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23/11/11

Accrual Basis

Westhills in Whitemud Oaks
Balance Sheet
As of October 31, 2011

	Oct 31, 11
ASSETS	
Current Assets	
Chequing/Savings	
RBC Chequing Account	9,603.45
Total Chequing/Savings	9,603.45
Accounts Receivable	
Accounts Receivable	2,941.91
Total Accounts Receivable	2,941.91
Total Current Assets	12,545.36
TOTAL ASSETS	**12,545.36**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	2,700.31
Total Accounts Payable	2,700.31
Total Current Liabilities	2,700.31
Total Liabilities	2,700.31
Equity	
Retained Earnings	12,563.94
Net Income	-2,718.89
Total Equity	9,845.05
TOTAL LIABILITIES & EQUITY	**12,545.36**

4:13 PM

23/11/11

Accrual Basis

Westhills in Whitemud Oaks
Profit & Loss
March through October 2011

		Mar - Oct 11
Income		
Condominium Fees		46,209.12
Land Title Fee		20.00
Late Fee		177.75
Miscellaneous Income		0.99
Rental Parking Income		2,000.00
Total Income		48,407.86
Expense		
Administration		
Audit/Accounting/Legal	0.00	
Bank Charges	366.75	
Insurance	13,609.25	
Land Title Fees	31.50	
Management Fees	6,224.40	
Photocopies	114.52	
Postage	243.25	
Reserve Fund Study	4,095.00	
Total Administration		24,684.67
Miscellaneous Expense		0.40
Repairs & Maintenance		
Electrical & Light Maintenance	338.54	
General Repairs & Supplies	288.75	
Grounds Maintenance		
Landscaping & Pest Control	15,561.84	
Snow Removal	2,084.25	
Total Grounds Maintenance	17,646.09	
Repairs & Maintenance - Other	644.18	
Total Repairs & Maintenance		18,917.56
Reserve Fund Contribution		6,666.64
Uncategorized Expenses		141.38
Utilities		
Power	416.10	
Water & Sewage	300.00	
Total Utilities		716.10
Total Expense		51,126.75
Net Income		**-2,718.89**

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23/11/11

Accrual Basis

Westhills Reserve
Balance Sheet
As of October 31, 2011

	Oct 31, 11
ASSETS	
Current Assets	
Chequing/Savings	
RBC Chequing Account	12,653.80
Total Chequing/Savings	12,653.80
Total Current Assets	12,653.80
TOTAL ASSETS	**12,653.80**
LIABILITIES & EQUITY	
Equity	
Retained Earnings	5,994.44
Net Income	6,659.36
Total Equity	12,653.80
TOTAL LIABILITIES & EQUITY	**12,653.80**

4:13 PM

23/11/11

Accrual Basis

Westhills Reserve
Profit & Loss
March through October 2011

	Mar - Oct 11
Income	
Reserve Fund Contributions	6,666.64
Total Income	6,666.64
Expense	
Bank Fee	7.28
Total Expense	7.28
Net Income	**6,659.36**

Westhills in Whitemud Oaks
OPERATING BUDGET
March 2011 through February 2012

	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	TOTAL Mar 11 - Feb 12
Income													
Condo Fees	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	69,394.60
Total Income	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	5,782.88	69,394.60
Expense													
Administration													
Bank Charges	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	540.00
Insurance Appraisal											105.00		105.00
Management Fee	778.05	778.05	778.05	778.05	778.05	778.05	778.05	778.05	778.05	778.05	778.05	778.05	9,336.60
Meetings/Events	200.00												200.00
Office Expenses	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	55.00	660.00
Reserve Fund Study	166.88	166.67	188.67	166.67	188.67	188.67	188.87	166.67	166.67	166.88	166.88	166.66	2,000.00
Total Administration	1,244.71	1,044.72	1,044.72	1,044.72	1,044.72	1,044.72	1,044.72	1,044.72	1,044.72	1,044.71	1,149.71	1,044.71	12,841.60
Insurance	1,036.92	1,036.91	1,036.91	1,036.91	1,038.91	1,038.92	1,036.92	1,036.92	1,038.92	1,036.92	1,036.92	1,036.92	12,443.00
Professional Services	1,500.00												1,500.00
Repairs & Maintenance													0.00
Electrical Maintenance	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	12.50	150.00
General Maintenance	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Landscaping Maintenance	2,300.00	2,300.00							2,300.00	2,300.00	2,300.00	2,300.00	13,800.00
Snow Removal/Roadway Maint.			2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00					18,500.00
Total Repairs & Maintenance	2,412.50	2,412.50	2,862.50	2,862.50	2,862.50	2,862.50	2,862.50	2,862.50	2,412.50	2,412.50	2,412.50	2,412.50	31,850.00
Reserve Fund Contribution	833.33	833.34	833.34	833.34	833.34	833.33	833.33	833.33	833.33	833.33	833.33	833.33	10,000.00
Utilities													
Power	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	450.00
Water	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	510.00
Total Utilities	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	960.00
Total Expense	7,107.48	5,407.47	5,857.47	5,857.47	5,857.47	5,857.47	5,857.47	5,857.47	5,407.47	5,407.46	5,512.46	5,407.48	69,394.60
	-1,324.58	375.41	-74.59	-74.59	-74.59	-74.59	-74.59	-74.59	375.41	375.42	270.42	375.42	-0.00

