mattamyHOMES | SPRINGWATER

CONDOMINIUM DISCLOSURE DOCUMENTS

SAMPLE

DATE: May 25, 2026

mattamyHOMES | SPRINGWATER

CONDOMINIUM DISCLOSURE DOCUMENTS

INDEX OF DOCUMENTS

---

1. Disclosure Statement Table of Contents
2. Disclosure Statement
3. Proposed Declaration
4. Budget Statement
5. Proposed By-Law 1 (General)
6. Proposed By-Law 2 (Assumption of Agreements)
7. Proposed Condominium Rules
8. Proposed Management Agreement
9. Proposed Draft Plan of Condominium
10. Condominium Authority of Ontario Residential Condo Buyers' Guide

SAMPLE

1 Disclosure Statement Table of Contents

SAMPLE

DISCLOSURE STATEMENT
TABLE OF CONTENTS
(under subsection 72 (4) of the *Condominium Act, 1998*)

Declarant's name: Mattamy (Berczy Glen) Limited
Declarant's municipal address: c/o 6696 Financial Drive, Mississauga, ON L5N 7J6

Brief legal description of the property/proposed property: Block 132, Plan 65M-4708; City Of Markham (the "**Land**").

Mailing address of the property/proposed property: c/o FirstService Residential, 111 Gordon Baker Road, Suite 700, North York, ON, M2H 3R1

Municipal address of the property/proposed property: The Condominium comprises a common element road and related Facilities, which, accordingly, do not have a municipal address

Condominium Corporation: York Region Common Elements Condominium Corporation No. _____ (known as the "**Corporation**")

The Table of Contents is a guide to where the disclosure statement deals with some of the more common areas of concern to purchasers. Purchasers should be aware that the disclosure statement, which includes a copy of the existing or proposed declaration, by-laws and rules, contains provisions that are of significance to them, only some of which are referred to in this Table of Contents.

Purchasers should review all documentation.

In this Table of Contents,

"unit" or "units" include proposed unit or units;

"common elements" includes proposed common elements;

"common interest" includes proposed common interest; and

"property" includes proposed property.

The disclosure statement deals with significant matters, including the following:

SAMPLE

Matter		**Specify the article, paragraph (and/or clause) and page number where the matter is dealt with in the existing or proposed declaration, by-laws, rules or other material in the disclosure statement**
1. The Corporation is a freehold condominium corporation that is a common elements condominium corporation.	Yes ☒ No ☐	Refer to: Section I on Page 1 of the Disclosure Statement Article I, Section 8 on Page 4 of the Declaration

2. The property or part of the property is or may be subject to the *Ontario New Home Warranties Plan Act*. Note: The part of the property that will comprise the Condominium is <u>not</u> subject to the *Ontario New Home Warranties Plan Act*; however, the townhomes to be constructed on the property are anticipated to be subject to the *Ontario New Home Warranties Plan Act*.	Yes ☐ No ☒	Refer to: Section IV on Page 6 of the Disclosure Statement
3. A building on the property has been converted from a previous use.	Yes ☐ No ☒	Refer to: Section V on Page 6 of the Disclosure Statement
4. One or more units or a part of the common elements may be used for commercial or other purposes not ancillary to residential purposes.	Yes ☒ No ☐	Refer to: Section III, Part (2) on Page 2 of the Disclosure Statement Section III, Part (3) on Page 3 of the Disclosure Statement Section VI on Page 7 of the Disclosure Statement Section XVIII on Page 16 of the Disclosure Statement Article VII, Section 1 on Page 13 of the Declaration
5. A provision exists with respect to pets on the property.	Yes ☒ No ☐	Refer to: Article III, Section 5 on Page 7 of the Declaration Section IV(1) on Page 3 of the Proposed Rules
6. There exist restrictions or standards with respect to the use of common elements that are based on the nature or design of the facilities and services on the property or on other aspects of the buildings located on the property.	Yes ☒ No ☐	Refer to: Section III, Part (2) on Page 2 of the Disclosure Statement Section III, Part (3) on Page 3 of the Disclosure Statement Section III, Part (5) on Page 5 of the Disclosure Statement Article III on Page 5 of the Declaration The Proposed Rules
7. The declarant intends to lease a portion of the common interests.	Yes ☐ No ☒	Refer to: Section VIII on Page 7 of the Disclosure Statement
8. One or more common interests that is attached or will attach to an owner's parcel of land are exempt from a cost attributable to the rest of the common interests.	Yes ☐ No ☒	Refer to: N/A

SAMPLE

9. There is an existing or proposed by-law establishing what constitutes a standard unit. The Condominium is a common elements condominium and, therefore, there are no units nor any standard unit by-law nor any schedule as contemplated pursuant to Section 43(5)(h) of the *Condominium Act, 1998*.	Yes ☐ No ☒	Refer to: Section XXI on Page 17 of the Disclosure Statement
10. Part or the whole of the common elements are subject to a lease or license.	Yes ☐ No ☒	Refer to: Section VIII on Page 7 of the Disclosure Statement
11. Parking for owners is allowed: (a) on the common elements; (b) on a part of the common elements of which an owner has exclusive use. There are restrictions on parking.	Yes ☐ No ☒ Yes ☐ No ☒ Yes ☒ No ☐	Refer to: N/A N/A Section III, Part (2) on Page 2 of the Disclosure Statement Section XV, Part (4)(aa) on Page 13 of the Disclosure Statement Section V on Page 3 of the Proposed Rules
12. Visitors must pay for parking. There is visitor parking on the property.	Yes ☐ No ☒ Yes ☒ No ☐	Refer to: Section III, Part (2) on Page 2 of the Disclosure Statement Section III, Part (2) on Page 2 of the Disclosure Statement Article III, Section 6 on Page 7 of the Declaration
13. The declarant may provide major assets and property, even though it is not required to do so.	Yes ☐ No ☒	Refer to: Section XIX on Page 17 of the Disclosure Statement
14. The corporation is required: (a) to purchase units or assets; (b) to acquire services; • Utility Services • Sub-Metering • Landscaping, snow removal, pest control, maintenance, garbage pick-up and disposal, provision of supplies, cleaning services, insurance, accounting services and other matters as may be required for the orderly operation of the corporation. (c) to enter into agreements or leases with the declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the declarant.	Yes ☐ No ☒ Yes ☒ No ☐ Yes ☐ No ☒	Refer to: N/A Refer to: Section III, Part (4) on Page 4 of the Disclosure Statement Section XII, Part (3) on Page 8 of the Disclosure Statement Article VI, Section 1(o) on Page 10 of the Declaration Refer to: Section XX on Page 17 of the Disclosure Statement

SAMPLE

15. The declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the declarant owns land adjacent to the land described in the description.	Yes ☐ No ☒	Refer to: Section XXII on Page 17 of the Disclosure Statement
16. Under clause 143 (a) of the *Condominium Act, 1998*, the common interest is attached or will attach to the owner's parcel of land described in the declaration and cannot be severed from the parcel upon the sale of the parcel or the enforcement of an encumbrance registered against the parcel.		
17. The declaration contains a list of the buildings (none), structures, facilities and services to be included in the common elements.		Refer to: Schedule H to the Declaration

The purchaser's rights under the *Condominium Act, 1998* to rescind an agreement of purchase and sale are set out at Section XVI on Page 15 of the Disclosure Statement.

This disclosure statement is made this 25th day of May, 2026.

SAMPLE

2

Disclosure Statement

SAMPLE

mattamyHOMES | SPRINGWATER

DISCLOSURE STATEMENT

This Disclosure Statement, made on the 25th day of May, 2026 and the documentation accompanying this Disclosure Statement are being provided by the proposed declarant, **MATTAMY (BERCZY GLEN) LIMITED** (the "**Declarant**") with respect to the proposed condominium development to be known as "**SPRINGWATER PHASE 4**" in accordance with the *Condominium Act, 1998,* S.O. 1998, c. 19 as amended from time to time (the "**Condo Act**").

Capitalized words used throughout this Disclosure Statement and not otherwise defined, have the same meanings as defined terms in the Declaration (as hereinafter defined), unless the context dictates otherwise. In this Disclosure Statement, the word "include" means "include without limitation", and the word "including" means "including without limitation". In this Disclosure Statement, words importing the singular include the plural and vice versa. Any reference to the registration of the Condominium (as hereinafter defined) shall mean the registration of the Declaration and Description in accordance with the Condo Act. Any legislation referred to in this Disclosure Statement is such legislation and any regulations enacted pursuant to such legislation, as such legislation and regulations may be amended or replaced from time to time. Any payment, charge or fee referred to in this Disclosure Statement for which sales tax is exigible but not expressly referred to shall be deemed not to include sales tax, and any such exigible sales tax shall be payable by the party making the payment to the party legally obliged to collect such sales tax on such payment, charge or fee.

Accompanying this Disclosure Statement are the following documents (together with this Disclosure Statement, the "**Condominium Documents**"):

(1) The Condominium's proposed Declaration (the "**Declaration**").

(2) Budget Statement, including the common expense schedule forming a part thereof, for the one (1) year period immediately following the registration of the Declaration and Description, as required by subsection 72(3)(q) of the Condo Act.

(3) The Condominium's proposed By-law No. 1 (General By-law).

(4) The Condominium's proposed By-Law No. 2 (Assumption of Agreements).

(5) The Condominium's proposed Rules.

(6) The Condominium's proposed Management Agreement.

(7) The proposed draft Plan of Condominium (excluding underground levels).

The Declarant hereby advises purchasers that it is in their best interests to review the foregoing materials thoroughly and diligently and to seek legal representation immediately to assist in such review, and that in accordance with the provisions of Section 73 of the Condo Act, purchasers may rescind (cancel) the Agreement of Purchase and Sale entered into with the Declarant within 10 calendar days of receiving the Condominium Documents, a copy of the applicable condominium guide under Section 71.1 of the Condo Act and a copy of the Agreement of Purchase and Sale executed by the Declarant and the purchaser, or, where there has been a material change to the Condominium Documents, within the time frame established by the Condo Act, without penalty, and have their deposit returned.

I. TYPE OF CORPORATION

The Corporation will be a "common elements" type of "freehold condominium corporation" as those terms are used in the Condo Act.

II. NAME AND MUNICIPAL ADDRESS

The name and municipal address and/or mailing address of the Declarant and of the common elements are as follows:

Proposed Declarant:	**MATTAMY (BERCZY GLEN) LIMITED** c/o 6696 Financial Drive Mississauga, ON L5N 7J6 Attention: General Counsel
Common elements (Mailing Address):	c/o FirstService Residential 111 Gordon Baker Road, Suite 700 North York, ON, M2H 3R1

SAMPLE

(Municipal Address): The Condominium comprises a common element road and related Facilities which, accordingly, does not have a municipal address.

III. GENERAL DESCRIPTION OF THE LAND

(1) Legal Description of the Common Elements

The Condominium (as hereinafter defined) is intended to be constructed with access from Cecil Sinclair Drive in the City of Markham. Please refer to Schedule "A" of the Declaration for the legal description of the common elements.

(2) Types and Numbers of Buildings and POTLs

The proposed condominium (in this Disclosure Statement referred to as the "**Condominium**" or the "**Corporation**") is intended to consist of the common elements, which will be comprised, primarily, of a private laneway to base coat of asphalt (the "**Private Laneway**), a private walkway connecting Elgin Mills Road East and some of the POTLs (as defined below) to the Private Laneway (the "**Private Walkway**"), the Visitor Parking Spaces (as defined below), landscaped areas (the "**Landscaped Areas**"), sidewalks, walkways and curbs (collectively, the "**Sidewalks**") and hydro transformers (the "**Hydro Transformers**" and together with the Private Laneway, the Private Walkway, the Visitor Parking Spaces, the Landscaped Areas and the Sidewalks, collectively, the "**Facilities**").

The Condominium is to be developed in conjunction with the development of a proposed residential townhome project which is presently anticipated to contain 16 townhomes of freehold tenure (together with the Condominium, the "**Project**"). Accompanying this Disclosure Statement is a reduced copy of the draft plan of condominium (the "**Condominium Plan**") which provides a general outline of the Project, including the proposed location of the common elements. Each owner of a townhome in the Project will have a common interest in the Condominium, with each owner's townhome thereby comprising a parcel of tied land to the Condominium (the "**POTLs**"). The POTLs are expected to comprise areas designated as Parts 1 to 16, 20 and 21 on a reference plan. Purchasers are advised that the Declarant reserves the right to increase or decrease the number of POTLs in the Project, to alter the Facilities and to change the style, size, height, dimension or configuration of POTLS or any part or parts thereof (including combining POTLS) in its sole and unfettered discretion and for any reason whatsoever, without the consent of, or the giving of notice to, purchasers. In the event of such changes, the Condominium Documents will be amended accordingly, including corresponding common interests and common element expense contributions, and such changes and amendments will not be considered material changes to this Disclosure Statement or any of the other Condominium Documents.

Without limiting the generality of the foregoing, purchasers are advised that portions of some or all of the services and Facilities referred to in Section (5) of Article III or otherwise being or to be constructed by the Declarant beneath or upon the Facilities to service the Project may be required to be located in areas beyond the limits of the common elements and possibly within the yard areas adjacent to the proposed townhomes. Such areas may therefore be subject to easements in favour of the Corporation, other POTL owners, Approving Authorities and/or utility providers in order to allow for the maintenance and repair of any such services and Facilities by the Corporation or others. Purchasers are advised that the Declarant reserves the right to create areas which may be beyond the limits of the Facilities and which may contain such services or Facilities as exclusive use common element areas within the Condominium of which one or more of the POTLs, to be specified in the Declaration and Description of the Condominium, will then have the exclusive use. Such areas could include, for instance, portions of the driveway area where an Owner's motor vehicle could be parked or landscaping. Subject to the Declaration, By-Laws and Rules (if any), owners of POTLs having the exclusive use of any such areas may have the responsibility for the clearing of snow, landscape maintenance and grass cutting of these areas, if required. Such exclusive use common element areas, if established, will then be outlined on the final plan of condominium for the Condominium and will be described in Schedule "F" to the Declaration. Purchasers are further advised that pending the Declarant finalizing its site servicing plan for the Project, the Declarant is reserving the right to change or vary the location of any such exclusive use common element areas, remove any such areas, and to also incorporate similar areas appurtenant to other POTLs. Any such changes shall not be considered material changes to this Disclosure Statement.

