in each year of the term, provided that:

(i) the amount of the Purchaser's share, the amount of the costs payable by the Purchaser, and the nature and extent of the utilities and services to be provided by Sarcee Developments shall be determined by Sarcee Developments or its successors, acting reasonably; and,

(ii) the nature and extent of any utilities, services and education to be provided in addition to the utilities and services described in this sub-lease shall be comparable to the nature and extent of the utilities, services and education provided in other similar communities in the Province of Alberta; and,

(iii) the Purchaser's share of costs shall be payable to Sarcee Developments or its successors as they may direct.

c) The Purchaser's share of costs payable under this Article shall be payable as rent under this sub-lease.

ARTICLE 4.1 - Sub-letting Or Assigning

The Purchaser agrees:

(a) (i) that there shall be no disposition or agreement to dispose of the lot or this sub-lease without the written consent of the Minister and Sarcee Developments.

(ii) that a disposition or agreement to dispose includes any act which will alienate, assign, charge, convey, mortgage, sell, sub-lease, transfer, license any occupation, part with possession, share possession, or otherwise dispose of, or encumber the lot or sub-lease.

(iii) that an approved disposition is any disposition to which the Minister and Sarcee Developments have given their written consent.

(iv) that a permitted assignee is any assignee who:

A. is the holder of an approved disposition; and

B. has registered or caused to be registered the approved disposition in the Surrendered Lands Register; and

C. has forwarded or caused to be forwarded a registered copy of the approved disposition to Sarcee Developments.

(v) that a permitted mortgagee is any mortgagee who is the holder of a mortgage that:

A. has been consented to by Sarcee Developments and the Minister; and

B. has been registered in the Surrendered Lands Register and a registered copy of which has been forwarded to Sarcee Developments.

(b) to provide Sarcee Developments with a copy of each contract making a disposition as soon as possible after the contract is made.

(c) that to assist the Purchaser to dispose of this sub-lease or the lot, the Minister and Sarcee Developments may undertake to any mortgagee wishing to deal with this sub-lease or lot that Sarcee Developments will immediately take all steps necessary to terminate this sub-lease if the Purchaser:

(i) fails to obtain the written consent of the Minister and Sarcee Developments to a disposition; or

(ii) fails to register or cause to be registered the disposition in the Surrendered Lands Register; or

(iii) fails to forward or cause to be forwarded a registered copy of each contract making a disposition to Sarcee Developments.

ARTICLE 4.2

To assist in assuring valid title for this sub-lease to any permitted assignee or permitted mortgagee, Sarcee Developments agrees, that in the event a disposition is made in breach of this article which has the effect of impairing, defeating, or otherwise prejudicing the title of a permitted assignee or permitted mortgagee, to take all reasonable steps to terminate the sub-lease at the request of the permitted assignee or permitted mortgagee. On termination of the sub-lease, Sarcee Developments on consent of the Minister undertakes to issue a new sub-lease on terms and conditions identical to those contained in the sub-lease to the permitted assignee or permitted mortgagee.

ARTICLE 4.3

The covenants contained in this article are subject to the rights of prior permitted mortgagees and prior permitted assignees.

ARTICLE 4.4

The granting of consent by Sarcee Developments to any disposition shall constitute its undertaking to a permitted assignee or permitted mortgagee to take the steps necessary to terminate this sub-lease upon being requested by the permitted assignee or the permitted mortgagee to do so in the event that a prior disposition made without the written consent of the Minister and Sarcee Developments impairs, defeats, or otherwise prejudices the interest of the permitted assignee or permitted mortgagee of the sub-lease.

ARTICLE 4.5

It is understood and agreed that this sub-lease shall be subject to termination by Sarcee Developments if any, assignment, encumbrance or other disposition thereof is made which is not by its terms subject to this sub-lease and to the terms of any mortgage held by a permitted mortgagee.

ARTICLE 4.6

Sarcee Developments is not obligated to terminate the sub-lease under this article unless it is indemnified by the permitted mortgagee or permitted assignee requesting it to take the steps necessary to terminate the sub-lease against all costs and damages it may suffer by taking the steps to terminate, including legal fees on a client solicitor basis.

ARTICLE 4.7

That Sarcee Developments shall be entitled to charge a reasonable administrative fee to any person requesting a consent or undertaking under this Article.