CONDOMINIUM MANAGEMENT AGREEMENT

THIS AGREEMENT made and entered into this **22** day of **February, 2010.**

BETWEEN:

DELCASA MANAGEMENT INC.,
a body corporate maintaining an office
in the City of Edmonton, in the Province of Alberta
(the "Manager")

AND

THE OWNERS: CONDOMINIUM PLAN NO. 072 8456
a Corporation duly constituted under
the Condominium Property Act of Alberta
(the "Corporation")

RECITALS

A) The Corporation consists of thirty-nine (39) residential condominium units (the "Units") and related facilities, common property and other assets of the Corporation associated therewith known as Westhills on Whitemud Oaks Condominium Corporation and constituted by law as The Owners: Condominium Plan No. 072 8456 (the "Condominium"), being municipally described as 1730 Leger Gate, Edmonton, Alberta (the "Lands")

(the Lands and the Condominium and any other real and personal property or assets of the Corporation associated therewith hereinafter collectively referred to as the "Properties"),

B) The Corporation was created pursuant to the provisions of the *Condominium Property Act of Alberta*, Chapter C-22, R.S.A. 2000, as amended or any act passed in substitution therefore or replacement thereof (the "Act");

C) The Corporation, under the provisions of its Bylaws (the "Bylaws"), has the authority to engage a management agent on behalf of the Corporation to manage the Corporation;

D) The Corporation is governed by a Board of Directors (the "Board") and the Corporation is comprised of members who are Owners of the Units (the "Owner or Owners");

F) The Corporation desires to employ the Manager to manage the Corporation and the Manager desires to be employed to manage the Corporation for the remuneration and SUBJECT TO the terms and conditions hereinafter set forth;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. COMMENCEMENT OF CONTRACT

a) The Corporation hereby employs the Manager to manage the Corporation for an initial term of one (1) year, from March 1, 2010 to February 28, 2011.

b) Where the Manager has entered into a contract or agreement with a third party on behalf of and with the approval of the Corporation, the Manager is indemnified and held harmless from any

Initials Initials

liability resulting from the termination of any such third party contract or agreement by the Corporation prior to the time of its expiration, which arises as a result of non-performance on the part of the service contractor under the terms and conditions of a contract or agreement with the service contractor, where the Manager has diligently attempted in its managerial capacity to obtain the level of service stipulated in such contractor agreement.

c) It shall be the responsibility of the Manager to ensure that: the Corporation and the Board is provided with the Manager's best advice as to what specific provisions should be included in a contract or agreement for third party services in respect of obtaining optimum performance from a service contractor, and

i. the resulting service obtained or engaged is performed in accordance with the terms of such contract or agreement.

ii. notwithstanding the generality of the foregoing, the Manager will, in collaboration with the Board and the Owners, as part of the management services provided to the Corporation, manage and supervise, from time to time as may be required, any services provided by a service contractor engaged by the Corporation for purposes of rendering the following basic services:

1. maintenance of lawn, grounds and parkade/visitor parking stalls and surrounding area;

2. painting, staining, repair and general maintenance of the common property;

3. snow and/or ice removal;

4. cleaning and general maintenance of the common roadways, curbs and sidewalks;

5. Fall and Spring cleanup.

d) Notwithstanding any other provision of this Agreement or any written or verbal direction given to the Manager to the contrary, it is hereby understood, acknowledged and agreed by the Manager, that any and all monies or other benefit accruing there from, or from any contract or obligation entered into, by or on behalf of the Corporation, are the sole property of the Corporation and that any such money or benefit as it may be received, held, administered or disbursed by the Manager, are held under direction and are required to be accounted for by the Manager to the Corporation and are to be received, held, administered or disbursed solely to the benefit of the Corporation at any and all times that the Manager has access to or possession of such money or benefit, notwithstanding the termination of this Agreement.

e) For the purposes of paragraph 1.d) above, any money or benefit received, held, administered or disbursed by the Manager into, in or from any account, shall remain the sole property of the Corporation and accrue solely to the benefit of the Corporation.

f) Notwithstanding any other provision of this Agreement or any written or verbal direction given to the Manager to the contrary, any and all documents received by the Manager in respect of the business of the Corporation are the sole property of the Corporation. All books, securities, letters and documents described above shall be kept at the Manager's office, or as the Board directs. The Corporation shall be responsible for, storage of all files deemed inactive by the Manager.

_____ Initials _____ Initials

g) During the life of this Agreement and thereafter, where any court action, civil or criminal, is taken against the Corporation, or the Board, resulting from the failure of the Manager to provide a service as stipulated in this Agreement, or any action taken by an Owner or Contractor against the Board, the Manager will provide to the Corporation or its counsel such documents as are required to be produced to which it has access and appear in any court in the Province of Alberta as a witness, as may be required in the defense of such action, at the expense of the Manager.

h) The Manager agrees to manage the Properties to the extent, for the period and upon the terms and conditions herein provided. More particularly, the Manager agrees to faithfully, diligently, competently and honestly perform the following services in the name of and on behalf of the Corporation, and the Corporation hereby grants to the Manager such authority and power as may be required by the Manager to perform or effect performance of such services.