Without limiting the foregoing, the Declarant reserves the right to re-number POTLs with numbers different from those provided with this Disclosure Statement, to alter the Facilities comprising a part of the common elements including but not limited to the conversion of common element space into additional POTLs, to change the style or configuration of the POTLs (including combining POTLs), and to change the POTL mix as set out in this Disclosure Statement, all at the Declarant's sole and unfettered discretion and for any reason whatsoever, without the consent of or the giving of notice to, purchasers. In the event of such changes, the proposed Creating Documents will be amended accordingly and such changes and amendments to documents will not be considered material changes to this Disclosure Statement.

Purchasers are further advised to review the Budget Statement which has been included in the disclosure package of which this Disclosure Statement forms a part. Any references in this Disclosure Statement to the "Budget" shall be deemed to include references to the proposed Budget Statement.

SAMPLE

Except for use by the Declarant for construction and sales purposes, POTLs are to be used by purchasers only for private residential purposes by the Owner thereof or a tenant of the Owner (collectively, "**Residents**") as permitted by zoning by-laws of the municipality in which the Condominium is situate and all other relevant laws.

Purchasers of POTLs to which a common interest in the Condominium is attached are notified that during the construction of the Condominium, construction of the dwellings on the POTLs and the Berczy Glen Lands, the Declarant, its contractors, suppliers and trades will be entitled to use those portions of the common elements as may be necessary for construction, sales, marketing and customer service purposes and that during construction, a certain amount of dust, noise and heavy traffic will occur.

The Declarant has the option, in its sole and unfettered discretion, not to proceed with construction of the Condominium if, among other things, the conditions set out in the Tarion Addendum forming part of the Purchase Agreement, have not been satisfied.

There shall be no parking on the Private Laneway. It is anticipated that there will be four (4) visitor vehicular parking spaces located within the Condominium (the "**Visitor Parking Spaces**") for the exclusive use of Guests. The Declarant does not intend to charge for the use of the Visitor Parking Spaces; however, the Declaration will not include any restrictions against the Condominium doing so, and therefore purchasers are advised that the Board may, following registration and turnover of the Condominium, charge for the use of the Visitor Parking Spaces and the amount charged by the Condominium shall be in the sole and unfettered discretion of the Board.

Under the Condo Act, each Owner's common interest is attached or will attach to the Owner's POTL described in the Declaration and cannot be severed from the POTL upon the sale of the POTL or the enforcement of an encumbrance registered against the POTL.

(3) **General Description of Condominium**

It is anticipated that there will be no units or buildings within the common elements of the Condominium.

It is the Declarant's current intention, subject to the limitations hereinafter set forth, to construct the Condominium on the Land. It is anticipated that the Project will be a residential community with certain facilities on the Lands, all subject to the conditions set out in the Tarion Addendum attached to the Purchase Agreement. The Project and the Land are part of a larger development by the Declarant on certain lands adjacent or nearby the Land (collectively, the "**Berczy Glen Lands**").

Purchasers should recognize that views from their POTL may be obstructed due to the existence of other developments in the Berczy Glen Lands, which may be in close proximity to the Project, and that if such views are obstructed, such obstruction will not be considered a material change to this Disclosure Statement and purchasers shall have no claim whatsoever against the Declarant with respect thereto.

The Declarant reserves the right to determine whether or not all or any part of the Berczy Glen Lands will be developed and, if developed, the Declarant also reserves the right to determine the design, size, character, form and scheduling of same, in its sole and unfettered discretion. The Declarant may also elect to develop portions of the Berczy Glen Lands for purposes other than residential uses. In the event that the Declarant does proceed to develop the balance of the Berczy Glen Lands, whether in whole or in part and whether as residential uses or otherwise, such development shall be of a design, size, character, nature and form as determined by the Declarant from time to time and all decisions as to whether or not to develop the Berczy Glen Lands or any portion or portions thereof, including decisions respecting the timing and scheduling of such development, shall be made by the Declarant, in its sole and unfettered discretion.

The Declarant makes absolutely no representation or warranty as to any matter respecting the future development of the Berczy Glen Lands, other than the Condominium as expressly set forth in this Disclosure Statement, and the purchaser has acknowledged and agreed that he/she has agreed to purchase the POTL, fully aware that the Declarant is entitled to determine all matters with respect to the Berczy Glen Lands and the development thereof, if any, in its sole and unfettered discretion, as determined from time to time and that the Declarant owes no duty to the purchaser in regard to any decision that it may make in regard thereto.

Purchasers are advised that what is ultimately developed on the Berczy Glen Lands, whether such development consists of condominiums or freehold homes, other types of residential, non-residential or other development, may differ from any sales material, including any plan, sketch, video, model or study depicting the Berczy Glen Lands and the development thereof, that purchasers may have reviewed at the time of purchasing their POTLs. Purchasers acknowledge and agree that in the event that the Declarant, in its sole and unfettered discretion, decides not to proceed with the development or construction of any of the Berczy Glen Lands, or any part or parts thereof, such changes shall not to be a material change for the purpose of the Condo Act and the Declarant shall incur no liability with respect thereto.

Any right to be exercised by or benefit granted to the Declarant in respect of the development of the Berczy Glen Lands or in any other manner related to the Berczy Glen Lands (including all easements, rights of way or rights to use any portion or portions of the POTLs, the common elements of the Condominium or the Neighbouring Lands and all determinations to be made in respect of the Berczy Glen Lands), may be exercised or enjoyed by the Declarant, any of the Neighbouring Lands Owners and/or any of its or their Alternate Entities, irrespective of whether or not such Alternate Entities exist as at the date hereof and whether such rights are expressed to be in

SAMPLE

favour of the Declarant, any Neighbouring Lands Owner and/or any of its or their Alternate Entities. For a more detailed understanding of the attributes of the Condominium, purchasers are advised to review the Declaration for this Condominium, which is included in the disclosure package of which this Disclosure Statement forms a part.

Delivered to each purchaser with this Disclosure Statement are reduced copies of the draft Condominium Plan showing the proposed location of the POTLs and common elements of the Condominium. The Condominium Plan is provided to indicate approximate location only and may not be relied upon for land boundaries, actual location of POTLs or other details which may be noted on the draft Condominium Plan. The draft Condominium Plan is intended to give purchasers an overview of the Condominium. The actual location of features noted may be altered or revised to comply with the final site plan and other approvals from the City of Markham and other Approving Authorities, or other changes determined by the Declarant in its sole and unfettered discretion.

Except as provided for in this Disclosure Statement and the documents delivered herewith (as referred to on page 1 of this Disclosure Statement) there are no other conditions that apply to the provision of the common elements or any other facilities for the Condominium.

Any change in location, size, configuration or design of the common elements shall be deemed not to be a material change to the Condominium Documents for the purpose of the Condo Act and the Declarant shall incur no liability with respect thereto.

During its construction, marketing, and selling of units or premises in the Berczy Glen Lands or other lands or developments in the Greater Toronto Area, or such later time as determined by the Declarant or any Alternate Entity in their respective sole and unfettered discretion, the Declarant or any Alternate Entity and their respective authorized agents, invitees, and representatives shall, without cost, have free and uninterrupted access to and use of the common elements, the Neighbouring Lands, and any unleased or unsold POTLs for any lawful purpose, including: (a) any construction, maintenance, after-sales service, or other customer service purposes; (b) any sales promotion, marketing, leasing, sales, administrative, and/or customer service office purposes; (c) advertising signage and displays; (d) further development and construction of the Berczy Glen Lands or lands in the vicinity of the Berczy Glen Lands, including tie-backs, shoring, and the right to swing a crane over the Land and Neighbouring Land; (e) model homes, sales offices, and/or customer service offices; and (f) to take any action pursuant to any of the Encumbrances, all as determined from time to time by the Declarant or any Alternate Entity in their respective sole and unfettered discretion, in respect of the Berczy Glen Lands or other lands or developments in the Greater Toronto Area.

The use and operation of the common elements will be subject to the Rules (if any) passed by the Board, from time to time. In the event that an Owner gifts, sells, leases or parts with possession or ownership of their POTL, he/she shall thereupon be prohibited from the use and enjoyment of the common elements, including any exclusive use common element areas.

The Declarant shall determine, in its sole and unfettered discretion, the type of equipment to be provided for the Facilities, if any, which equipment may be provided after registration of the Condominium. There may also be certain restricted use areas in the common elements to which Residents and Guests will not be allowed access.

(4) **Description of Certain Services**

It is currently anticipated that certain areas of the Condominium may be separately metered by Sub-Meters, which may be leased from a Sub-Metering Provider, installed on the common elements for some or all Utility Services to be provided to the common elements. All Utility Services supplied to the common elements that are not Sub-Metered shall be bulk metered and billed to the Corporation directly by the relevant Utility Service Provider. All Utility Service Charges and any and all charges in respect of Sub-Metering, including any customer fees, consumption fees, account information fees or charges in respect of Sub-Metering as may be prescribed or otherwise permitted by the Approving Authorities applicable to Sub-Metering ("**Sub-Metering Charges**") charged to the Condominium on account of Utility Services or Sub-Metering with respect to the common elements shall form part of the common expenses of the Condominium.

It is currently anticipated that the Condominium may enter into one or more agreements with Sub-Metering Providers, which will have the right to charge the Condominium for all applicable Sub-Metering Charges, including customer fees, consumption charges, account information fees, service charges, security deposits, termination fees in the event of termination by the Condominium of any such agreements pursuant to the Condo Act or termination resulting from any action of the Condominium, including a default by the Condominium, under any such agreements, and any other applicable fees or charges in respect of Sub-Metering as may be prescribed or otherwise permitted by the Approving Authorities applicable to Sub-Metering.

It is currently anticipated that the POTLs will be separately metered (either directly or by Sub-Meters installed within the POTLs or within the Condominium) for all Utility Services, including electricity, gas and water. It is currently anticipated that all electricity and gas service to the POTLs will be directly metered. It is currently anticipated that water service to the POTLs will be bulk metered to the Project and separately metered by Sub-Meters with respect to each POTL. Notwithstanding anything set out in this Section, the Declarant reserves the right, in its sole and unfettered discretion, to direct meter any Utility Services provided to the POTLs. Notwithstanding anything set out in this Section, the Declarant reserves the right, in its sole and unfettered discretion, to Sub-Meter any Utility Services provided to the POTLs.

SAMPLE

Sub-Metering Providers and Utility Service Providers may have the right to charge purchasers directly for Sub-Metering Charges (with Sub-Meters either to be owned by Owners or leased by Owners from a Sub-Metering Provider or other entity) and Utility Service Charges (for those Utility Services which are separately metered for the POTLs), including any customer fees, consumption charges, account information fees, service charges, security deposits, termination payments and any other applicable fees or charges in respect of such Sub-Metering and Utility Services as may be prescribed or otherwise permitted by the Approving Authorities applicable to Sub-Metering and Utility Services.

Purchasers may be required to enter into agreements for the provision of Sub-Metering and those Utility Services that are separately metered, or any other agreements as may be required by any Sub-Metering Provider or Utility Service Provider in order to acknowledge and accept the terms of the provision of any Sub-Metering or those Utility Services that are separately metered. Sub-Metering Providers and Utility Service Providers will be entitled to conduct credit checks respecting purchasers. Utility Service Charges for those Utility Services which are separately metered will be based on the consumption measured by Sub-Meters or direct meters at the rates charged by the applicable Utility Service Providers.

The charges for the Sub-Metering supplied to the POTLs will be as agreed between the Declarant and the applicable Sub-Metering Provider and shall be subject to change, from time to time, upon written notice from the Sub-Metering Provider and also may be subject to an automatic increase on each anniversary of the date of registration of the Condominium. It is anticipated that purchasers will be billed directly by Sub-Metering Providers and Utility Service Providers for Sub-Metering Charges and for Utility Service Charges with respect to the Utility Services that are separately metered, which shall be paid by Residents in addition to common expenses.

In the event a purchaser fails to remit monies owing to any Sub-Metering Provider or Utility Service Provider for Sub-Metering Charges or for Utility Service Charges with respect to Utility Services that are separately metered, such purchaser will be in arrears and the applicable Sub-Metering Provider or Utility Service Provider will have the right to stop the supply of Sub-Metering or those Utility Services that are separately metered in accordance with any applicable laws, regulations, requirements or directives as prescribed by the Approving Authorities applicable to such Sub-Metering Provider or Utility Service Provider, or any other governing legislation.

The locations of meters (whether direct meters or Sub-Meters) have not yet been determined and are subject to approval and/or variation by the Sub-Metering Provider, the relevant Utility Service Providers and/or any Approving Authorities.

If the Sub-Meters are leased, the Sub-Metering Provider or other entity from which the Sub-Meters are leased shall have the right to register notice of its ownership interest in the Sub-Meters against title to the POTLs, in a manner acceptable to such Sub-Metering Provider or other entity, in its sole and unfettered discretion.

Municipal refuse collection is expected to be, but may not be, available to the POTLs. Recycling of refuse may be required by the City of Markham and residents may be required to sort refuse in accordance with the recycling requirements of the City of Markham. In the event that municipal refuse collection is not available to the POTLs at any time, the Declarant (if prior to the creation of the Condominium) or the Condominium will arrange for the private collection of refuse for such time and the cost for such private refuse collection will be in addition to the common expenses as currently contemplated in the Budget Statement. Purchasers are advised to refer to the Budget Statement for further information. In the event such private collection of refuse is required, the Board may implement rules, from time to time, in connection with the depositing and placement of waste for waste and recycling pick up for Residents, including restricting the number of permitted bags of refuse per POTL. In the event private collection of refuse is required, the Condominium Documents will be amended accordingly, and such amendments will not be considered material changes to the Condominium Documents.

It is proposed that community mailboxes will be provided by Canada Post (there will be no door to door mail delivery to the POTLs), which are anticipated to be within the common elements; however, such mailboxes may be within the near vicinity of the Project or elsewhere within the nearby Berczy Glen Lands.

(5) **Description of Facilities**

The Declarant proposes to provide the following Facilities: the Private Laneway, the Private Walkway, the Visitor Parking Spaces, the Landscaped Areas, the Sidewalks and the Hydro Transformers. Only Residents and their Guests shall have the use of the Facilities, though the Facilities may be subject to rights-of-way for public use, if required by any Approving Authority. The Condominium will not contain any amenities.

In the event that an Owner gifts, sells, leases or parts with possession or ownership of his or her POTL, such Owner shall thereupon be prohibited from the use and enjoyment of the Facilities. The Facilities will be maintained, repaired and replaced by the Condominium, which will collect common expenses in respect of such matters, among other matters.