ARTICLE 5.1

The Purchaser agrees that in the event that:

- (a) any payment due under this sub-lease by the Purchaser is not made within three (3) months of the due date, notice of non-payment having been given to the Purchaser; or
- (b) the Purchaser fails to observe and perform the covenants or conditions contained in Article 4.1 hereof; or
- (c) the Purchaser fails to observe and perform any of the other covenants or conditions of this sub-lease which are to be observed or performed by the Purchaser within three (3) months after notice of the non-observance or non-performance thereof has been given to the Purchaser,

Sarcee Developments may, at its option, terminate this sub-lease by written notice to the Purchaser and all rights and interest hereby created or then existing in favour of the Purchaser or derived under this sub-lease of the lot shall cease upon termination, and Sarcee Developments may re-enter the lot, have again, repossess and enjoy the same as of its former estate anything herein to the contrary notwithstanding. Provided however that in the case of such cancellation and re-entry any right of action of Sarcee Developments against the Purchaser in respect of any antecedent breach of the said terms and conditions shall not thereby be prejudiced and Sarcee Developments shall be entitled to any other remedies which it has in law or equity.

ARTICLE 6.1

- (a) The Purchaser agrees not to construct or permit the construction of any building or other improvement on the lot until plans of such building or other improvement acceptable to Sarcee Developments have been submitted to and approved by it, such approval not to be unreasonably withheld.
- (b) The Purchaser shall not make any changes or alterations to the lot or buildings thereon without first receiving permission to so do from Sarcee Developments, such approval not to be unreasonably withheld, provided that the decision of Sarcee Developments to grant or withhold any approval required under sub-articles (a) or (b) of this Article 6.1 shall be made promptly.
- (c) The Purchaser agrees not to use the lot for business or any purpose other than as the site of a single family residential dwelling and related purposes.

(d) The Purchaser agrees not to use the lot or to do or permit to be done any act thereon which shall not be in compliance with such reasonable rules, regulations and development controls which Sarcee Developments may from time to time make for the safety, care and cleanliness of the subdivision in which the lot is located, the comfort and convenience of the purchasers of the lots therein located, the preservation of good order in the said subdivision and the maintenance of its appearance.

(e) The Purchaser agrees to cause the construction of any building or other improvement on the lot to be completed with all possible speed after construction of the same have begun.

(f) The Purchaser agrees not to permit any lien, charge or other encumbrance to attach to this sub-lease or the term hereof or otherwise be created by virtue of the doing of any work or the supply of any material or service in connection with the doing or construction of any improvement to the lot and if the same shall attach or be created, the Purchaser agrees to cause the same to be satisfied, discharged or released promptly.

ARTICLE 7.1 - Notice

Whenever notice is to be given under the terms of the sub-lease to Sarcee Developments such notice may be sufficiently given if in writing and sent by registered mail or delivered to:

The President or Secretary  
Sarcee Developments Ltd.  
Box 172, Site 7, R.R. #1  
Calgary, Alberta  
T2P 2G4

ARTICLE 7.2

Whenever notice is to be given under the terms of the sub-lease to the Purchaser such notices may be sufficiently given if in writing and sent by registered mail or delivered to the mail box of:

ARTICLE 8.1 - Right of First Refusal

It is understood that this sub-lease terminates on August 5th, 2049 and that the Head Lease terminates on September 5th, 2049. Sarcee Developments accordingly has no present right to any further interest in the Head Lease lands or the lot after such latter date. Sarcee Developments agrees however that if the Head Lease is renewed or otherwise extended, the Purchaser shall have first right to sub-lease the lot at terms to be agreed upon between Sarcee Developments, the Purchaser and the Minister.



ARTICLE 9.1

The Purchaser shall abide by all the terms and conditions of this sub-lease and the Head Lease as amended from time to time to the extent that the same apply to this sub-lease.

ARTICLE 10.1 - Nuisance

The Purchaser shall not carry on or permit to be carried on any activity on the lot which in the opinion of Sarcee Developments will constitute a nuisance.

ARTICLE 11.1 - Repair and Upkeep

(a) The Purchaser shall keep all buildings situate on the lot in a good state of repair and appearance.

(b) Should a building be damaged by fire, the Purchaser agrees to make appropriate repairs as soon as practical.