2. AGREEMENT RENEWAL

This Agreement shall automatically renew on a one (1) year term upon the expiration of the initial term found in Section 1 of this Agreement and each additional term thereafter, and in accordance with the fee schedule disclosed in Section 16 of this Agreement.

The Corporation and the Manager agree that the Manager may increase the Management fee with the Corporation's approval. The Manager agrees to provide the Corporation with sixty (60) days notice of any proposed Management fee increase.

Termination must be in accordance with Section 31 of this Agreement.

3. ARBITRATION

In the event of any dispute arising between the parties hereto relating to any question of construction or interpretation of this Agreement or of the privileges, rights, duties, or liabilities of the parties hereunder or of either of them, such dispute or questions shall be submitted to arbitration by notice given by either party to the other. Upon such notice being given, the dispute shall be determined by the award of three arbitrators, or by a majority of them, one to be named by each party hereto, and each party shall name its arbitrator within thirty (30) days of giving notice as herein provided, and the third arbitrator shall be selected by these arbitrators within seven (7) days after both have been nominated. If either party shall neglect or refuse to name its arbitrator in the time specified, or to proceed with the arbitration, the arbitration and the award of such arbitrators shall be final and binding upon both parties. If the third arbitrator is not named within the stated seven (7) day period either party may make application to the Court of Queen's Bench of Alberta for the appointment of a third arbitrator. The arbitrators shall have all powers given by the Arbitration Act of Alberta, as amended, or any legislation passed in substitution therefore, or replacement thereof, and may, at any time, proceed in such manner as they may see fit on such notice as they deem reasonable in the absence of either party if such party fails to attend. Each party shall pay its own costs and shall share equally the costs of the arbitration. The award and determination of the arbitrators shall be final and binding upon both parties hereto and each party agrees not to appeal any such award or determination.

4. AUDIT

Any audit required by the Corporation shall be prepared at its expense by accountants of its selection. The Manager shall co-operate and assist with any such audit. The Manager will provide access to all records in its possession required for the purpose of the audit and such reasonable accommodation on its premises as is required for the performance of the audit.

_____ Initials _____ Initials

5. AWARDING OF CONTRACTS

On the basis of the budget and job standards, as approved by the Board, the Manager may recommend the retaining of, and at the discretion of the Board, negotiate agreements as agent for the Board with independent contractors to maintain and operate the Properties. No such contractor may be a member or occupant of the Corporation or employee or family member/spouse of an employee of the Manager unless full disclosure is given and the Board agrees All contracts, monthly or otherwise, will be completed to the full satisfaction of the Manager and the Board, both acting reasonably. The Manager and the Board reserve the right to recommend engaging professional assistance to accomplish the objectives set out in this Agreement and the management of the Corporation. If the Corporation or the Board refuses to engage a professional upon the recommendation of the Manager, the Manager shall not be responsible for any defective results.

6. BANKING AND LOANS

The Manager and the Corporation acknowledge that they are aware of the investment limitations of Section 43 of the Act. The Manager shall have no obligation to loan funds to the Corporation for any purpose whatsoever. At the request of the Corporation or should circumstances so dictate, the Manager may, at its sole option, loan funds to the Corporation. The Corporation shall pay interest on such loans at the rate of two (2%) percent over the Royal Bank of Canada commercial prime lending rate established at Edmonton, Alberta, calculated monthly.

7. BONDING

The Manager, acknowledges that all its employees who handle or are responsible for the safekeeping of any monies of the Corporation is covered under its insurance policy not exceeding twenty-five thousand ($25,000.00) dollars. Should the Corporation wish additional coverage a fidelity bond could be obtained protecting the Corporation. Such bond if required shall be issued by a company acceptable to the Board, at the expense of the Corporation.

8. BUDGET

The Manager shall prepare and submit to the Board on or before the fifteenth (15th) day of the tenth (10th) month of the then current fiscal year of the Corporation a recommended annual budget. The recommended budget will disclose anticipated receipts and expenditures for the operation and management of the Corporation for the next fiscal year. The recommended budget will disclose the individual assessments for each Unit Owner for common and administrative expenses as required by the Act and the Bylaws of the Corporation. The Board is responsible for the final approved budget. No action or purchases under the budget shall be undertaken until the budget is first approved by the Board.

9. CHANGES TO PROPERTY AND RESPONSIBILITY FOR COMPLIANCE

Subject to paragraph 6, the Manager shall have no authority, without express written direction to the contrary, to make any physical or structural changes in or on the common property or any Unit or to make any other major alterations or additions in or to any building or equipment therein. The Manager shall attempt to ensure that the Corporation is in compliance with all applicable Bylaws When the Manager is aware of By-law infractions, the Board shall be notified regarding orders, complaints, warnings, notices, summonses or like documents received relating to such matters.

_____ Initials _____ Initials

10. CLAIMS AND LIENS

The Manager shall use its best efforts to ensure that no claim or lien shall be filed in respect of any work which may be carried out on behalf of the Corporation against title to the said Lands or any Units or the managed/common property and if a claim or lien is filed against the Corporation as a result of the non bona-fide actions of the Manager the claim or lien shall be discharged at the expense of the Manager.