(6) **Easements**

The Condominium may receive and be subject to various easements that may be required to supply certain services or access to such services or for other reasons, some of which are described as follows:

SAMPLE

(i) an easement to the Declarant and/or any Alternate Entity over the common element areas of the Condominium for the purpose of construction, maintenance, sales, promotion, marketing, leasing, sales, after-sales service and other customer service activities;

(ii) any easement in favour of any Approving Authority for fire and emergency vehicular access to the Project;

(iii) any other easements required by any Approving Authority pursuant to various development and site plan agreements or otherwise, including for any municipal services or utilities serving the Lands or any other lands;

(iv) any easements in respect of the supply of television, telephone, internet or other telecommunications services to the Project;

(v) any easements, leases, access rights or encroachment agreements in favour of any electricity distribution company or utility provider (including any Utility Service Provider or Sub-Metering Provider) or any of their subcontractors, successors and assigns which may be necessary for the purposes of conducting inspections, maintenance, repair or the reading of Sub-Meters or any other electrical devices related thereto and other components of a Utility Service Provider's, or Sub-Metering Provider's systems;

(vi) easements in favour of the City of Markham and/or any neighbouring land owner(s) over pedestrian, vehicular and other areas within the Project;

(vii) easements permitting public access over certain pedestrian, vehicular and other areas within the Project; and

(viii) the easements disclosed by Schedule "A" of the Declaration and in the Agreement of Purchase and Sale.

In addition, the Condominium will give and receive various easements from and to the Declarant, the owners from time to time of the whole or parts of the Berczy Glen Lands, to other neighbouring lands or to any Approving Authority or entity or person providing services to the Condominium or the POTLs, including Utility Service Providers and Sub-Metering Providers (collectively, "**Service Providers**").

The exact nature of the easements required cannot be determined by the Declarant until completion of construction and, accordingly, easements may be added to or deleted from this list from time to time prior to or after the registration of the Condominium in the sole and unfettered discretion of the Declarant.

Purchasers are advised that the summary of the easements contained in this Disclosure Statement is general only, for the purpose of giving purchasers a general overview of the concept and does not include all easements which have been or will be created. Purchasers are advised to review the details of all easements registered against the lands against which the Condominium is to be registered, the Agreement of Purchase and Sale and Schedule "A" to the Declaration of the Condominium in detail to obtain further terms and provisions of these easements. Purchasers are advised that further and other leases, access rights or encroachment agreements, not presently contemplated, may be required in order to proceed with the development of the Project and the Berczy Glen Lands.

While it is not currently contemplated that any portion of the common elements comprising this Condominium will encroach upon any easements in favour of the municipality and any Service Provider, in the event that there are such encroachments, it will be necessary that an encroachment agreement(s) (the "**Encroachment Agreement**") be settled with the owner of the dominant tenement and entered into to permit such continued encroachment(s). In such event, it will be a duty of this Condominium to assume (or enter into) the requisite Encroachment Agreement and to pay all costs and expenses contemplated by the Encroachment Agreement.

Purchasers are advised that there may be insufficient space on the common elements for the storage of snow removed from the common elements. Where such space is insufficient, certain POTLs will be subject to an easement in favour of the Condominium for the purpose of storing snow removed from the common elements.

IV. ONTARIO NEW HOME WARRANTIES PLAN ACT

The part of the Project that will comprise the Condominium is not subject to the *Ontario New Home Warranties Plan Act*, as amended (the "**Act**"). As such part of the Project is not subject to the Act and all rules and regulations thereunder, the Declarant does not intend to enroll the common elements in the Ontario New Home Warranties Plan in accordance with the regulations made under the Act. Purchasers are reminded that the POTLs and townhomes to be constructed thereon do not form part of the lands that will comprise the common elements.

V. NOT A CONVERSION

No building intended to be developed and constructed by the Declarant on the common elements, nor any POTL(s) comprising part of the Project, has been or will be converted from a previous use, and the building(s) to be constructed will be new construction. Therefore, with respect to this Project, the Declarant has not made an

SAMPLE

application referred to in subsection 9(4) of the Condo Act to any of the Approving Authorities for the approval to convert previously used or existing rented residential premises to condominium tenure.

VI. NON-RESIDENTIAL USES

It is the Declarant's present intention that no portion of the Project will be used for commercial or other purposes not ancillary to residential purposes, save and except for those portions of the Condominium and the POTLs to be used for marketing, sales and construction purposes by the Declarant, such portions to be determined by the Declarant in its sole and absolute discretion.

VII. MARKETING BLOCKS OF POTLs

The Declarant does not presently intend to market any of the POTLs, in one or more blocks to investors, but reserves the right, in its sole and unfettered discretion, to do so in the future.

VIII. DECLARANT'S INTENTION TO LEASE

The Declarant does not presently intend to lease the common elements or the common interests, but reserves the right to do so and such leasing shall not constitute a material change to this Disclosure Statement or any of the other Condominium Documents.

IX. SCHEDULE OF ANTICIPATED COMPLETION DATES FOR FACILITIES

The Facilities that are to be constructed on the Land have not been constructed. It is presently anticipated that, subject to matters of Unavoidable Delay (as hereinafter defined), the construction of the Facilities will commence approximately on or about May 1, 2027 and will be completed, excluding the completion of seasonal landscaping, approximately on or about July 1, 2027 (or such earlier or later date as determined by the Declarant in its sole and unfettered discretion in accordance with the Agreement of Purchase and Sale). For the purposes of this Disclosure Statement, "**Unavoidable Delay**" means any delay or delays by reason of strikes, labour disputes, lockouts, fire, lightning, riot, war (whether declared or otherwise), rebellion, insurrections, impact of aircraft, water damage, acts of God, acts of terrorism, weather conditions (including floods, storms, tornados and hurricanes), the lack of availability of supplies, labour, fixtures, utilities or building materials, unusual delay by common carriers, unavoidable casualties, civil insurrection, pandemic, epidemic, government restrictions, technological issues (including outages at the Land Registry Office) or any other factors beyond the Declarant's control.

The aforementioned dates are the dates anticipated by the Declarant for the commencement and completion of construction of the Facilities. However, the actual dates of commencement and completion may vary, based on the Declarant obtaining the necessary approvals from the municipality in which the Project is situate or any other Approving Authority and the Declarant or its contractors or subcontractors not encountering any delays or other obstructions in respect of obtaining all materials, supplies and labour in completing such Facilities and otherwise for matters of Unavoidable Delay. Furthermore, nothing set forth in this Disclosure Statement or in the Budget Statement should be construed or interpreted as a representation or warranty regarding the timing of the actual registration of the Condominium.

X. FACILITIES PROVIDED DURING INTERIM OCCUPANCY

It is anticipated that purchasers of POTLs will complete their respective transactions after registration of the Condominium. However, during any period of interim occupancy described in the Agreement of Purchase and Sale and the Condo Act, the Declarant proposes to provide purchasers with none of the Facilities.

XI. DECLARATION AND BY-LAWS

Accompanying this Disclosure Statement is a copy of the Declaration and By-Laws.

XII. SIGNIFICANT FEATURES OF THE PROPOSED MANAGEMENT AGREEMENT AND OTHER AGREEMENTS

The following represents only a brief description of the significant features of the proposed Management Agreement (Section 111 of the Condo Act), or other Agreements (Section 112 of the Condo Act), as required by Section 72(3)(n) of the Condo Act.

As the type and amount of disclosure required by the Condo Act is objective, some purchasers may have special circumstances such that certain provisions contained in the documents have significant importance to them on an individual basis, but have not been summarized as not being significant to the average purchaser. These descriptions are not meant to be exhaustive and do not contain a full summary of all provisions of these documents. **Purchasers are therefore advised and encouraged to read all of the documents enclosed with this Disclosure Statement in their entirety and review same with their legal and financial advisors immediately.**

SAMPLE

PURCHASERS ARE ENCOURAGED TO READ THE DOCUMENTS IN THEIR ENTIRETY.

(1) **Proposed Management Agreement**

The Corporation will enter into a Management Agreement with a property manager (the "**Manager**") (which Manager may be an entity related to the Declarant), pursuant to which the Manager will be the exclusive representative and managing agent of the Corporation, for a period set out in the Management Agreement.

The duties of the Manager are fully set out in the proposed Management Agreement and include, amongst other things, the enforcement of the terms of the Condominium's Declaration, By-laws and Rules (if any); the collection of common expenses; the arrangement of repair and maintenance of common elements; and the keeping of accounts of all financial transactions involved in managing the Condominium.

The Manager may engage any person, firm or corporation to perform any work or service for the Corporation within the scope of the Manager's duties subject to the terms and conditions which are fully set out in the proposed Management Agreement.

The Manager shall be entitled to remuneration for its managerial services, monthly in advance, during the term of the Management Agreement for the amount per annum set out in the Budget Statement during the term together with all disbursements incurred by the Manager in the performance of its duties (which figure may increase if the number of POTLs increases). Subject to the terms and conditions which are fully set out in the proposed Management Agreement, the Corporation shall reimburse the Manager promptly for any monies which the Manager may elect to advance on account of the Corporation. Purchasers are advised to refer to the Budget Statement and the schedules thereto which set out the anticipated Manager's remuneration during the Condominium's first year for managerial services in respect of the Condominium.

In addition to the fees set out above, the Corporation shall pay an amount equal to any and all goods and services taxes, sales taxes, value added taxes or any other taxes imposed on the services provided by the Manager.

Except in the case of any act or omission of the Manager or any of its employees or agents, any default of the Manager in complying with the proposed Management Agreement, or any negligence, fraud, illegal or dishonest act, wilful misconduct or intentional harm on the part of the Manager, its employees or agents, the Corporation will indemnify the Manager from any liability arising out of any damage or injury to any persons or property in any way connected with the Corporation or arising from the payment or non-payment of accounts incurred by or on behalf of the Corporation.

The proposed Management Agreement may be terminated by the Manager or by the Corporation upon sixty (60) days' notice in writing by the party terminating such agreement. Notwithstanding the termination provisions of the proposed Management Agreement, the Corporation may in any event, by resolution, terminate such agreement if the Management Agreement is entered into before the Owners elected a new board at a meeting held in accordance with subsection 43(1) of the Condo Act.

A copy of the proposed Management Agreement is included with this Disclosure Statement. Purchasers are advised to review the actual Management Agreement for a complete understanding of the provisions contained therein. This summary is qualified in all respects by the Management Agreement itself.

(2) **Assignment of Assumed Agreements**

It is anticipated that the Corporation will enter into an assignment and assumption agreement to assume the obligations of the Declarant pursuant to any operational, development, easement, access, site plan or other like agreement entered into by the Declarant with any Approving Authorities which pertains to the Condominium, in whole or in part (collectively, the "**Assumed Agreements**"). Upon the Corporation taking an assignment of the Assumed Agreements, the Declarant shall be released and indemnified by the Corporation of all obligations and liabilities under the Assumed Agreements for any liability it may suffer or incur as a result of any act or omission of the Corporation to comply with the obligations and covenants of the Assumed Agreements.

(3) **Other Agreements**

The Corporation may enter into contracts as required for the provision of services to the Condominium including landscaping, snow removal, pest control, maintenance, garbage pick up and disposal, provision of supplies, cleaning services, insurance, accounting services and other matters as may be required for the orderly operation of the business of the Corporation. Agreements with service providers are anticipated to address (among other matters): i) each service providers' investment in the Condominium (if applicable); ii) matters respecting the maintenance and repair of the infrastructure for the provision of Services within the Condominium, including the obligation of the Condominium to make any repairs thereto; iii) matters respecting the billing for services and charges; iii) access rights in favour of a service provider; iv) indemnification by the Condominium of a service provider in respect of damage to their property; and v) procedures for termination of the service agreement.

In the event that the deregulation of hydro or other utility services permits the Declarant or a related company to supply hydro or other utility services to the Condominium, the Declarant reserves the right to enter into a contract with the Condominium to provide such services to the Condominium, either itself or through one or more related companies or entities.

SAMPLE

The Corporation may also enter into agreements with Service Providers for the supply of Utility Services and/or Sub-Metering, if applicable, as may be required from time to time, including Service Providers who are an Alternate Entity of the Declarant. Such agreements would be expected to address: each Service Provider's investment in the Condominium; matters respecting the maintenance and repair of the infrastructure for the provision of Utility Services within the Condominium or serving the POTLs, including the obligation of the Condominium to repair such systems; matters respecting billing for Utility Services and related services and charges; access rights in favour of a Service Provider; indemnification by the Condominium of a Service Provider, in respect of damage to their property; and procedures for termination of the agreement, among other matters. In the event of termination of a Utility Service agreement or Sub-Metering agreement, including pursuant to Section 112 of the Condo Act, the Service Provider may remove its property (which may include any Sub-Meters that are owned by it) and recover its capital investment in the infrastructure for the provision of Utility Services and/or Sub-Metering within the Condominium that it has installed or paid for, together with associated termination, disconnect and removal costs. The Corporation and the Residents will be required to provide access to the common elements in favour of any Service Provider or any of its subcontractors from time to time, as the Service Provider deems necessary for the purposes of conducting inspections, maintenance, repairs or the reading of utility devices or equipment (including Sub-Meters, if applicable).

In accordance with Section 112 of the Condo Act, every agreement for the provision of goods or services on a continuing basis, every agreement for the provision of facilities to the Corporation on other than a non-profit basis and every lease of the common elements (other than a telecommunications agreement within the meaning of Section 22 of the Condo Act), if any, entered into by the Corporation before the Owners elected a new board at the Turnover Meeting (as described in Section 43 of the Condo Act), may be terminated by the Corporation in accordance with Section 112 of the Condo Act.

XIII. AMALGAMATION

The Declarant does not intend to cause the Corporation to amalgamate with another corporation within sixty (60) days of the date of registration of the Declaration and Description for the Corporation, nor does the Declarant have any knowledge that the Corporation intends to amalgamate with another corporation.

XIV. FEES OR CHARGES PAYABLE BY THE CORPORATION TO THE DECLARANT OR ANOTHER PERSON

All of the fees or charges payable by the Corporation to the Declarant or another person are set out in the Budget Statement that accompanies this Disclosure Statement. Purchasers are advised that should registration of the Condominium occur after September 1, 2027, the Budget Statement (and all figures reflecting expenses set forth therein) should be read and construed as automatically being increased by an inflation factor of 7.5% per annum (compounded annually) which increase may or may not be applied equally to all budget items, to be determined in the Declarant's sole and unfettered discretion. In such event, purchasers acknowledge and agree that they shall be bound by such revised Budget Statement, and the acceptance of such revised Budget Statement shall not be construed as a material change to the Disclosure Statement. Nothing in this Disclosure Statement or the Budget Statement should be construed or interpreted as a representation or warranty that the actual registration of the Condominium shall take place by September 1, 2027. Purchasers are advised to carefully review the Budget Statement for further details.