(c) Should a building be substantially destroyed by fire, the Purchaser shall replace the building as soon as practical unless ownership of this sub-lease shall be or become vested in a Mortgagee thereof in which event the Mortgagee will not be required to replace the said building in the event that the Mortgagee shall demolish the same and clear and tidy the lot. Should any proposed new building in any way differ from the original structure, sub-article 6.1 (b) shall apply.

(d) All grounds, lawns, fences, trees, plants and shrubbery shall be kept in good order and appearance.

(e) The purchaser agrees to insure all buildings on the lot to their full current value against fire and adequately insure against public liability. The proceeds of insurance policies shall, subject to terms of any permitted mortgage of this sub-lease, be used to repair or replace the damaged buildings. Failure to repair or replace within a reasonable time shall constitute a breach of this sub-lease.

ARTICLE 12.1 - Time

Time is of the essence of this sub-lease.

ARTICLE 13.1 - Costs

All costs of preparation of this sub-lease and its registration shall be borne by the Purchaser.

ARTICLE 13.2

This Agreement shall be registered in the Surrendered Lands Register established pursuant to the Indian Act as amended.

ARTICLE 13.3

This sub-lease and any and all dispositions of it or any interest existing under it or in respect of the lot, including without limitation, any assignment, sub-lease, alienation, hypothecation, mortgage, transfer or other conveyance will have no effect and will not operate to convey any interest in the sub-lease or the lot until the same shall be consented to by the Minister and Sarcee Developments and registered in the Surrendered Lands Register.

ARTICLE 14.1

No trees having a diameter of more than 6 inches shall be cut down or removed without the permission of Sarcee Developments.

ARTICLE 15.1 - Right to Mortgage

The Purchaser shall have the right, subject to the prior written consent of the Minister and Sarcee Developments to mortgage this sub-lease and the leasehold estate hereby created, the mortgage to be by way of sub-lease or otherwise as may be agreed upon.

ARTICLE 15.2 - Breaches or Default where the lease is mortgaged or otherwise encumbered

Subject to the provisions of any agreement made by Sarcee Developments with any mortgagee or encumbrancee of this sub-lease, Sarcee Developments agrees that in the event of a breach of the terms of this sub-lease at a time when the lot and buildings are encumbered, Sarcee Developments shall give three (3) months notice to any such mortgagee or encumbrancee of which it otherwise has notice that unless the breaches are corrected within three (3) months, Sarcee Developments shall have the right to terminate this sub-lease without further notice. If the breach is incapable of being cured within the said three (3) month period, the Purchaser or the Mortgagee shall be given such additional time to cure the default as is necessary, provided that it or they act expeditiously. Also, if during the three (3) month period the Mortgagee gives notice in writing to Sarcee Developments of its intention to take action under its security against the Purchaser to acquire the Purchaser's interest under this sub-lease, the Mortgagee shall be given sufficient time to carry such proceedings through to their conclusion, provided it acts expeditiously.

ARTICLE 15.3

Sarcee Developments and the Purchaser agree that in the event that this sub-lease or the leasehold estate hereby created, or both, are mortgaged with the consent of the Minister and Sarcee Developments, this sub-lease shall not be amended without the consent of the mortgagee, and that an amendment without such consent shall be of no effect against the mortgagee. Sarcee Developments and the Purchaser agree that this sub-article shall constitute their undertaking to such mortgagee not to make any

such amendment without such consent, this undertaking not to amend to be given in consideration of the making of the loan or other obligation secured by the mortgage.

ARTICLE 16.1 - Obligation of Sarcee Developments

Sarcee Developments covenants with the Purchaser that if the Purchaser pays the rent and other charges and observes and performs the terms, conditions and covenants of this sub-lease, then subject to this sub-lease:

- (a) the Purchaser shall peaceably possess the lot for the full term of this sub-lease without any interruption or disturbance from Sarcee Developments or any other person or persons lawfully claiming under Sarcee Developments; and
- (b) Sarcee Developments will observe and perform the terms, covenants and conditions of the Head Lease; and,
- (c) Sarcee Developments will upon payment of a reasonable fee acknowledge to any mortgagee, purchaser or other person wishing to deal with this sub-lease or the Purchaser, in respect thereof that except as to matters which are unknown to Sarcee Developments the obligations of the Purchaser under this sub-lease are not in default, or if they are, as to the status thereof. Sarcee Developments will also, upon payment of reasonable fee, provide any person wishing to deal with the sub-lease with all evidence of title to this sub-lease as may be relevant and in its possession.