11. COMPLIANCE TO THE ACT AND THE BYLAWS

The Corporation and the Manager shall abide by the Act, or any legislation passed in substitution therefore or replacement thereof, and the Bylaws of the Corporation as amended from time to time, and each acknowledges and agrees that this Agreement is subject to the provisions of the Act and the Bylaws in so far as they are applicable to this Agreement and in the event of any conflict between the Act or the Bylaws and any provision in this Agreement, the Act and the Bylaws shall prevail. The Manager agrees that it will perform its duties and obligations in a manner consistent with the Act and the Bylaws of the Corporation. The Manager acknowledges and has obtained and reviewed a copy of the condominium plan. The Manager also acknowledges receipt of the current Bylaws of the Corporation and has read and understands them. The Corporation represents that to the best of its knowledge the Condominium complies with all such requirements and agrees to indemnify and hold harmless the Manager, its agents, servants, and employees, of and from all loss, cost, damage, expenses or liability whatsoever which may be imposed on them by reason of any present or future violation or alleged violation of such laws, ordinances, rules or regulations, except where unlawfully or negligently omitted or contravened by the Manager or any of its agents, servants, employees.

Words and expressions which have a special meaning assigned to them in the Act or the Bylaws of the Corporation have the same meaning in this Agreement unless a contrary intent is expressed in this Agreement.

At all times the Manager shall act in the best interest of the Corporation and in so acting, the Manager shall not be influenced to the detriment of the Corporation by reason of any financial or other relationship it may have with any other person, firm or Company. All information on the development, management or disposal of the Corporation or any Units or part thereof, and of the Corporation, whether financial or otherwise, shall be treated and forever held confidentially and this provision shall survive any termination of this Agreement.

The Manager may engage or use any person, firm or company associated, affiliated or otherwise connected with it, including a parent or subsidiary company (hereinafter called an "Affiliate"), to perform any work or services for the Corporation within the scope of the Manager's duties pursuant to the terms and conditions of this Agreement, without being in breach of any fiduciary or contractual relationship with the Corporation subject to the provisions of this Agreement and to the following provisions:

i. where the cost of performing such work or services does not exceed the sum of one thousand ($1,000) dollars during any fiscal year, the Manager shall be entitled to have such work and services performed by such Affiliate;

ii. any work or services to be performed which cost exceeds the sum of one thousand ($1,000) dollars during any fiscal year, shall not be performed by any Affiliate unless the Manager has either first obtained two (2) bona fide written tenders from parties other than such Affiliate and has the work performed by such Affiliate at a cost not exceeding the lower of such tenders;

iii. emergency repairs involving manifest danger to persons or property, or immediately

_____ Initials _____ Initials

necessary for the safety of persons, or required to avoid suspension of any necessary service to the Corporation may be made by the Manager or any parent or subsidiary corporation or any person, firm or corporation associated, affiliated or otherwise connected with the Manager, irrespective of the above cost limitation, without the approval of the Board, and without the necessity of obtaining two (2) written tenders as above provided.

NOTWITHSTANDING the foregoing, the Corporation shall not be obligated to make any payment to or reimburse the Manager for any cost or expense incurred by the Manager in first setting up the accounts, records and files of the Corporation or otherwise in preparing to accommodate and provide the Corporation with the management services pursuant to this Agreement, or while acting outside of the course of its employment, or in conducting or operating its own business or offices.

12. CORPORATE REPRESENTATIVE

Subject to paragraph 24 the Board shall, from time to time, designate a representative who shall be authorized to deal with the Manager on any matter relating to the management of the Corporation. The Manager is not to accept directions or instructions with regard to the management of the Corporation from anyone else. In the absence of any designated representative the Board President or Vice President shall have this authority.

13. CORPORATION INDEMNITY

The corporation covenants and agrees with the manager as follows:

The Corporation shall indemnify the Manager if it is determined that the Manager is not at fault for claims for damages or injuries to persons or property arising from its management of the Properties.

To provide the Manager with all documents and records available the Corporation which may be required by the Manager to properly manage, administer and operate the Corporation and to perform its duties hereunder. The Manager acknowledges that it has received and is aware of the provisions of the Bylaws of the Corporation and the Act: and notify the Manager from time to time of any amendments or additions to the Bylaws.

14. COURT COSTS

The Corporation shall pay to the Manager seventy five ($75.00) dollars per hour plus costs and expenses reasonably incurred for the time the Manager spent in and preparation for Court on behalf of the Corporation pursuant to this paragraph.

15. EMERGENCY CONTACT

The Manager shall keep the Board and all Owners advised of the telephone number or numbers at which an agent or representative of the Manager may be reached at any time during normal business hours in respect of any breach or violation of the Bylaws or of any rules and regulations for the time being in force of the Corporation. The Manager shall also keep the Board advised of the telephone number at which its representative can be reached at other than normal business hours in event of an emergency. The Manager shall forthwith report to the Board President or Representative any known emergency or any known persistent, flagrant or serious violation of the Bylaws or any rules and regulation in force and shall report any other emergency or violation which might reasonably be expected to be brought to the attention of the Board. It is understood and agreed by the parties hereto that the Manager shall make reasonable efforts to contact the Board President or Representative, so designated for this purpose from time to time, to

_____ Initials _____ Initials

determine if an emergency exists prior to initiating any action, and in the event of inability of the Manager to contact the Board President or Representative, the Manager may deem a situation an emergency at the Managers' discretion. The Manager shall undertake necessary action if the Board President or Representative is unavailable. For the purpose of bringing an emergency under control, the Manager may engage on behalf of the Corporation, any appropriate emergency service.