Purchasers are advised that, as a result of significant fluctuations in natural gas, electricity and water utility rates, in respect of which the Declarant has no control, the Declarant reserves the right to revise the Budget Statement to reflect any increases in the cost of supplying such utilities and to provide purchasers with a revised copy of the Budget Statement. Purchasers are advised to refer to the Budget Statement for further information.

The Budget Statement accompanying this Disclosure Statement includes the cost of certain consultants to be retained by the Corporation during the first year of the Condominium's operation (the cost of such consultants in the Budget Statement hereafter referred to as the "**Consultant Costs**"). In the event that the Condominium elects to retain one or more consultants in addition to, or in substitution for, the consultants contemplated in the Budget Statement, the Declarant shall only be responsible for the Consultant Costs for the purpose of Section 75 of the Condo Act and any expenditure by the Corporation in excess of the Consultant Costs shall be the sole responsibility of the Corporation. Purchasers are advised to carefully review the Budget Statement for further details.

XV. MISCELLANEOUS MATTERS

(1) Reserve Fund Study

The Declarant has secured, or will secure prior to the registration of the Condominium, a commitment on behalf of the First Board (as defined in By-Law No. 1), from a qualified and independent consultant, at the sole cost of the Corporation, to prepare a Reserve Fund Study to be performed promptly following registration of the Declaration and Description, to ensure that the Condominium maintains adequate Reserve Funds for the major repair and replacement of common elements and the assets of the Corporation. The cost of the Reserve Fund Study has been included in the Budget Statement (the "**Final Study Price**").

The Corporation is not restricted to the arrangement with the consultant for the Reserve Fund Study to be prepared as previously referenced. However, in the event that the Corporation retains an alternate consultant to prepare the Reserve Fund Study, at a higher cost than that contracted by the First Board, the Declarant shall only be

SAMPLE

responsible for the Final Study Price for the purpose of Section 75 of the Condo Act and any expenditure by the Corporation in excess of the Final Study Price shall be the sole responsibility of the Corporation. Purchasers are advised to carefully review the Budget Statement for further details.

(2) **Performance Audit**

The Declarant has secured, or will secure prior to the registration of the Condominium, a commitment on behalf of the Corporation, from an independent engineering consultant to prepare a performance audit in accordance with Section 44 of the Condo Act, within the time required by the Condo Act. The performance audit shall be conducted by a person or entity authorized to conduct performance audits under the Condo Act, which person or entity shall make a thorough examination of the building and assess the as-constructed condition of the various systems and components of the Facilities in order to provide the Corporation with a report on the Facilities which will assist the Corporation in assessing repair and maintenance requirements and in preserving any rights which the Corporation may have under the Condo Act. The cost of the performance audit has been included in the Budget Statement (the "**Audit Price**"). Purchasers are advised that the Declarant intends to subsidize some or all of the Audit Price in the first year of the operation of the Condominium, in order to facilitate the completion of the performance audit. Purchasers are advised to carefully review the Budget Statement for further details.

The Corporation is not restricted to the arrangement with the consultant for the performance audit to be prepared as previously referenced. However, in the event that the Corporation retains an alternate consultant to prepare the performance audit, at a higher cost than the Audit Price, the Declarant shall only be responsible for the Audit Price for the purpose of Section 75 of the Condo Act and any expenditure by the Corporation in excess of the Audit Price shall be the sole responsibility of the Corporation. Purchasers are advised to carefully review the Budget for further details.

(3) **Financial Audit**

The Corporation is obliged to retain the services of a qualified and independent chartered accountant or auditor in order to prepare audited financial statements as of the last day of the month in which the Turnover Meeting is scheduled to be held. In addition, the Corporation's auditor must prepare a set of annual financial statements in respect of the Condominium and the auditor must present said financial statements before the annual general meeting of the Owners, and submit a formal report on such statements to the Condominium (on behalf of the Owners) in accordance with the provisions of section 66 to 71 of the Condo Act. The cost of retaining a qualified accountant to prepare and conduct all requisite financial statements and audits required or prescribed by the Condo Act during the first year of the Condominium's operation has been included in the Budget (the "**Financial Audit Price**"). During said first year, the cost of the Turnover Meeting Audit per section 43(7) of the Condo Act and the Year end audit per section 67 of the Condo Act will be paid by the Declarant upon the presentation of a valid invoice approved by the Corporation. Purchasers are advised to carefully review the Budget Statement for further details.

The Corporation is not restricted to the arrangement with the chartered accountant or auditor to prepare and conduct all requisite financial statements and audits as previously referenced. However, in the event that the Corporation retains an alternate chartered accountant or auditor to prepare and conduct all requisite financial statements and audits as previously referenced, at a higher cost than the Financial Audit Price, the Declarant shall only be responsible for the Financial Audit Price for the purpose of Section 75 of the Condo Act and any expenditure by the Corporation in excess of the Financial Audit Price shall be the sole responsibility of the Corporation. Purchasers are advised to carefully review the Budget Statement for further details.

(4) **Site Conditions and Warnings**

Purchasers are advised as follows:

(a) The Project may be subject to various easements in the nature of a right of way in favour of adjoining and/or neighbouring land owners for utilities, construction and to permit ingress and egress to those properties.

(b) Purchasers are advised that condominium living necessarily exposes Residents to higher levels of noise, dust, debris, artificial light, vehicle emissions, odours, vibrations, air movement, vehicular and pedestrian traffic, electromagnetic interference, and stray current transmissions and/or other such environmental interferences/disturbances, including impacts on air quality (each of the foregoing, an "**Interference**" and more than one of them, collectively "**Interferences**") as further described in this Section XVI(4). Purchasers are advised that Interferences may in some instances and from time to time interfere with and disrupt the activities of Residents and their Guests and exceed the relevant criteria established by any Approving Authority. Without limiting the generality of the foregoing, purchasers are advised that the POTLs and anyone visiting or occupying the POTLs, or using the common elements of the Condominium may have significant exposure to Interferences as a result of being in close proximity to, or otherwise in the presence of, the following (collectively, "**Situations**"):

(i) Elgin Mills Road East, Victoria Square Boulevard and any other streets within the Berczy Glen Lands and vehicular traffic operated thereon;

SAMPLE

(ii) the nearby provincial highway 404;

(iii) the Facilities, and use thereof by any Residents and their Guests;

(iv) other Residents of POTLs entertaining Guests within their POTL and associated exclusive use areas, as permitted by and in accordance with, the Rules;

(v) use of and access by members of the public to certain common element areas for ingress to and egress from those areas of the Project open to the public;

(vi) brightly illuminated signs or fixtures situated in or on the Project that may cause light disturbances and that may obscure or block views;

(vii) from the other POTLs or exclusive use common element areas within the Project which may emit cooking smells;

(viii) construction vehicles operated on the Berczy Glen Lands;

(ix) pets of Residents, as permitted by and in accordance with the Declaration and the Rules;

(x) an exhaust vent may be located near certain POTLs and may be visible from such POTLs;

(xi) a hydro transformer may be located near certain POTLs; and

(xii) any other design features the Declarant and/or any Alternate Entity may utilize.

(c) The Project will be developed in accordance with any requirements that may be imposed from time to time by any Approving Authorities, and that the proximity of the Project to major arterial roadways, (including Elgin Mills Road East, Victoria Square Boulevard and provincial highway 404), and any municipal transit operations may result in Interferences to the Project and despite the inclusion of control features within the Project. These Interferences may continue to be of concern, occasionally interfering with some activities of the dwelling occupants in the Project. Buses with varying frequencies of services are expected to operate throughout the neighborhoods. Residents are expected to accept bus operations, with their associated impacts as a reality along the roadways of this community. Transit infrastructure including bus stops and bus shelters may be located on municipal streets within subdivisions either as temporary and/or permanent features.

(d) The proposed urbanization of nearby Elgin Mills Road East may cause Interferences from time to time, including as a result of construction activities, noise or increased traffic. These Interferences may continue to be of concern, occasionally interfering with some activities of the dwelling occupants in the Project.

(e) Each POTL in the Project is subject to municipal property tax assessment and the Owner of such POTL, upon completion of assessment by the applicable Approving Authority, will receive a notice for payment of municipal property tax back to the time of closing of the POTL.

(f) Purchasers should refer to Schedule "C" to their agreement of purchase and sale for certain warning clauses, including those required by the provisions of a subdivision or development agreement between the Declarant or an Alternate Entity and the City of Markham. In the event that any such subdivision or development agreement(s) are not finalized at the time the purchaser enters into an agreement of purchase and sale for their POTL, the Declarant shall provide any required warning clauses to purchasers as soon as reasonably possible once such subdivision or development agreement(s) are finalized.

(g) The Project may be adjacent to or near a municipal park or other parkland or open space (including stormwater management ponds (a "**SWM Pond**")) and such areas, in whole or in part, may be vegetated to create a natural setting. The City of Markham may not carry out routine maintenance such as grass and weed cutting in such areas. Such areas may be used for general active and passive public recreation and leisure uses, including, but not limited to walkways, bike paths, playgrounds, trails, sports fields (lit or unlit), or splash pad or visitor parking. Such areas may be used in the evenings and on weekends. Such areas may, at times, be used for public events such as concerts, and, accordingly, noise from such spaces may cause a disturbance to some residents. There may be lit/unlit play fields, walkways, play structures, splash pads and other structures etc. within these areas. Purchasers are advised that because of their POTL's close proximity to a park, during peak periods park visitors may park upon the municipal street in the vicinity of their townhome.

SAMPLE

(h) The Project may be near the SWM Pond containing a permanent pool of water. The SWM Pond is or will be subject to fluctuating water levels due to rain events and is not to be used for recreational purposes.

(i) Purchasers are advised that the SWM Pond may be subject to scheduled maintenance and periodic cleanout in accordance with City of Markham requirements.

(j) Despite the inclusion of noise control features in the POTLs, sound levels due to increasing road traffic (including from the proposed urbanization of nearby Elgin Mills Road East) may on occasion interfere with some activities of the dwelling occupants as the sound levels may exceed the sound level limit of the City of Markham and the Ministry of the Environment, Conservation and Parks. Use of the POTL's air conditioning will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the Municipality's and the Ministry of the Environment, Conservation and Park's noise criteria.

(k) Due to the close proximity of the Project to the nearby hydro corridor, Elgin Mills Road East and Declarant's (or Alternate Entity's) sales office, sound from these facilities may, at times, be audible.

(l) The Project may be abutting lands which may be developed in the future for low rise residential, mid-rise residential or commercial uses.

(m) In connection with the Declarant's application to any Approving Authority for a draft plan of condominium approval certain requirements may be imposed upon the Declarant by any Approving Authority (the "**Requirements**"). These Requirements may relate, among other things, to warning statements to be given to purchasers in connection with environmental or other concerns of any Approving Authority, such as warnings relating to noise, odour or pollution levels, the proximity of the Project to major streets or public transit facilities, garbage storage and pickup, factories, vibration exposure and similar matters and/or to the matters described herein. purchasers may be required to execute and deliver any and all documents required by the Declarant in which purchasers will acknowledge that they are aware of the Requirements and any warning statement incorporated therein and that the Declarant may be required to incorporate the Requirements and any warning statement into the Creating Documents, or into the Transfer/Deed of Land to be delivered to purchasers on Closing and that the Declarant may be required to register the Requirements and any warning statement on title. Purchasers will accept title to their POTLs notwithstanding any such amendments to the Creating Documents, or the registration of such warning statement on title.

(n) The Declarant's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Project), and the Project's master insurance policy (effective from and after the registration of the Project) will only cover the common elements and accordingly each purchaser should arrange for his or her own insurance coverage with respect to their POTL, effective from and after the date of occupancy of their POTL, all at their own cost and expense.

(o) One or more of the development agreements may require the Declarant to provide purchasers with certain notices, including notices regarding such matters as land use, the maintenance of retaining walls, landscaping features and/or fencing, noise abatement features, garbage storage and pick-up, school transportation, and noise/vibration levels from adjacent roadways and/or nearby railway lines or airports.

(p) The Declarant's marketing material and site drawings and renderings ("**Marketing Material**") which may have been reviewed by purchasers prior to the execution of their Agreement of Purchase and Sale remains conceptual and final building plans are subject to the final review and approval of any applicable Approving Authority and the Declarant's design consultants and engineers.

(q) The Declarant, in its construction of the dwelling on the POTL, will meet or exceed any mandatory noise, air quality and vibration attenuation standards for residential developments in the City of Markham in existence at the time of issuance of the building permit for the building as may be imposed by any Approving Authority in regard to the Project. However, despite the inclusion of certain attenuation features in the Project, the noise levels, air quality, vehicle emissions, odours, vibrations and other factors from the sources enumerated above may from time to time interfere with the activities of occupants of the Project and their use and enjoyment thereof.

(r) Excessive noise levels, vibrations, dust, debris and matters of a similar nature may exist during construction of the Project and other construction in the vicinity of the Project. The Project will be constructed in a planned sequence. Some areas will be occupied while other areas are under construction. Each purchaser is required to take possession of and occupy its POTL subject to such conditions, provided their POTL is reasonably fit for occupancy. Purchasers are further advised that there are no guarantees against the possibility of noise disturbances from neighbouring POTLs. Purchasers are required to waive and release any claims that they may have

SAMPLE

against the Declarant or its successors and assigns or any related company in respect of the foregoing matters.

(s) Purchasers are further advised that they are required to comply with all provisions of any development agreements which specifically deal with grading. Purchasers are advised that any unauthorized alteration of the established POTL grading and drainage patterns may result in negative drainage impacts to adjoining POTLs. Underground and/or surface stormwater management infrastructure may be located on the POTLs, which forms an integral part of the stormwater management infrastructure for the Berczy Glen Lands. It is the Owner's responsibility for the long-term maintenance of this system by ensuring that proper drainage is maintained. Grading within the rear yard, such as swales which convey stormwater to this system must remain in their original form.

(t) No owner of any part of the Project shall alter or interfere with the grading and drainage levels and patterns as approved by any Approving Authority with respect to the Project and, without limiting the generality of the foregoing, no owner of any part of the Project shall alter, fill, fence, stop up or allow to become clogged or fall into a state of disrepair, any rear or side yard drainage depression or swale, catch basin or other drainage channel, facility or installation, as such alteration or other action as stated above may cause a failure of the drainage system in the area which will result in civil liability.

(u) Purchasers are advised it is anticipated that certain restrictions customary for developments of a similar nature may be registered on title to the POTLs.