ARTICLE 16.2 - Access

Sarcee Developments grants to the Purchaser the right of easement during the term of this sub-lease over the roads in the said plan for use by the Purchaser and his family, guests and invitees for the purpose of access to and from the lot to adjacent provincial highways and other lots in the said plan.

ARTICLE 17.1 - Waiver of Liability & Indemnity

The Purchaser agrees that Sarcee Developments and the Sarcee Band are not responsible for and the Purchaser hereby releases Sarcee Developments and the Sarcee Band from all liability in respect of any loss, claim, damage or expense, including legal expenses, however caused to or suffered or incurred by the Purchaser arising from the use or occupation by the Purchaser of the lot or the Head Lease lands or the Reserve unless caused by the negligence of Sarcee Developments or the Sarcee Band or of any person for whose negligence Sarcee Developments or the Sarcee Band are liable in law. The Purchaser agrees to save harmless and indemnify Sarcee Developments and the Sarcee Band from and against any and all liability, damages, loss, claims, demand or expenses, including legal expenses, due to or arising out of any such matter including injury to any person, death, damage to,

loss of or theft of any property of the Purchaser occurring within or about the lot and caused by the negligence of the Purchaser or of any person for whose negligence the Purchaser is liable in law, unless such liability, damage, loss, claims, demands or expenses, breach, default, or non-observance occurs as a result of the negligence of Sarcee Developments or the Sarcee Band or of any other person for whose negligence Sarcee Developments or the Sarcee Band are liable in law.

ARTICLE 18.1 - Interest

The Purchaser shall pay Sarcee Developments interest at the rate of the prime rate of interest charged from time to time by the Bank of Nova Scotia plus 4% per annum on all rentals and charges not paid when due. The interest shall accrue on all amounts from the date the amount is due and without the necessity of any demand.

ARTICLE 19.1 - Solicitors

If Sarcee Developments retains the services of a solicitor or incurs other expenses for the purpose of collecting rent or other charges in arrears, or in enforcing the performance of any of the Purchaser's covenants the Purchaser shall pay to Sarcee Developments all costs and expenses, including legal fees thereby incurred by Sarcee Developments as rent hereunder.

ARTICLE 20.1 - Remedies

No remedy in this sub-lease is intended to be exclusive of any other remedy contained in this sub-lease or provided by law but such remedies shall be cumulative and shall be in addition to every other remedy given under this sub-lease or existing at law or in equity.

ARTICLE 21.1 - Compliance with Laws and Orders

The Purchaser shall during the term of this sub-lease at his own expense, promptly observe, perform, execute and comply with all laws, rules, requirements, orders, directions, ordinances and regulations, and pay all rates, taxes, levies, charges, duties and assessments of every public or local authority or agency having competence concerning the lot and any single family home, accessory structure or parking and access constructed or in respect of any activity or business PROVIDED THAT the Purchaser shall have the right to contest the validity of such laws, rules, requirements, orders, directions, ordinances, regulations, rates, taxes, levies, charges, duties and assessments if proceedings related are commenced before the expiration of three months after the Purchaser has first been notified of any breach of any such laws, rules, requirements, orders, directions, ordinances, regulations, rates, taxes, levies, charges, duties and assessments. The Purchaser covenants with Sarcee Developments that if the Purchaser shall contest the validity of any such rules, laws, requirements, orders, directions, ordinances, or regulations, the Purchaser will indemnify and save Sarcee

Developments harmless from all loss, damages, costs and expense suffered by Sarcee Developments by reason of the Purchaser undertaking such proceedings and that the Purchaser will conduct such proceedings after the commencement expeditiously and with all reasonable diligence.

ARTICLE 22.1 - Force Majeure

If any party fails to meet its obligations pursuant to this sub-lease, and the failure is caused or materially contributed to by force majeure, such failure shall be deemed not to be a breach of the obligations of such party but such party shall use reasonable diligence to put itself in a position to carry out its obligations. For the purpose of this sub-lease, "force majeure" shall mean any acts of God, strikes, lockouts or other industrial disturbances, acts of the Queen's enemies, sabotage, war, blockades, insurrections, riots, epidemics, lightning, earthquakes, floods, storms, fires, washouts, nuclear and radiation activity or fall-out, arrests, and restraints of rules and people, civil disturbances, explosions, breaking of or accident to machinery, inability to obtain materials or equipment, any legislative, administrative or judicial action which has been resisted in good faith by all reasonable legal means, any act, omission or event whether of the kind enumerated or otherwise not within the control of such party, and which by the exercise of due diligence such party could not have prevented, but shall not include lack of funds.