16. FEES

The Corporation shall pay to the Manager, as consideration for the services to be rendered by the Manager in accordance with this Agreement on the first day of each and every month, in advance, during the term of this Agreement the sum of nineteen **($19.00)** dollars plus GST per door per month. The first payment shall be made on March 1, 2010.

a) Subject to the terms of this Agreement, the Manager shall also provide to the Corporation those services set out in Schedule A to this Agreement, (which are included in the amount of compensation described in this paragraph 17.) and a separate schedule of services which the Manager agrees to perform as set out in Schedule B, which shall stipulate the additional amounts to be paid to the Manager for such services.

b) The Manager or an officer or employee thereof shall, unless otherwise directed by the Corporation, attend every scheduled meeting, not more than one per month of the Board, and the Annual General Meeting of the Corporation, notwithstanding paragraph 17 above, the Manager is entitled to compensation calculated at a rate of seventy-five ($75.00) dollars per hour plus GST for each hour or portion thereof, at all meetings it attends where it is in attendance in excess of two (2) hours and for any meetings attended that exceed the regularly scheduled meetings of the Board within each twelve (12) month period of this Agreement, and including the Annual General Meeting of the Corporation, or a meeting of the Board that does not obtain quorum. No credit will be given to the Corporation if the maximum number of meetings is not achieved, nor will the shortfall of meetings be carried forward to the following fiscal year.

c) Where the Manager agrees to perform construction supervision, oversee and manage any major construction, reconstruction, alteration or renovation of the Properties upon request of the Corporation, and subject to agreement by the Manager to accept such responsibility, a construction management fee in addition to all monies payable to the Manager under this Agreement based on eight (8%) percent of the gross construction costs to be agreed upon between the parties prior to commencement of construction, which fee wilt be estimated and invoiced by the Manager on a monthly basis in arrears, with the appropriate adjustments to be made between the parties within 30 days following completion of the construction project and determination of the final total gross construction cost figure. The Manager must bring this clause to the attention of the Board and in each case a Board motion will be required to approve the application of the clause.

d) The Corporation shall pay GST on all sums payable to the Manager under the terms of this Agreement.

17. FEE COLLECTION

The Manager shall collect and, as necessary, receipt all monthly assessments, contributions and other charges due to the Corporation for operation of the Corporation including any special levies, contingency and reserve funds included therein or relating thereto provided that the Manager shall have no responsibility for collection of delinquent assessments and contributions or other charges except sending notices of delinquency once a month unless otherwise authorized and directed by the Corporation. All money collected shall be deposited into the Corporation's accounts. On direction of the Board, the

_____ Initials _____ Initials

Manager will facilitate the filing of caveats on the Units in arrears, through legal counsel. The Board may agree to assess additional amounts against a defaulting Owner and represents that, subject to the Act, the Bylaws grant the Corporation the power to collect interest at a rate noted within the registered Bylaws. The Manager, as agent for the Corporation, may recover from the defaulting Owners the costs incurred in preparing, registering and discharging any caveat filed by the Manager on behalf of the Corporation pursuant to Section 39 of the Act and may similarly recover from the defaulting Owners any other reasonable costs incurred by it in protecting and securing the position and interests of the Corporation.

18. FINANCIAL STATEMENTS

The Manager shall maintain records showing all receipt and expenditures relating to the Corporation and shall submit to the Board, receipt and disbursement statements for the preceding month and a statement indicating, the balance in the Corporation's operating account together with a summary of all term deposits or other moneys administered on behalf of the Corporation on or before the twenty- fifth (25th) calendar day of the following month. Financial accounting will be provided on an accrual basis.

19. FIRE AND SAFETY

The Manager shall assist the Board in recording and putting into practice a formal fire and safety plan, the costs of which shall be borne by the Corporation, which shall at minimum include compliance with the Alberta Fire Code.

The Corporation represents that to the best of the Board's knowledge, the Corporation and such equipment comply with all such requirements and agrees to indemnify and hold the Manager, its representatives, servants, and employees harmless of and from all loss, cost, penalties, fines, damages, expense and liability whatsoever which may be imposed by reason of any present or future violation or alleged violation of such laws, ordinances, statutes or regulations.

20. INSURANCE

The Manager shall maintain appropriate records of and shall assist and make recommendations in the placement of all insurance coverage required to be carried by the Corporation pursuant to the Act or the Bylaws. The Manager agrees to advise the Board of the nature and extent of the insurance coverage required to be carried by the Corporation and the Board. It is understood and agreed that the placement of any insurance on behalf of the Corporation or the Board by the Manager shall only be upon specific instructions from the Board to the Manager, except in circumstances where an insurance policy is about to lapse and no such direction has been received from the Board, the Manager shall endeavour to renew the existing policy, or replace it with one of equal coverage. The Manager shall investigate and report all accidents or claims for damage relating to the ownership, operation, and maintenance of the Corporation including any damage or destruction. The Manager shall be named as an "additional insured" to the commercial general liability rider to the Corporation's insurance policy with respect to liability for "bodily injury", "property damage" or "personal and advertising injury".