(v) Purchasers are advised that prior to the placement of any structures in side and rear yards, the zoning by-laws of the municipality should be reviewed to determine compliance and a Site Alteration Permit should be obtained prior to proceeding to do any site work.

(w) Purchasers should be advised of the following conditions regarding their POTL property line.

(i) Private landscaping is not permitted to encroach within the City of Markham's road allowance. Any unauthorized encroachments are to be removed by the POTL Owner.

(ii) Obstructions and encroachments shall include, but not be limited to the construction, placement or maintenance of posts, fences, trees, hedges, landscaping, and concrete driveway curbs.

(iii) POTL Owners should be aware that their POTL ownership does not extend to any municipal sidewalk or roadway adjacent to their POTL. A temporary municipal sidewalk may be installed within the POTL until such time as the proposed urbanization of Elgin Mills Road East is completed.

(iv) Purchasers are expected to maintain but not alter the area between their POTL and any sidewalk or roadway adjacent to their POTL.

(x) Purchasers are advised that sump pumps may be installed in each POTL and are installed in the most efficient location in accordance with engineering practice and cannot be relocated.

(y) Purchasers are advised that dumping of yard waste or other household materials within the nearby municipal park areas is prohibited.

(z) Purchasers are advised that the City of Markham, at its sole discretion may repair, replace and/or remove any landscape design element on City property including, but not limited to, decorative perimeter fencing, trail features, storm water management pond structures, irrigation, traffic island planting/signage and decorative paving.

(aa) Driveway entrance widenings or modifications will not be permitted. POTL Owners must take note of the available parking space on their own POTL and purchase their POTL with knowledge that additional space for more personal, visitor or family vehicles may be limited or unavailable. The size of the driveway on each POTL may not permit parking of a Motor Vehicle. In no instance shall any portion of a Motor Vehicle parked on a POTL protrude beyond the boundaries of such POTL nor encroach upon any portion of the Private Laneway or other common elements or upon any other POTL.

(bb) Purchasers are advised that street tree(s) may be planted in the municipal streets. The choice of tree, its location and approximate planting time have been determined by the landscape architect for the developer and the City of Markham and are subject to change only in the event of unavailability of the selected tree species. Purchasers are advised that each POTL may be charged for a tree, however, due to the nature of the project and infrastructure constraints, not all POTLs will have a tree in close proximity to their POTL.

SAMPLE

(cc) The final grading plan for the POTL may not be finalized. The Declarant reserves the right to revise the location of any storm drainage works, including catch basins, providing the final location is approved by the City of Markham.

(dd) Purchasers are advised that the Corporation is currently anticipated to be responsible for the maintenance of the lawn portion of the front or side yards of the POTLs, which will only include regular grass cutting and trimming. Purchasers are advised to refer to the Budget Statement for further details.

(ee) Purchasers are advised that they will be responsible for the maintenance of any landscaping other than as noted in Section (4)(dd) of this Article, hardscaping, and retaining walls in their POTL or any areas appurtenant thereto (other than common elements), in perpetuity, whether wholly or partly located on their POTL and will be responsible for clearing snow from their driveway, steps and landings. Purchasers are to further hold the City of Markham and/or any other governmental agency harmless from any claims, suits, actions, or demands whatsoever which may arise from the construction of any retaining wall on the Land, or the repair or lack of maintenance of such.

(ff) The Condominium may be subject to various governmental approval conditions requiring part of the Land be transferred for road widenings, easements and other dedications to the City of Markham or to other transferees. Purchasers are advised that the Land and the Condominium may be altered and varied in order to accommodate such transfer of road widenings, easements and other dedications.

(gg) Purchasers are advised that there may be community mailboxes, street furniture, retaining walls, sidewalks and/or above ground utility facilities such as fire hydrants, hydro transformers, utility pedestals, cable/telecommunications pedestals, service boxes, street lights, light poles, and various municipal services and utility services constructed on or in close proximity to the Condominium, and/or the POTLs. Purchasers are advised that certain services may not be assumed by the Approving Authorities.

(hh) Purchasers are advised that the power and other utility distribution system design for the Project has not been finally approved and, as a result, the final location of transformers and other utility boxes or equipment along the POTL property line of certain POTLs cannot be determined at this time. Further, purchasers are advised that the installation of such transformers will require that the underlying area of the transformer and pad on which it sits be excluded from the POTL along which they are sited resulting in an irregular shape resulting in a reduction in POTL size from that depicted herein or in any drawing provided or shown to the purchaser. Accordingly, the purchaser hereby acknowledges being informed of the possibility of the existence of the subject transformers or utility boxes and that one such transformer or utility box may have to be installed along the purchaser's POTL (with the results as described above, including irregular shape along the POTL property line and reduction in POTL lot size) and, further, the purchaser agrees to close the transaction regardless of the siting of a transformer on its POTL, thereby reducing POTL size, and without purchase price abatement or other claim.

(ii) An easement is a right attached to the land which allows a party to utilize land of different ownership for a specified purpose, or prevents the owner of such land from utilizing his/her land in a certain manner. The City of Markham or a Service Provider may require an easement over portions of the POTLs and/or the Project for such purposes as drainage or the provision of utilities. Therefore, the POTL is purchased subject to such easements. The purchaser agrees to close the transaction regardless of the siting of an easement on the POTL without purchase price abatement or other claim. It is the owner's responsibility to maintain that portion of the POTL which contains the easement, however, the City of Markham or Service Provider has the right by virtue of the easement to enter on to the POTL, if necessary, and remove any obstructions from the easement or to perform regular or emergency maintenance activities or any other activities permitted pursuant to such easement. In addition, the POTL Owner cannot build any structures within the easement except encroachments approved by the holder of the easement. Purchasers are advised that telecommunication, utility or hydro utility equipment may be located adjacent to their property and may be visible from their dwelling.

(jj) Purchasers are advised that on the exterior side walls of some POTLs located at the end of a row, there will be meters for electricity, natural gas and/or other utilities, and/or pedestal distribution boxes for telephone and cable wiring, relating to services to one or more POTLs adjoining such end POTLs.

(kk) Purchasers are advised that their POTLs may be subject to gang electricity and/or natural gas metering and/or other utilities and are advised that services for one or more POTLs adjoining their POTL may pass through the roof, a bulkhead enclosure in the ceiling of the garage, and/or under the garage slab.

(ll) Purchasers agree that they are responsible for all costs of repair, maintenance, replacement of piping and wiring from the meters to their POTLs for natural gas, electricity, cable and/or any other utility or service.

SAMPLE

(mm) Purchasers and tenants are hereby put on notice that telephone and telecommunications facilities and services are authorized by the CRTC under the Telecommunications Act, and as such these services may be provided by telecommunications carriers other than the traditional carriers for such services. Purchasers and tenants are advised to satisfy themselves that such carriers servicing the lands provide sufficient service and facilities to meet their needs.

(nn) Any Approving Authority may change the location of any sidewalks / walkways within the Project without prior notice. Purchasers / tenants are advised that there maybe a municipal sidewalk flanking all POTLs adjacent to municipal roads. Additionally, purchasers are advised that the Private Walkway may be flanking certain POTLs.

(oo) Purchasers acknowledge that the Declarant reserves the right to add or relocate certain mechanical equipment within the POTL, including, but not limited to, a fan coil or heat pump system and ancillary equipment, to be located and placed along either the interior of, an outside wall or an interior demising wall, in accordance with engineering and/or architectural requirements.

(pp) Purchasers are advised to review all privacy notices in their agreement of purchase and sale.

XVI. SECTIONS 73 AND 74 OF THE CONDO ACT

Reproduced below is a copy of Sections 73 and 74 of the Condo Act, required to be included in this Disclosure Statement, in accordance with the Regulations made under the Condo Act:

73 (1) A purchaser who receives a disclosure statement and the condominium guide under subsection 72 (1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registerable form. 1998, c. 19, s. 73 (1); 2015, c. 28, Sched. 1, s. 64 (1).

(2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the latest of,

(a) the date that the purchaser receives the disclosure statement;

(b) the date that the purchaser receives a copy of the applicable condominium guide under section 71.1; and

(c) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser. 1998, c. 19, s. 73 (2); 2015, c. 28, Sched. 1, s. 64 (2, 3).

(3) If a declarant or the declarant's solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it. 1998, c. 19, s. 73 (3).

74 (1) Whenever there is a material change in the information contained or required to be contained in a disclosure statement delivered to a purchaser under subsection 72 (1) or a revised disclosure statement or a notice delivered to a purchaser under this section, the declarant shall deliver a revised disclosure statement or a notice to the purchaser. 1998, c. 19, s. 74 (1).

(2) In this section,

"material change" means a change or a series of changes that a reasonable purchaser, on an objective basis, would have regarded collectively as sufficiently important to the decision to purchase a unit or proposed unit in the corporation that it is likely that the purchaser would not have entered into an agreement of purchase and sale for the unit or the proposed unit or would have exercised the right to rescind such an agreement of purchase and sale under section 73, if the disclosure statement had contained the change or series of changes, but does not include,

(a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation,

(b) a substantial addition, alteration or improvement within the meaning of subsection 97 (6) that the corporation makes to the common elements after a turn-over meeting has been held under section 43,

(c) a change in the portion of units or proposed units that the declarant intends to lease,

(d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been completed as of the date on which the disclosure statement was made, or

(e) a change in the information contained in the statement described in subsection 161 (1) of the services provided by the municipality or the Minister of Municipal Affairs and Housing, as the case may be, as described in that subsection, if the unit or the proposed unit is in a vacant land condominium corporation. 1998, c. 19, s. 74 (2).

SAMPLE

(3) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them. 1998, c. 19, s. 74 (3).

(4) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form. 1998, c. 19, s. 74 (4).

(5) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Superior Court of Justice for a determination whether a change or a series of changes set out in the statement or notice is a material change. 1998, c. 19, s. 74 (5); 2000, c. 26, Sched. B, s. 7 (5).

(6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice as required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,

(a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;

(b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and

(c) the date on which the Superior Court of Justice makes a determination under subsection (5) or (8) that the change is material, if the purchaser or the declarant, as the case may be, has made an application for the determination. 1998, c. 19, s. 74 (6); 2000, c. 26, Sched. B, s. 7 (5).

(7) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor. 1998, c. 19, s. 74 (7).

(8) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Superior Court of Justice for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application for the determination under subsection (5). 1998, c. 19, s. 74 (8); 2000, c. 26, Sched. B, s. 7 (5).

(9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it. 1998, c. 19, s. 74 (9).

(10) The declarant shall make the refund,

(a) within 10 days after receiving a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or

(b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8).

XVII. INTEREST ON DEPOSITS

Under subsection 82(8) of the Condo Act, the Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest that it is required to pay to the purchaser under Section 82 of the Condo Act. Note that no deposit is being paid with respect to the purchase of a common interest in the Condominium and all deposits paid by purchasers in connection with the Project relate solely to the POTL purchased by them.

XVIII. USE OF COMMON ELEMENTS

Save and except for:

(i) the Declarant's right to market and sell units in the Project and the Berczy Glen Lands and other lands or developments in the Greater Toronto Area;

(ii) the Declarant's right to construct the Condominium and the Berczy Glen Lands; and

(iii) any rights in favour of a Service Provider to use the common elements for the purposes of providing services to the Condominium or the POTLs,

no part of the common elements may be used for commercial or for any other purposes not ancillary to residential purposes.

SAMPLE

XIX. MAJOR ASSETS THAT MAY BE PROVIDED BY THE DECLARANT

The Declarant does not intend to provide any major assets or property to the Corporation.

XX. POTLs, ASSETS OR SERVICES TO BE PURCHASED FROM THE DECLARANT

There are no assets or services that the Corporation is required to acquire, nor are there any agreements or leases that the Corporation must enter into with the Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the Declarant.

XXI. INAPPLICABILITY OF STANDARD UNIT BY-LAW

The Condominium is a common element condominium and, therefore, there are no units nor any standard unit by-law nor any schedule as contemplated pursuant to Section 43(5)(h) of the Condo Act.

XXII. ADJACENT LAND

Neither the Declarant, nor a subsidiary body corporate, holding body corporate or affiliated body corporate of the Declarant owns any of the lands which are adjacent to the Project.

SAMPLE

3 Proposed Declaration

SAMPLE

mattamyHOMES | SPRINGWATER

DECLARATION

THIS DECLARATION is made and executed pursuant to the provisions of the *Condominium Act, 1998*, S.O. 1998, c. 19, as amended or replaced from time to time, and all regulations made pursuant thereto and any amendments and regulations thereto or any replacement legislation thereof and the regulations thereto (the "**Condominium Act**"), by:

MATTAMY (BERCZY GLEN) LIMITED, a corporation incorporated under the laws of the Province of Ontario (the "**Declarant**");

WHEREAS the Declarant is the owner in fee simple of the lands and premises situate in the City of Markham, being more particularly described as the "Condominium Lands" in Schedule "A" and in the Description (as defined below) submitted herewith by the Declarant for registration in accordance with the Condominium Act (the "**Land**");

AND WHEREAS the Declarant intends that the common elements shall be governed by the Condominium Act;

AND WHEREAS the registration of the Declaration and Description will create a freehold common elements condominium corporation;

AND WHEREAS a POTL may not be divided into two or more parcels unless an amendment is registered to this Declaration that takes into account the division of such POTL;

AND WHEREAS the common elements are intended for the use and enjoyment of the Owners;

NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:

ARTICLE I
INTRODUCTORY

1. Definitions

In addition to those words, terms or phrases specifically defined elsewhere in this Declaration, the words, terms and phrases used in this Declaration (including the Schedules hereto) shall have the meanings ascribed to them in the Condominium Act, unless this Declaration indicates otherwise, or unless the context otherwise requires and in this Declaration the following words, terms and phrases (capitalized, as applicable) shall have the following meanings:

(a) "**Alternate Entity**" has the meaning given to it in Section 2(c) of Article VII;

(b) "**Approving Authority**" means a government (federal, provincial or municipal), including the City, governmental agency, Crown corporation, or quasi-governmental authority (a privately operated organization exercising authority delegated by legislation or a government) having jurisdiction or the ability to exercise control over the Land, including the development thereof;

(c) "**Berczy Glen Lands**" means collectively, the Land, the POTLs and any other lands within Plan 65M-4708, which the Declarant or any Alternate Entity may develop in a manner satisfactory to them, in their sole and unfettered discretion;

(d) "**Board**" means the board of directors of the Corporation;

(e) **"City"** means the City of Markham;

(f) "**common elements**" means the common elements (as such term is defined in the Condominium Act) of the Condominium, if so specified in this Declaration;

(g) "**Condominium**" means, as the context so requires:

(i) the Land, and interests appurtenant to the Land, as the Land and interests are described in the Description and includes all land and interests appurtenant to the Land; or

(ii) the Corporation;

(h) "**Condominium Act**" has the meaning given to it in the recitals of this Declaration;

SAMPLE

(i) **"Conveyance"** means the conveyance of legal or beneficial title or an easement interest in real property; "**Convey**" means the act of effecting a Conveyance and "**Conveyed**" refers to a Conveyance which has already occurred;

(j) "**Corporation**" means the corporation created upon the registration of this Declaration and the Description in the appropriate Land Registry Office, in accordance with the provisions of the Condominium Act;

(k) "**Declarant**" has the meaning given to it in the recitals of this Declaration; the term "**Declarant**" shall also include in its definition, the Declarant's successors and assigns; and in any section of this Declaration which contains a right, a release or other exculpatory language in favour of the Declarant or an indemnity in favour of the Declarant, the term "**Declarant**" shall also include in its definition, the directors, officers, servants, shareholders, employees and agents of the Declarant, and the Declarant, solely for the purpose of any such section, is the agent or trustee of, and for the benefit of, each such person;

(l) "**Declaration**" means this declaration and all amendments to it made in accordance with the provisions of the Condominium Act;

(m) "**Description**" means the description prepared by the Declarant in respect of the Land as submitted for registration by the Declarant at the time of registration of the Declaration;

(n) "**Encumbrances**" means all encumbrances and agreements affecting the Land, either registered against title to the Land or unregistered, and "**Encumbrance**" means any one encumbrance or agreement affecting the Land, either registered against title to the Land or unregistered;

(o) "**Facilities**" means, collectively, all the improvements and services on the Land, including all structures, facilities and services included in the Land set out in Schedule "H" and all additions, fixtures and accretions thereto from time to time;

(p) "**Guest**" includes any person on a POTL or the Condominium as the invitee, licensee, customer, employee, patron, supplier, visitor, agent or contractor of any Resident;

(q) "**include**" means include without limitation; and "**including"** means including without limitation;

(r) "**Land**" has the meaning given to it in the recitals of this Declaration;

(s) **"Legal Requirements"** means all or any part of the Condominium Act, the Declaration, the by-laws of the Corporation, the Rules, the Encumbrances and any rules passed pursuant to any of the foregoing or pursuant to any agreement or instrument registered on title, as each of the foregoing may be amended or replaced from time to time;

(t) "**Mortgage**" means any mortgage or charge of an Owner's fee simple interest in a POTL;

(u) "**Mortgagee**" means the registered holder of a Mortgage;

(v) **"Motor Vehicle"** means a properly licensed and roadworthy private passenger automobile, station wagon, family passenger van, family passenger truck, four wheel drive passenger vehicle or motorcycle and, for purposes of application to the Declarant only, any construction and/or loading vehicle used by the Declarant and any of its employees, agents, contractors and representatives;

(w) "**Neighbouring Lands**" means the lands within Plan 65M-4708 save and except for the Land and the POTLs;

(x) "**Neighbouring Lands Owner**" means the owner(s) from time to time of any part of the Neighbouring Lands, including the Declarant or any Alternate Entity in their capacity as such owner, but specifically excluding any Approving Authority and any owners (other than the Declarant and any Alternate Entities) in their capacity as owner of units in any condominiums, any lots within Plan 65M-4708, and any parcels of tied land; and "**Neighbouring Lands Owners**" means all such owners;

(y) "**Owner**" means collectively, the registered and beneficial owners of the fee simple interest in a POTL and who owns, pursuant to the Condominium Act, a common interest in the common elements appurtenant thereto, and includes a Mortgagee in possession;

(z) "**Performance Audit**" has the meaning given to it in Section 1(u) of Article VI;

(aa) "**Performance Auditor**" has the meaning given to it in Section 1(u)(i) of Article VI;

SAMPLE

(bb) "**POTL**" means a parcel of tied land and the common interest in the common elements appurtenant thereto as described in Schedule "D" to this Declaration;

(cc) "**Prime Rate**" means the fluctuating annual rate of interest established from time to time by The Toronto-Dominion Bank as the base rate it will use to determine interest rates in Canadian dollar loans to customers in Canada and quoted or designated by it as its commercial prime rate;

(dd) "**Resident**" means an Owner, Tenant, or both Owner and Tenant, as the context requires;

(ee) "**Rules**" means the rules and regulations passed by the Board from time to time and becoming effective pursuant to Section 58 of the Condominium Act;

(ff) "**sole and unfettered discretion**" of any party or body shall mean such party's or body's sole, absolute and unfettered discretion, which may be exercised arbitrarily and/or unreasonably;

(gg) "**Sub-Meter**" means an individual consumption meter installed for the purposes of monitoring the consumption of any or all Utility Services and "**Sub-Metered**" means metered by a Sub-Meter (which may include smart meters and which may, alternatively, be direct meters);

(hh) "**Sub-Metering**" means any service in connection with Sub-Meters including the installation, maintenance and reading thereof;

(ii) "**Sub-Metering Provider**" means any public or private entity which provides any Sub-Metering, Sub-Meters, or both;

(jj) **"Telecom"** has the meaning given to it in Section 1(q) of Article VI;

(kk) "**Tenant**" means any lessee, sublessee or occupant of any POTL (including household members);

(ll) **"Transfer"** means a Conveyance, lease, assignment, mortgage, charge, encumbrance or any other transfer of rights in real property;

(mm) "**Turnover Meeting**" means the meeting of Owners held pursuant to Section 43 of the Condominium Act;

(nn) "**Utility Services**" means, collectively, the following services: electricity, gas, hot water, cold water, and heating and cooling or, as the context requires, any other similar services provided to the Condominium, any POTLs or the Neighbouring Lands, as applicable, from time to time, to permit the reasonable use and enjoyment thereof;

(oo) **"Utility Service Charges"** means any and all charges in respect of Utility Services, including any customer fees, consumption fees, account information fees, service charges, security deposits and any other applicable fees or charges in respect of Utility Services as may be prescribed or otherwise permitted by the governing authorities applicable to Utility Services; and

(pp) "**Utility Service Provider**" means any public or private entity which provides Utility Services to the Condominium or a POTL.

2. Section, Article and Schedule References

References herein to a Section, Article or Schedule shall mean a Section, Article or Schedule of this Declaration, respectively, unless the context otherwise requires.

3. Consent of Encumbrancers

The consents, in the prescribed form, of every person having a registered mortgage against the Land or interests appurtenant to the Land described in the Description and against each POTL are contained in Schedule "B".

4. Condominium Act Governs the Land

The Condominium Act governs the Land and all interests appurtenant to the Land, as the Land and the interests are described in the Description.

5. Common Interest and Common Expenses

Each Owner shall have an undivided interest in the common elements as a tenant in common with all other Owners in the proportions set forth opposite each POTL number in Schedule "D". Each Owner shall contribute to the common expenses in the proportions as set forth opposite each POTL

SAMPLE

number in Schedule "D". The total of the proportion of the common interests shall be 100% and the total of the proportions of the contributions to common expenses shall be 100%.

6. Address for Service

(a) The Corporation's address for service and mailing shall be [●] or such other address as the Board may by resolution determine, provided that notice of any change of address for service and mailing from the address set out herein shall be registered in the prescribed form. The Condominium comprises of a common element road and related Facilities which, accordingly, does not have a municipal address.

7. Statement of Conditions

[Note to Purchasers: There are currently no conditions imposed by the Approving Authorities, but some may be imposed prior to the registration of this Declaration, including with respect to the "Requirements" as defined in the Disclosure Statement.]

8. Type of Corporation

The Corporation is a freehold common elements condominium corporation.

9. Architect/Engineer Certificates

The certificate(s) of the architect and/or engineer that the Facilities that the Declaration and the Description show are included in the common elements and have been constructed in accordance with the regulations under the Condominium Act is/are contained in Schedule "G".

10. Tenants and Guests of the Condominium

Any Tenant or Guest of an Owner shall, to the extent permitted by such Owner, have the same rights provided to such Owner in this Declaration for the use of the common elements. To the extent that any Tenant or Guest of such Owner has been permitted usage rights of such Owner hereunder, by such Owner, any interference with such usage by such Tenant or Guest shall be deemed to be an interference of the rights of such Owner, and in all other respects and for all purposes hereunder the use by a Tenant or Guest of such Owner shall be considered to be use by such Owner. For all purposes of this Declaration, any contravention by any Tenant or Guest of an Owner of any provision of the Legal Requirements, or any damage caused by such Tenant or Guest, shall be deemed to be a contravention of same or damage caused by (as the case may be) such Owner. All rules and restrictions which apply to the Owners in this Declaration or any document referred to herein shall also apply to the Tenants and Guests of such Owners. Throughout this Declaration, any Tenant or Guest of an Owner shall include a Tenant or Guest of a Tenant of such Owner.

Any reference to the health, safety or enjoyment of an Owner shall be deemed to mean the health, safety or enjoyment of the Owner and its Tenants and Guests; provided however that any reference to the quiet enjoyment of the Owner shall be deemed to mean only the quiet enjoyment of the Owner and its Tenants. For all purposes hereunder, the best interests of an Owner shall be considered with reference to the best interests of such Owner and its Tenants and Guests.

11. Parting of Possession or Ownership

In the event that an Owner (other than the Declarant) gifts, sells, leases or otherwise parts with possession or ownership of its POTL, it shall thereupon be prohibited from the use and enjoyment of its rights in the common elements granted to such POTL, including any exclusive use common elements appurtenant to its POTL, except for such limited use as required to access its POTL in its capacity as landlord if such POTL is occupied by a Tenant.

ARTICLE II
COMMON EXPENSES

1. Specification of Common Expenses

Common expenses means the expenses for the performance of the objects and duties of the Corporation, including such other expenses, costs and sums of money designated or deemed to be common expenses in accordance with this Declaration, including, without limiting the generality of the foregoing, those expenses set out in Schedule "E".

2. Payment of Common Expenses

Each Owner, including the Declarant, shall pay to the Corporation their proportionate share of the common expenses as provided for in this Declaration and as may be provided for in the by-laws of the Corporation and the assessment and collection of contributions toward the common expenses may be regulated by the Board pursuant to the Legal Requirements.

SAMPLE

In addition, any losses, costs or damages incurred by the Corporation by reason of a breach of any of the provisions of the Legal Requirements by any Resident or Guest, shall be borne and paid for by the Owner of the applicable POTL and may be recovered by the Corporation against such Owner in the same manner as common expenses and shall be deemed for the purposes of this Declaration and the Condominium Act to be common expenses payable by such Owner.

3. Reserve Fund

The Corporation shall establish and maintain one or more reserve funds and shall collect from the Owners, as part of their required contribution towards the common expenses, amounts that are reasonably expected to provide sufficient funds for the major repair and replacement of the Facilities and any other assets of the Corporation, in accordance with the provisions of the Condominium Act. No part of the reserve fund shall be used except for the purposes for which the fund was established. The amount of the reserve fund shall constitute an asset of the Corporation and shall not be distributed to any Owner except on termination of the Corporation. Interest and other income earned from the investment of money in the reserve fund shall form part of the reserve fund.

4. Status Certificate

The Corporation shall, upon request and receipt of payment of the prescribed fee, provide the requesting party with a status certificate and accompanying statements and information in accordance with Section 76 of the Condominium Act. Notwithstanding the immediately preceding sentence, the Corporation shall forthwith upon request provide to the Declarant a status certificate and all such accompanying statements and information as may be requested by or on behalf of the Declarant from time to time, in connection with the sale or mortgage of any POTL(s), all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

ARTICLE III
COMMON ELEMENTS

1. Use of common elements

(a) Subject to the Legal Requirements, each Owner is entitled to the reasonable use, occupancy and enjoyment of the whole or any part of the common elements, including those exclusive use common elements allocated to the Owner's POTL in Schedule "F", if any. However, except as hereinafter provided, in the exercise of such rights by an Owner, no condition shall be permitted to exist and no activity shall be carried on, in or upon the common elements that:

(i) is likely to injure any person or damage or impair, either patently or latently, the Condominium or the structural integrity of any portion of Facilities or any other common elements, any POTL or any buildings or structures on a POTL;

(ii) will unreasonably interfere with the use and enjoyment of the common elements or of any POTL by other Residents or Guests;

(iii) may result in the cancellation or threatened cancellation of any policy of insurance carried by or on behalf of the Corporation or any Neighbouring Lands Owner, or lead to an increase in any applicable insurance premiums with respect to such policies of insurance;

(iv) may impede, hinder or obstruct any right, privilege, easement or benefit given to any party, person or other entity by virtue of the Legal Requirements;

(v) would lead to a contravention by the Corporation and/or Owners of any Legal Requirements or any applicable laws, by-laws and regulations or requirements of any Approving Authority; or

(vi) obstructs the Condominium's or any POTL's access to any Utility Services or Sub-Meter.

(b) In the event that any Owner contravenes this Section 1, then such Owner shall fully reimburse the Corporation for all costs incurred to redress or rectify such injury or damage, for all increased insurance costs and for all other costs, expenses and liabilities suffered or incurred by the Corporation as a result thereof (including the entire deductible amount with respect to any insurance policy of the Corporation) and failing the immediate reimbursement of such costs, such costs shall be deemed to be an additional required contribution towards the common expenses by such Owner and recoverable as such.

(c) The Board may provide access to parts of the common elements to members of the general public from time to time where it is necessary for such people to traverse over or through the common elements in order to access neighbouring lands, in accordance with the Legal

SAMPLE

Requirements, any agreement to which the Corporation is a party, and/or otherwise as the Board deems desirable in its sole and unfettered discretion.

(d) Save and except for the Declarant, its officers and directors, no Owner shall Convey a POTL without requiring the purchaser(s) of such POTL from doing all things necessary, as required by the Sub-Metering Provider providing Sub-Metering to such POTL (if any), acting reasonably, to be invoiced directly by such Sub-Metering Provider for the Sub-Metering provided to such POTL and for the consumption of all Sub-Metered Utility Services within such POTL.

[Note to Purchasers: The registered Declaration is anticipated to contain provisions that govern the operation, billing and other matters in respect of Sub-Metering and related services as more particularly described in the Disclosure Statement.]

2. Exclusive Use of common elements

Subject to the Legal Requirements, the Owners of some POTLs shall have the exclusive use of those parts of the common elements allocated to their POTL as set out in Schedule "F", if any.