ARTICLE 23.1 - Non-Merger

There shall be no merger of the Head Lease or this sub-lease, or both, or of the leasehold estate thereby created with the fee estate in the lot or any part thereof, as the case may be, by reason of the fact that the same person may hold, directly or indirectly, the Head Lease or this sub-lease, or both, or the leasehold estate or estates thereby created or any interest in the Head Lease or this sub-lease or both.

ARTICLE 24.1

If any entry upon the lot or the carrying out of any work on it is required by Sarcee Developments for any purpose stated in this sub-lease, the Purchaser permits Sarcee Developments to enter or carry out such works and irrevocably nominates, constitutes and appoints Sarcee Developments his agent for such purpose.

ARTICLE 25.1

The waiver or acquiescence of Sarcee Developments in any default of any covenant or agreement to be observed or performed by the Purchaser under any of the provisions of this sub-lease shall be

deemed not to be a waiver or acquiescence of any subsequent or other default under this sub-lease. The consent or approval of Sarcee Developments to or of any act by the Purchaser requiring Sarcee Developments' consent or approval is hereby deemed not to be a waiver or render unnecessary Sarcee Developments' consent or approval to any subsequent similar act by the Purchaser.

ARTICLE 26.1

Immediately after the cancellation or termination of this sub-lease or upon the expiry of the term, the Purchaser shall deliver possession of the lot and any improvements to it to Sarcee Developments free of any claim.

ARTICLE 27.1 - Headings

The headings to Articles, Clauses and Paragraphs are for convenience of reference only and shall not affect the interpretation of the provisions of this sub-lease.

ARTICLE 27.1

If any Article, Clause or Paragraph in this sub-lease shall be judicially held invalid or unenforceable the remainder of this sub-lease shall be interpreted and read as if such Article, Clause or Paragraph or part had not been included in this sub-lease.

ARTICLE 27.3

This sub-lease and the terms and provisions hereof shall enure to the benefit of and be binding upon Sarcee Developments and its respective successors and assigns and upon the Purchaser and its permitted assigns.

ARTICLE 28.1 - Interpretation

In construing this sub-lease, the words "Sarcee Developments" and "Purchaser" shall be read and construed as the number and gender of the party or parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. All covenants, liabilities and obligations entered into or imposed hereunder upon the Purchaser shall be equally binding upon his, her, or their heirs, executors, administrators, and permitted assignees, or its successors and permitted assignees as the case may be, subject always to the requirements of Article 4.1 to Article 4.7 inclusive. All covenants shall be deemed to be joint and several where the party obliged to perform them is in the plural.

IN WITNESS WHEREOF Sarcee Developments Ltd. has executed this sub-lease by its seal attested by its proper officers duly authorized in that behalf and the Purchaser has set his hand and Seal all as of the date first above written.

SIGNED, SEALED and DELIVERED  
in the presence of:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Purchaser

\_\_\_\_\_  
Purchaser

SARCEE DEVELOPMENTS LTD.

Per: \_\_\_\_\_

AFFIDAVIT OF EXECUTION

CANADA )  
          )  
PROVINCE OF ALBERTA )  
          )  
TO WIT:                  )

I, \_\_\_\_\_, of the City of Calgary,  
in the Province of Alberta, \_\_\_\_\_ make oath and say:

1. That I was personally present and did see \_\_\_\_\_  
named in the within instrument who is personally known to me  
to be the person named therein, duly sign and execute the  
same for the purpose named therein.
2. That the same was executed at the City of Calgary in the  
Province of Alberta, and that I am the subscribing witness  
thereto.
3. That I know the said \_\_\_\_\_ and he is in my  
belief of the full age of 18 years.

SWORN before me at the City of \_\_\_\_\_ )  
Calgary in the Province of Alberta, )  
this \_\_\_ day of \_\_\_\_\_, 198\_\_ . ) \_\_\_\_\_

\_\_\_\_\_  
A (Commissioner for Oaths) .  
(Notary Public) in and for  
the Province of Alberta.