21. LAND TITLES

The Manager agrees at the request of the Board, to register at the Land Titles Office any change in the address for service of the Corporation or any change in the Board in the form required by the Act and the Regulations passed pursuant thereto and to comply with any reasonable request for the names and address of the persons who are members of the Board.

____ Initials ____ Initials

22. MAINTENANCE

Subject to the provisions of, and any restrictions contained in, the Bylaws and at the direction and at the expense of the Corporation, the Manager shall cause the Properties to be maintained according to reasonable standards of maintenance consistent with the character, age, size, and location of the Properties. Following development of draft specifications in consultation with the Board, the Manager will provide the Board with quotations for landscaping, winter maintenance, snow removal and other exterior grounds maintenance contracts for ultimate approval by the Board. All expenses (other than monthly recurring items such as utilities, and so forth) expected to exceed two thousand dollars ($2,000) per fiscal year will require Board approval. The Manager acknowledges that it has no authority to authorize any single expenditure exceeding two thousand dollars ($2,000) without the Board's approval.

23. MANAGER INDEMNITY

The Manager shall indemnify and save the Corporation completely free and harmless from any and all damages or injuries to persons or property, or claims, actions, obligations, liabilities, costs, expenses and fees if caused by the Manager's failure to carry out the provisions of this Agreement or if caused as a result of the negligence of the Manager in performing its obligations pursuant to this Agreement or in directing and supervising its employees in a reasonable and responsible manner.

24. MINUTES AS INSTRUCTION

The Manager shall accept a direction made in the minutes of the Board as good and sufficient instruction for carrying out the Manager's obligations and duties and for the provision of any service, supply, or material in accordance with this Agreement. The Board will provide the Manager with a copy of minutes of meetings as soon as possible after any meeting held by the Board or the Corporation.

25. OWNERS, LENDERS AND TENANT LISTS

The Manager shall, based on the information and documents made available, to it, keep an up-to-date record of the names and addresses of all Owners and any lessee thereof which it has knowledge and provide a copy to the Board as requested. If the Corporation receives notices or notifications from registered mortgagees or other persons claiming an interest in a Unit, the Board shall forthwith communicate that information to the Manager. Within ten (10) days of becoming aware that a new Owner or Tenant has taken occupancy of a Unit, the Manager shall, at the expense of the Corporation for printing and mailing charges for each occasion, provide to such new Owner, a letter informing such persons of the availability of information referred to in Sections 44 and 48 of the Act. The Corporation shall advise the Manager of any leases, or other dispositions of the common property or any part thereof made by it and the Manager shall maintain records of such dispositions.

26. PROSECUTIONS UNDER THE ACT

Upon written authorization of the Board, and at the expense of the Corporation, the Manager agrees to:

> Commence and prosecute proceedings to enforce the Bylaws pursuant to Sections 35 and 36 of the Act; Impose and collect deposits under Section 53 of the Act, give notice to give up possession of Units under Section 54 of the Act and make applications to the Court under Sections 55 or 56 of the Act and to do all such things as may be reasonably required to complete the eviction of any tenant pursuant to the procedures referred to herein.

_____ Initials _____ Initials

27. PURCHASES

Subject to the direction of the Board, the Manager shall negotiate and execute on behalf of the Corporation contracts for water, electricity, gas and such other services for that portion of the Properties constituting common property (but not any Unit metered services) as may be necessary or desirable.

The Manager shall not collect or charge any undisclosed fee, rebate, commission or discount and if any should be received by the Manager the same will be held to the exclusive benefit of the Corporation. The Manager must disclose to the Corporation all interest of any kind either as shareholder, director, investor, or the interest of any employee or spouse, or family member of employee in any company offering services to the Corporation; if this applies all bidders must send bids to the President of the Board.

28. REQUEST FOR DOCUMENTATION BY GOVERNMENT

The Manager shall assist, advise and cooperate with the Corporation in providing any documents requested by government authorities having jurisdiction in that regard.

29. REQUESTS FOR INFORMATION (ESTOPPEL CERTIFICATES/INFORMATION STATEMENTS AND SO FORTH)

The Manager shall, on the application of an Owner or any person authorized in writing by him, provide for Estoppel certificates as anticipated by Section 39(6) of the Act. Similarly, upon the written request of an Owner, purchaser or mortgagee of a Unit, the Manager, on behalf of the Corporation, shall, within ten (10) days, or within such other time frames as required under the Act, as of receiving that request, provide to the person making the request all or any of the information statement particulars or copies referred to in Section 44 of the Act, or Insurance information referred to in Section 48 of the Act, as well as any information regarding Reserve Fund Plans, Studies or Reports called for in the Act and regulations thereto. The Manager shall be entitled to collect from and charge the requesting party, for the Managers own account, a fee to compensate it for the expenses it incurs in producing and providing the materials referred to herein on behalf of the Corporation. If there is any error, in any documents prepared by the Manager, the Manager will be responsible for same including any loss suffered by the Corporation.

30. RESPONSIBILITY FOR INDIVIDUAL UNITS

NOTWITHSTANDING any other provisions of this Agreement, the Manager is given no authority or responsibility for maintenance of or repairs to any Units that do not form part of the common property or for which the Corporation has no responsibility. Such maintenance and repairs shall be the sole responsibility of the individual Owners.