3. Restricted Access to the common elements

Except as specifically provided in the Legal Requirements, no one other than the Declarant or its agents, representatives, employees, contractors, invitees or licensees, shall have any right of access to: a) the parts of the common elements used from time to time as utility areas, planter areas, maintenance areas, a management office, or any other parts of the common elements used for the care, maintenance or operation of the Condominium, the POTLs or the Neighbouring Lands; and b) the Declarant's sales office, customer service office and construction office (if any), without the consent in writing of the Board (which consent shall not be available in respect of the Declarant's sales office, customer service office and construction office, if any). Provided however, that the restrictions in this Section shall not apply to any first Mortgagee holding Mortgages on at least 10% of the POTLs, who shall have a right of access or inspection upon 48 hours notice to the Corporation's property manager.

4. Additions, Alterations and Improvements to the common elements

(a) Except as otherwise provided in this Declaration, no alteration, work, repairs, decoration, painting, maintenance, structure, fence, screen, hedge or erection of any kind whatsoever (for the purposes of this Section only, the "**work**") shall be performed, done, erected or planted within or in relation to the Facilities or any other common elements (including any part thereof over which any Owner has the exclusive use) except by the Declarant or the Corporation or, if by any Owner, with the prior written consent of the Declarant or the Board (which consent may be granted or withheld in such party's sole and unfettered discretion) or as permitted by the by-laws of the Corporation or the Rules. In the event that an Owner is permitted to do any work, they shall first enter into an agreement with the Corporation respecting such work in accordance with Section 98 of the Condominium Act. The foregoing shall not prevent the Declarant from using any portion of the common elements to facilitate the construction, sales or after-sales service of the POTLs, any buildings or structures thereon, or any building or structure on the Neighbouring Lands in such manner as it deems appropriate, in its sole and unfettered discretion.

(b) The Corporation shall have access at all reasonable times, and upon reasonable notice, to any part of the common elements over which any Owner has the exclusive use in order to do the work or to carry out any repairs or maintenance required for any part of the common elements, the POTLs or any buildings or structures on the POTLs.

(c) The Corporation may, by resolution of the Board, and without notice to the Owners, make an addition, alteration or improvement to the Facilities or any other common elements, a change in the assets of the Corporation or a change in a service that the Corporation provides to the Owners, provided one of the conditions set out in Subsection 97(2) of the Condominium Act is met.

(d) The Corporation may make an addition, alteration or improvement to the Facilities or any other common elements, a change in the assets of the Corporation or a change in a service that the Corporation provides to the Owners where none of the conditions set out in Subsection 97(2) of the Condominium Act are met, provided the Board complies with Subsection 97(3) of the Condominium Act.

(e) Notwithstanding Section 4(d) of Article III, the Corporation shall not make a substantial addition, alteration or improvement to the Facilities or any other common elements, a substantial change in the assets of the Corporation or a substantial change in a service that the Corporation provides to the Owners (as those terms are defined in Subsection 97(6) of the Condominium Act) unless the Owners who own at least $66^{2}/_{3}$% of POTLs vote in favour of approving it, at a meeting duly called for that purpose. The determination of whether or not an addition, alteration or improvement to the Facilities or

SAMPLE

any other common elements is substantial or whether a change in the assets of the Corporation or the services that the Corporation provides to Owners is substantial, shall be made by the Board in accordance with Subsection 97(6) of the Condominium Act.

(f) The cost of an addition, alteration, improvement or change that the Corporation makes pursuant to this Section shall form part of the common expenses.

5. Animals

No animal shall be permitted to soil or damage any part of the common elements whether by waste, excrement or otherwise, and in the event of same, the owner of such animal shall make good such damage and effect the removal of such waste and save harmless the Corporation from any expense in connection therewith.

6. Visitor Parking Spaces

(a) The Facilities include 4 visitor parking spaces, which shall be used only by the Declarant, guests of the Declarant and Guests.

(b) The visitor parking spaces shall not be Transferred to any Owner (or any other person) or otherwise dealt with by the Condominium, save and except the Declarant, who may so deal with the visitor parking spaces.

(c) The visitor parking spaces shall be used and occupied only by Motor Vehicles. Only one Motor Vehicle shall be parked in any given visitor parking space at any time. However, none of the foregoing provisions of this paragraph (c) shall be deemed or construed to be a warranty, representation or covenant by the Declarant to any existing or prospective Owner or Guest (or to any other party) that any Motor Vehicle is of a size which would enable them to operate within the Condominium and it shall be the responsibility of the Owner and any Resident or Guest to ensure that their vehicle may be properly operated and parked in the Condominium.

(d) In no instance shall any portion of a Motor Vehicle parked within a visitor parking space protrude beyond the boundaries of such visitor parking space and concomitantly encroach upon any other portion of the common elements or upon any POTLs.

(e) Visitor parking spaces that are designated as small car spaces, if any, shall be used for parking of compact motor vehicles that suitably fit within the boundaries of such visitor parking spaces.

7. Satellite Dishes

Save and except as installed by the Declarant or as may be permitted by the Board, no aerial, antenna, satellite dish or associated equipment shall be placed on the common elements, including exclusive use common elements, or within any POTL.

ARTICLE IV
MAINTENANCE AND REPAIRS

1. Repairs and Maintenance by Owners

Each Owner shall be responsible for all damage to the common elements that is caused by the negligence or wilful misconduct of the Owner and its Residents and Guests, save and except for any such damage for which the cost of repairing same is covered under any policy of insurance held by the Corporation.

The Owner of each POTL shall be responsible for the maintenance, repair and, if necessary, replacement, of all sewers, pipes, wires, cables, conduits and other services, extending from and including the shut off valve or lateral connection to the main service for which the Condominium has responsibility (as detailed in Section 2 of Article IV).

2. Repairs and Maintenance by Corporation

The Corporation shall, at its own expense, maintain, repair and replace the common elements, including all Facilities, and any water mains, storm and sanitary sewers and chambers, catch basins and catch basin leads.

In the event that an Owner fails to fulfil its obligations hereunder with respect to the maintenance, repair or replacement of any part of the common elements, the Corporation may fulfill such obligations on such Owner's behalf and such Owner shall pay the Corporation for all out-of-pocket expenses incurred by the Corporation in respect of such maintenance, repair or replacement plus a reasonable management fee. All such payments pursuant to this clause shall be deemed to be additional required contributions toward the common expenses payable by such Owner and are recoverable as such.

SAMPLE

ARTICLE V
INSURANCE

1. Insurance by the Corporation

The Corporation shall obtain and maintain to the extent obtainable from the insurance industry, the following insurance, in one or more policies:

(a) Insurance against damage by major perils as defined in the Condominium Act and such other perils as the Board may from time to time deem advisable, insuring:

(i) the Condominium and the property of the Corporation, including the Facilities; and

(ii) personal and real property owned by the Corporation, but not including furnishings, furniture, or other personal property supplied or installed by the Owners;

in an amount equal to the full replacement cost of such real and personal property, without deduction for depreciation, which insurance may be subject to a reasonable loss deductible clause.

(b) Such policy or policies of insurance stipulated in (a) above shall insure the interest of the Corporation and the Owners from time to time, as their respective interests may appear, with mortgagee endorsements, which shall be subject to the provisions of this Declaration, and the Condominium Act, and shall, if obtainable, contain the following provisions:

(i) waivers of subrogation against the Corporation, its directors, officers, managers, agents, servants and employees, Residents and Guests, except for arson, fraud, vehicle impact or malicious mischief;

(ii) that such policy or policies of insurance shall be not cancelled or substantially modified without at least 30 days prior written notice (or 5 days prior written notice for cancellation for non-payment of premiums) to all parties whose interests appear thereon including the Corporation, any Mortgagees and any insurance trustee, if any;

(iii) waivers of any defence based on co-insurance or of invalidity arising from the conduct or any act or omission or breach of a statutory condition of any insured or Mortgagee in possession;

(iv) all policies of insurance shall provide that same shall be primary insurance in respect of any other insurance carried by any Owner; and

(v) a waiver of the insurer's option to repair, rebuild or replace in the event that after damage the government of the property by the Condominium Act is terminated.

(c) Public liability and property damage insurance and insurance against the Corporation's liability resulting from breach of duty as occupier of the common elements insuring the liability of the Corporation and the Owners from time to time, with limits to be determined by the Board, but not less than $5,000,000.00 per occurrence, and without right of subrogation as against the Corporation, its directors, officers, managers, agents, servants and employees, and as against any Residents or Guests.

2. General Provisions

(a) At such other time or times as the Board may deem advisable, but, in any event, at least as often as may be required by the Condominium Act (if so provided), the Board shall obtain an appraisal from an independent qualified appraiser of the full replacement cost of the common elements and assets of the Corporation for the purpose of determining the amount of insurance to be effected and the cost of such appraisal shall be a common expense. Provided, however, that the foregoing shall not oblige the Declarant, in any way, to procure such an appraisal for the first policy or policies of insurance obtained by or on behalf of the Corporation.

(b) The Corporation, the Board, and its officers, shall have the exclusive right, on behalf of the Corporation and as agents for the Owners, to adjust any loss and settle any claims with respect to all insurance placed by the Corporation, and to give such releases as are required, and any claimant shall be bound by such adjustment or settlement.

(c) Upon the proceeds being available from any claim, the Corporation shall promptly use them for the repair or replacement of the damaged common elements, as necessary.

(d) Every Mortgagee shall be deemed to have agreed to waive any right to have proceeds of any insurance applied on account of the Mortgage where such application would prevent application of the insurance proceeds in satisfaction of an obligation to repair or replace.

SAMPLE

This Section 2(d) shall be read without prejudice to the right of any Mortgagee to exercise the right of an Owner to vote or to consent, if the Mortgage itself contains a provision giving the Mortgagee that right, and also the right of a Mortgagee to receive the proceeds of any insurance policy if the property insured under the relevant insurance policy is not repaired or replaced.

(e) A certificate or memorandum of all insurance policies and endorsements thereto maintained by the Corporation shall be issued as soon as possible to each Owner and a duplicate original or certified copy of the policy to each Mortgagee who has notified the Corporation of its interest in a POTL. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and renewal certificates or certified copies of new insurance policies shall be furnished to each Mortgagee who has notified the Corporation of its interest in a POTL. The master policy or policies for any insurance coverage shall be kept and maintained by the Corporation in its offices, or the offices of the Corporation's property manager, from time to time, and shall be available for inspection by an Owner or Mortgagee on reasonable notice to the Corporation.

(f) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Corporation, and no insured shall be entitled to direct the payment of proceeds in any manner other than as provided in this Declaration.

(g) If any insurance policy or policies obtained by the Corporation contains a deductible clause that limits the amount payable by the insurer, the portion of a loss that is excluded from coverage shall be a common expense. Provided however that if an Owner or Resident, through an act or omission, causes damage to the common elements or the assets, if any, of the Corporation, and such damage was not caused by an act or omission of the Corporation or its directors, officers, agents or employees, and if the Corporation has obtained and maintained coverage for the damage under an insurance policy, the amount that is the lesser of the cost of repairing the damage and the deductible limit of the insurance policy obtained by the Corporation shall be added to the required contribution to the common expenses payable for such Owner's POTL.

(h) The Corporation, or its insurer, and their respective agents or employees, and any person authorized by the Board, shall be entitled to enter upon any POTL and any buildings or structures thereon at all reasonable times and upon giving reasonable notice to the Owner of such POTL, for the purpose of making inspections, carrying out requisite maintenance and repairs to the common elements, or correcting any situation which violates the provisions of this Declaration and/or any policy(ies) of insurance maintained by the Corporation and also for the purpose of remedying any condition that might result in damage to the common elements.

3. Insurance by the Owner

(a) It is acknowledged that, except as otherwise provided in the by-laws of the Corporation or in any agreement(s) authorized by the by-laws of the Corporation, the foregoing insurance is the only insurance required to be obtained and maintained by the Corporation and that any of the following insurance or any other insurance, if deemed necessary or desirable by the Board, shall be obtained and maintained by the Owners at each Owner's own expense:

(i) insurance on the Owner's POTL and all buildings or structures constructed thereon and for furnishings, fixtures, equipment, decorating, and personal property and chattels of the Owner contained within their POTL, including their automobile or automobiles, and for loss of the use and occupancy of their POTL in the event of damage, which policy or policies of insurance shall contain a waiver of subrogation against the Corporation, its directors, officers, managers, agents, servants and employees, and against the Residents of the other POTLs, except for any damage arising from vehicle impact, arson, malicious mischief or fraud caused or contributed to by any of the above;

(ii) public liability insurance covering any liability of the Owner, any Tenant and their respective Guests to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation;

(iii) insurance covering payment by an Owner of the Corporation's deductible in accordance with Section 2(g) of this Article;

(iv) additional living expenses incurred by an Owner if forced to leave their POTL by one of the hazards protected against under any of the Owner's personal policies or the Corporation's policies; or

(v) insurance covering special assessments levied against the Owner's POTL by the Corporation, and contingent insurance coverage in the event that the Corporation's insurance is inadequate.

SAMPLE

4. Indemnification of Corporation

Notwithstanding any other provision of this Declaration, each Owner shall indemnify and save harmless the Corporation from and against any loss, costs, damage, injury or liability whatsoever which the Corporation may suffer or incur resulting from or caused by any act or omission of such Owner or Resident of such Owner's POTL, or any Guests of such Owner or such Resident, to or with respect to the common elements and/or all other POTLs, except for any loss, costs, damages, injury or liability caused by an insured (as defined in any policy or policies of insurance) and insured against by the Corporation, in which case the amount that is the lesser of the loss, costs, damages, injury or liability and the deductible limit of the insurance policy(ies) shall be payable by the Owner. All payments pursuant to this clause shall be deemed to be additional required contributions toward the common expenses payable by such Owner and are recoverable as such.