31. TERMINATION

Notwithstanding any other provisions, and at the option of the Board, this Agreement shall immediately terminate upon any of the following events:

i. the insolvency or bankruptcy of the Manager or upon the Manager taking any steps to wind up its business voluntarily or otherwise;

ii. on the termination of the condominium status of any building within the Condominium Plan as it presently exists or as it may be amended;

iii. for cause, and in particular, without restricting the generality of the foregoing, if the Manager is insubordinate, reckless or negligent in performing its duties under this

Initials Initials

Agreement; or

iv. if the Manager shall be in breach of trust in respect of any monies of the Corporation.

Notwithstanding anything else contained in this Agreement and unless the Agreement is terminated by the Board as set out in this paragraph 31, either party has the option of terminating this Agreement on sixty (60) days written notice.

Upon termination of this Agreement, within a reasonable time thereafter, not to exceed thirty (30) days;

v. The Manager shall, render final accountings to the Corporation or its Agent and immediately pay over any monies held for the benefit of the Corporation. Any term deposits held in the name of the Corporation shall also be immediately surrendered to the Corporation in the form and substance in which they are held as will bank records, deposit books and accounts of the Corporation;

vi. The Manager shall, forthwith, make available to the Corporation or its Agent all contracts, records, files and other documents or information which may be pertinent to the continuing operation of the Corporation and the Corporation shall provide access to the Manager at reasonable times and upon reasonable notice to all such contracts, records, files and other documents or information subsequent to termination of this Agreement. Any copies of documents made for the Manager shall be at the Manager's expense;

vii. The Manager shall, forthwith, surrender all post dated cheques from Owners together with their account receivable balance and addresses and all keys to the Properties to the Corporation or its Agent;

viii. The Corporation shall assume the obligations of any and all contracts which the Manager has made for the purpose of arranging the services to be provided pursuant to this Agreement provided same were authorized by the Board in writing.

32. NOTICE

The Manager agrees that the Corporation may use the Manager's address as contemplated under Section 73 of the Act until this Agreement is terminated.

Any notice or demand required or permitted herein, shall be in writing and shall be affected by delivery or by sending the same in a postage-prepaid envelope by registered mail, addressed to the Manager or the Corporation as follows:

To the Manager:

DelCasa Management Inc.
#205, 5405 – 99 Street
Edmonton, Alberta T6E 3N8

P.O. Box 21085
Edmonton, Alberta T6R 2V4

_____ Initials _____ Initials

To the Corporation:
THE PRESIDENT, THE BOARD OF DIRECTORS
Condominium Corporation No. 072 8456
C/O DELCASA MANAGEMENT INC.
#202, 5405 - 99 Street, Edmonton, Alberta T6E 3N8

Either party may change their address for notice by sending notice to the other party in the manner herein prescribed.

33. GENERAL

This Agreement shall enure to the benefit of and be binding upon, the parties hereto and their respective successors and assigns, and may be assigned by the Manager without the Board's consent.
This Agreement shall be governed by the laws of the Province of Alberta and the parties hereto attorn to the Courts of the Province of Alberta.

The Recitals and Schedules hereto form part hereof.

IN WITNESS WHEREOF the parties hereto have executed this Agreement under the hands of their proper officers in that capacity duly authorized as of the day and year first above mentioned.

DELCASA MANAGEMENT INC.

Per: _____
Authorized signatory

THE OWNERS: CONDOMINIUM PLAN NO. 072 8456

Per: _____
Director

_____ Initials _____ Initials

SCHEDULE "A"
Services Provided

Financial services:

- Prepare and mail delinquency notices
- Prepare and mail assessment notices
- Report and pursue appropriate course of action on arrears, as per the direction of the Board
- Prepare cheques to pay all obligations
- Maintain accounting records
- Furnish monthly financial statements for the Board on or before the 25th calendar day of the following month
- Assist auditors in preparation of audited financial statements and tax returns
- Prepare a proposed annual budget for the Board's review
- Assist in preparing Capital Reserve account recommendations for the Board
- Prepare statements setting forth the amount of any contribution due and payable in respect of a unit, i.e.: Estoppel Certificate
- Provide accounting for interest on arrears of condo fees and assessments
- Facilitate the purchase in the name of the Corporation, term deposits, treasury bills and other securities from Corporate funds, upon the instruction of the Board

Administrative services:

- Field complaints and endeavor to secure compliance with rules and regulations
- Obtain general office supplies i.e. (paper, pens, ink cartridges, plain envelopes, etc).
- Obtain quotations for maintenance contracts
- Monitor and ensure proper delivery and quality of work performed for the Corporation.
- Compile data, prepare specifications and call for bids for major repairs and improvements, analyze and compare bids, issue contracts and co-ordinate the work with close supervision of quality and costs in consultation with the Board
- Administer the corporation so that all tenants, occupiers and Owners conform to the Bylaws and Rules and Regulations, as per the direction of the Board
- Maintain for the Corporation a complete set of files including the Bylaws, Plans and specifications, insurance policies, correspondence and invoices and all relevant documents as provided.
- Assist each Owner with any problems pertaining to the Corporation, the common property, Bylaws, rules and regulations
- Obtain and analyze bids for insurance coverage as necessary and recommend changes and amendments
- Organize and prepare the Annual General Meeting which includes the compilation and preparation of notices, previous minutes, financials/year end audit, proxies, ballots, agendas and Owners lists
- Attend scheduled meetings of the Board
- Provide input to the Board relative to the minutes for recording, preparation and distribution of Annual General Meetings, Board of Directors Meetings and Extraordinary or Special Meetings.
- Maintain a twenty four (24) hour emergency telephone service and deal with emergencies as they arise
- Respond to emergencies as they occur
- Present management reports on a monthly basis to the Board
- Conduct site inspections at least once every two weeks
- Advise Board of preventative maintenance measures to assure good upkeep of all Properties
- Execute removal and discharge of any liens on common property or any units resulting from

Initials _____ Initials _____

contract work authorized by the Corporation

- ☐ Facilitate the acquisition and installation of equipment, supplies and material needed for regular maintenance (Costs to be charged to the Corporation) as required, upon direction of the Board
- ☐ Prepare appropriate documents to notify land titles of Board member changes
- ☐ Offer Pre-Authorized Debit services under the Corporation's name to Owners for the payment of condominium fees
- ☐ Prepare letters of assessment to Owners
- ☐ Review Bylaws and recommend changes as required.

_____ Initials _____ Initials

SCHEDULE "B"
Additional Billable Expenses

The Corporation shall be responsible for the costs incurred by the Manager in performing certain duties under the terms of this Agreement and not specified in Schedule A. These include:

- ☐ Third party accounting fees
- ☐ Courier services specific to the Corporation
- ☐ Fees for off-site storage of documents pertaining to the Corporation, if required
- ☐ Long distance telephone charges, bank service charges, long distance facsimile charges, mail charges, letterhead and other similar charges or expenses
- ☐ Postage
- ☐ Legal fees and disbursements necessary for enforcing compliance to the Act or Bylaws and for enforcing payment of common element fees as approved by the Board
- ☐ Photocopies at $0.15 per copy
- ☐ Printed forms, stationery and supplies required for the specific use of the Corporation
- ☐ Printed cheques specific to the separate bank trust account maintained for the Corporation
- ☐ Land titles searches and registrations to the Corporation
- ☐ Applicable GST for goods and services delivered
- ☐ Hand distribution of newsletters, annual general meeting and or special meeting packages and like matter as approved by the Board
- ☐ Additional site visits for the programming of intercom panels, remote overhead door openers, and electronic door entry and on-site response to emergencies outside regular business hours at $75.00 per hour
- ☐ Sums expended by the Manager in an emergency
- ☐ Such other miscellaneous expenses in carrying out the intent of this Agreement
- ☐ If DelCasa Management Inc is required to record, prepare and distribute original drafts of minutes for Annual General Meetings, Board of Directors Meetings, and Extraordinary or Special Meetings calculation will be at the rate of seventy-five ($75.00) dollars per hour plus GST for each hour or portion thereof.

NOTE: All the above charges are to be accompanied by documentation or invoice.

Initials _____ Initials _____

Phoenix Insurance Group Edmonton Inc.
...an Assurex Partner

10320 146 STREET
EDMONTON, ALBERTA
T5N 3A2
TELEPHONE (780) 482-6936
TOLL FREE 1-800-563-5325

CONDOMINIUM CERTIFICATE OF INSURANCE

This is to certify that the policy of insurance as described below has been arranged through this office for the Condominium Corporation named below for whom this certificate is executed. The issuance of this certificate does not impose any responsibility upon Phoenix Insurance Group Edmonton Inc., or the Insurers to maintain the coverage stated or advise of the termination of any policies beyond that required by the terms and conditions of these policies.

RE: Condominium Corporation No. 072-8456;
Westhills on Whitemud Oaks Condominium Corporation
1730 Leger Gate
Edmonton, Alberta T6R 0R3

INSURANCE COVERAGE

1)	**Units & Common Property:**	$ 11,992,500		**ALL LOSSES EXCEPT:**
	Subject to a Deductible of:	$ 1,000		Deductible Sewer Back-up & Water Damage Loss Claims
		$ 2,500		Deductible Earthquake Damage Loss Claims
		5% (Minimum $100,000)		Deductible Flood Damage Loss Claims
		$ 25,000		
2)	**Liability:**	$ 2,000,000	Limits	Commercial General Liability
		$ 2,000,000	Limits	Directors' & Officers' Liability

POLICY NUMBER: 1319969

INSURERS: AXA PACIFIC INSURANCE COMPANY OF CANADA
AVIVA INSURANCE COMPANY OF CANADA

POLICY TERM: APRIL 1, 2011 TO APRIL 1, 2012

Loss Payable is in accordance with the provisions of the Alberta Condominium Property Act and amendments thereto. Lenders and Mortgage Companies are referred to the provisions of the Alberta Condominium Property Act being Chapter C-22 of the Revised Statutes of Alberta 1980, including subsequent amendments, and to the By-Laws of this Condominium Corporation with respect to placement of insurance and disbursement and utilization of the insurance proceeds.

DATE: March 30, 2011

PHOENIX INSURANCE GROUP EDMONTON INC.

FOR CONDOMINIUM UNIT OWNERS INFORMATION ONLY

PER: Ballmore

This Condominium Certificate of Insurance is issued as another courtesy service of **Phoenix Insurance Group Edmonton Inc.** If you require additional information, please feel free to contact our office.