ARTICLE VI
DUTIES OF CORPORATION

1. Duties

In addition to and subject to any other duties or obligations of the Corporation set out in the Condominium Act or elsewhere in this Declaration or specified in the by-laws of the Corporation, the Corporation shall have the duty:

(a) to take all reasonable steps to collect, in a diligent manner, each Owner's proportionate share of the common expenses with respect to each POTL, and to take all reasonable steps to maintain and enforce any liens of the Corporation arising pursuant to the Condominium Act or this Declaration against the POTL in respect of which the Owner has defaulted in the payment of common expenses;

(b) to observe and comply with all of the requirements set forth in the Legal Requirements;

(c) not to interfere with the supply of (and insofar as the services are supplied from or through the Corporation's property, to cause) all requisite Utility Services, Telecom services, and storm, fire and/or emergency services and any such other ancillary services to be provided to or in respect of the Neighbouring Lands;

(d) to ensure that no actions or steps are taken by or on behalf of the Corporation or by any Owner which would in any way prohibit, restrict, limit, hinder or interfere with: (i) the Declarant's or any Neighbouring Lands Owner's access to any portion of the Land or the POTLs so as to enable the Declarant or the Neighbouring Lands Owner to construct and/or complete the Berczy Glen Lands, including any buildings or structures on the POTLs, and to fulfill the Declarant's and or the Neighbouring Lands Owners' obligations to all Approving Authorities; (ii) the Declarant's or the Neighbouring Lands Owners' ability to use portions of the common elements pursuant to any right granted in this Declaration; or (iii) the Declarant's and the Neighbouring Lands Owners' marketing and sale programs, including for any part of the Berczy Glen Lands;

(e) to operate, maintain and keep in good repair at all times, as would a prudent owner of similar premises, the common elements;

(f) not to interfere with the supply of (and insofar as the services are supplied from or through the Corporation's property, to cause) all requisite Utility Services, Telecom services, and storm, fire and/or emergency services and any such other ancillary services to be provided to or in respect of the POTLs and the Neighbouring Lands;

(g) to ensure that no actions or steps are taken by or on behalf of the Corporation, or by any Owner, or by any of the Corporation's nominees, which would prohibit, restrict, limit, hinder or interfere with the Declarant's or any Alternate Entity's rights set out in Section 1 of Article VII;

(h) to ensure that no actions or steps are taken by or on behalf of any Resident, Guest or the Corporation, or by any of the Corporation's directors, officers, managers, agents, servants and employees, which would interfere with or adversely affect the hardscaping in any portion of the Condominium or the Neighbouring Lands;

(i) to enter into and comply with the terms and provisions of any agreements or documents required by any Approving Authority related to the development of the Condominium, the POTLs and/or all or any part of the Neighbouring Lands;

(j) to accept or Convey and register Transfers of easements from the Declarant or any Neighbouring Lands Owner in accordance with, and at the time(s) contemplated by, the provisions of this Declaration and to complete and execute all requisite documentation and affidavits, and pay all taxes, necessary to effect the registration of such Conveyances, as may be requested by the Declarant or a Neighbouring Lands Owner;

SAMPLE

(k) to Convey or accept a Transfer of any other easements and rights of way as may be necessary to give effect to the provisions of this Declaration, any Encumbrance, or for any other purpose determined by the Declarant in its sole and unfettered discretion, including easements to or from the Declarant, any Neighbouring Lands Owners, owners of lands adjacent to the Berczy Glen Lands or any other party, forthwith upon being requested to do so by the Declarant, to obtain from the committee of adjustment and/or Ontario Land Tribunal (or any other similar or successor entity), approval and consent as required under the *Planning Act* (Ontario) in order to Convey (if the Corporation is the grantor) such easements and rights of way in perpetuity, and to complete and execute and/or register all requisite documentation including any affidavits or consents, and pay all taxes, legal fees and registration costs that are necessary to effect the completion and registration of any such easements and rights of way as may be requested by the Declarant;

(l) to execute, forthwith upon the request of the Declarant, such documents, releases and assurances as the Declarant may reasonably require in order to evidence and confirm the formal cessation of the Declarant's liabilities and obligations, if any, with respect to any Encumbrances, including any costs set out in or in connection with the Encumbrances;

(m) to, at the request of the Declarant or any Neighbouring Lands Owner, retain a solicitor in good standing with the Law Society of Ontario to assist in electronically registering any deed, Transfer, Transfer of easement, agreement or other document to which the Condominium is a party;

(n) to accept Transfers of easements from the Declarant and/or any Neighbouring Lands Owners, and shall be responsible for all legal fees, registration costs, land transfer taxes and harmonized sales tax (if any) payable in regard to such Transfers of easements;

(o) to enter into or assume, abide by and comply with, an agreement for the provision of Utility Services or Sub-Metering or any other agreement required by any Utility Service Provider or Sub-Metering Provider or any other entity designated by the Declarant for the provision of Utility Services or Sub-Metering for the Condominium or the POTLs;

(p) to Convey any easements in favour of any Utility Service Provider, Sub-Metering Provider or any of their agents, employees, servants, contractors, consultants or any of their successors or assigns, for the purposes of facilitating the construction, installation, operation, maintenance or repair of the Utility Services or Sub-Meters, any facilities used in connection with the Utility Services or Sub-Meters, or to comply with any agreements to which the Corporation may be a party, and to provide access to the common elements to a Utility Service Provider or Sub-Metering Provider or any of their respective subcontractors from time to time, as such Utility Service Provider or Sub-Metering Provider deems necessary for the purposes of conducting inspections, maintenance, removal, or repairs or the reading of Sub-Meters or any system necessary for the provision of Utility Services, and to ratify any agreements respecting same;

(q) to Convey, immediately after the registration of the Declaration if so required by the Declarant, any easements, leases or licenses in perpetuity (or otherwise) in favour of any television, telephone, internet or other telecommunications (collectively "**Telecom**") provider and any of their respective agents, employees, servants, contractors, consultants or any of their respective successors or assigns, over, under, upon, across and through the common elements, for the purposes of facilitating the construction, installation, operation, maintenance or repair of the Telecom distribution system(s) or to comply with any agreements to which the Corporation may be a party and to provide access to the common elements to any Telecom provider or any of their respective subcontractors from time to time, as such Telecom provider deems necessary for the purposes of conducting inspections, maintenance, repairs or the reading of any Telecom infrastructure and to ratify any agreements respecting same;

(r) to accept and ratify all easements over the Land or the Berczy Glen Lands and assume the obligations of the Declarant or any applicable Neighbouring Lands Owners thereunder and to accept any Transfers of easements from the Declarant, any of the Neighbouring Lands Owners or any Approving Authority;

(s) to provide any services to the POTLs and the common elements, including Utility Services, to permit the reasonable use and enjoyment of the POTLs for their intended purposes, together with their associated facilities and amenities;

(t) to Convey, immediately after the registration of the Declaration if so required by the Declarant, any easements, leases or licenses in perpetuity (or otherwise) in favour of a Telecom service provider, or to Convey any easements, leases or licenses of portions of the common elements to the Declarant, any Neighbouring lands Owners and/or third parties, or any of their successors or assigns over, under, upon, across and through the common elements, for the purposes of facilitating the construction, installation, operation, maintenance or repair of a Telecom service or other services, lines and wires in order to facilitate the supply of Telecom services to each of the POTLs, and, if necessary, the

SAMPLE

Berczy Glen Lands, and, if so requested by the Telecom service provider, to enter into and abide by the terms of an agreement with the Telecom service provider, pertaining to the provision of Telecom services to the POTLs;

(u) when the Corporation formally retains an independent consultant (who holds a certificate of authorization within the meaning of the *Professional Engineers Act* R.S.O. 1990, as amended, or alternatively, a certificate of practice within the meaning of the *Architects Act* R.S.O. 1990, as amended) to conduct a performance audit of the common elements on behalf of the Corporation and in accordance with the provisions of Section 44 of the Condominium Act and Section 12 of O. Reg.48/01 thereunder (the "**Performance Audit**") at any time between the 6th month and the 10th month following the registration of this Declaration, then the Corporation shall have a duty to:

(i) permit the Declarant and its authorized employees, agents, contractors and representatives to accompany (and confer with) the consultant(s) retained to carry out the Performance Audit for the Corporation (the "**Performance Auditor**") while same is being conducted, and to provide the Declarant with at least fifteen (15) days written notice prior to the commencement of the Performance Audit; and

(ii) permit the Declarant and its authorized employees, agents, contractors and representatives to carry out any repair or remedial work identified or recommended by the Performance Auditor in connection with the Performance Audit, if the Declarant chooses to do so;

for the purposes of facilitating and expediting the rectification and audit process, as well as bringing all matters requiring rectification to the immediate attention of the Declarant so that same may be promptly dealt with, and providing the Declarant with the opportunity to verify, clarify or explain any potential matters of dispute to the Performance Auditor, prior to the end of the 11th month following the registration of this Declaration and the corresponding completion of the Performance Audit and the related submission of the Performance Auditor's report to the Board pursuant to Section 44(9) of the Condominium Act;

(v) to maintain and keep in good repair the Declarant's logo or hallmark of distinction, or the logo or hallmark of distinction of any other company associated, affiliated or related to the Declarant, which has been or will be permanently installed or affixed by the Declarant within the common elements, all as more particularly located, illustrated, identified or otherwise referred to in the Description filed concurrently with this Declaration and to ensure that no actions or steps are taken by the Corporation (or anyone else) to remove, relocate, tarnish, deface, damage or alter in any way, the aforementioned logo or hallmark of distinction;

(w) not to interfere with any easements or rights-of-way in favour of the public, for pedestrian use through the Condominium or the Neighbouring Lands;

(x) to maintain the Condominium in accordance with the performance measures applicable to the Condominium, as determined by the City from time to time;

(y) not to interfere with or object to any development by the Declarant or any Neighboring Lands Owner of the Berczy Glen Lands; and not to interfere with or object to any related official plan or by-law amendment, re-zoning, variance, or application, including any plan(s) of condominium or plan(s) of subdivision, made by the Declarant or any Neighbouring Lands Owner to any Approving Authority in respect of the development of the Berczy Glen Lands; and not to object to the construction of any such development nor deem the construction of any such development an inconvenience or nuisance;

(z) to obtain the prior written approval of the Declarant, to be granted or withheld in the Declarant's sole and unfettered discretion, prior to any alteration to the common elements for a period commencing on the date of registration of this Declaration and expiring on that date which is five years from the date of registration of this Declaration;

(aa) to assume and comply with (i) the Encumbrances, execute any easements or other documents required pursuant to the Encumbrances, pay any costs associated with or arising from the Encumbrances and provide any further assurances required by the Encumbrances, whether any such easements, documents, costs or assurances are required by the Declarant, any Approving Authority or any third party claiming through the Declarant; and (ii) any leases, licences, easements or other similar agreements entered into by the Declarant for or on behalf of the Corporation;

(bb) to execute and deliver any releases or discharges of any easements or Encumbrances, forthwith upon request by the Declarant;

(cc) if required by applicable law or any Approving Authority, to abide by any lighting policy of public light on private lands;

SAMPLE

(dd) to enforce the terms of the restrictive covenants, if any, registered against title to the POTLs and the Land; and

(ee) to observe, comply with and perform, any other obligation or duty imposed on the Corporation by this Declaration or any agreement to which it is a party.

ARTICLE VII
GENERAL MATTERS AND ADMINISTRATION

1. Use of common elements by the Declarant

Notwithstanding any other provisions of this Declaration:

(a) the Declarant shall be entitled to place and maintain signs on any part of the common elements for marketing and sales purposes in regard to the Declarant's ongoing marketing program and sales efforts for unsold POTLs or the sale of other units or lands in the Berczy Glen Lands or other developments in the Greater Toronto Area (such signs to be in such locations as may be determined by the Declarant in its sole and unfettered discretion) until such time as the Declarant has completed its marketing program and sales efforts in regard to POTLs or the sale of other units or lands in the Berczy Glen Lands or other developments in the Greater Toronto Area, or such later time as determined by the Declarant, in its sole and unfettered discretion; the Declarant shall also be entitled to place and maintain signs on any part of the common elements, which signs relate to any customer service information;

(b) the Declarant and its authorized agents, invitees or representatives shall have free and uninterrupted access to, and use of, the common elements, for any lawful purpose, including for the purposes of conducting its marketing program and sales efforts as described above, for the completion of construction and after-sales service of the POTLs and any other improvements on the Berczy Glen Lands or to take any action pursuant to any of the Encumbrances;

(c) the Declarant and its authorized agents, invitees or representatives shall have free and uninterrupted access to and use of the common elements and the Neighbouring Lands, for the purposes of further development and construction of the Berczy Glen Lands or lands in the vicinity of the Berczy Glen Lands, which rights may include, but are not limited to, rights of access, service, support, tie-backs, shoring and to swing a crane over the Land and the Neighbouring Lands;

(d) the Corporation shall ensure that no actions or steps are taken by anyone which would prohibit, limit, impede or restrict the ingress and/or egress of the Declarant over the common elements;

(e) the Declarant, the Corporation or its directors, officers, managers, agents, servants and employees may enter, without notice, the common elements (including any exclusive use common elements) to correct any situation which violates a policy of insurance or for fulfilling a duty imposed upon the Declarant or the Corporation or to take any action pursuant to any of the Encumbrances;

(f) without limiting the generality of this Section, the Declarant's marketing and sales efforts may include, notwithstanding any other provision of this Declaration, the use of any part or parts of Berczy Glen Lands as one or more model homes or as a sales office and/or customer service office; and

(g) the Corporation shall not charge the Declarant any fee or other charge of any nature whatsoever in respect of the Declarant's use of the common elements, as set out in this Section, nor shall the Corporation or any of its directors, officers, managers, agents, servants and employees take any actions or steps which would prohibit, limit or restrict the Declarant's access and ingress in, over, along and/or through the common elements, any parts of the Neighbouring Lands or any POTL, or interfere with the supply of (and insofar as the services are supplied from or through the Corporation's property, to cause) all requisite Utility Services, Sub-Metering, Telecom services, and storm, fire and/or emergency services and any such other ancillary services to any of the Declarant's activities on the common elements.

2. POTLs Subject to Legal Requirements

(a) All present and future Residents and Guests and all directors, officers, managers, agents, servants and employees of the Corporation, and any person having an encumbrance against a POTL, shall be subject to and shall comply with the Legal Requirements.

(b) The acceptance of a Transfer, or the entering into a lease or the entering into occupancy of any POTL, shall constitute an agreement that the Legal Requirements are accepted and ratified by such Owner or Resident and all of such provisions shall be deemed and be taken

SAMPLE

to be covenants running with the POTL and shall bind any person having, at any time, any interest or estate in such POTL, as though such provisions were recited and stipulated in full in each and every such Transfer or lease or occupancy agreement.

(c) All present and future Owners and Residents, by accepting a Transfer or entering into a lease or the entering into occupancy of any POTL, acknowledge and agree that any right to be exercised by or benefit granted to the Declarant hereunder in respect of the development of the Berczy Glen Lands or in any other manner related to the Berczy Glen Lands (including all easements, rights of way or rights to use any portion or portions of the POTLs, the common elements of the Condominium or the Neighbouring Lands and all determinations to be made in respect of the Condominium and the Neighbouring Lands), may be exercised or enjoyed by the Declarant, any of the Neighbouring Lands Owners or any of their successors, assigns, affiliates, related or associated entities, holding body corporate, subsidiary body corporate, agents or representatives (each, an "**Alternate Entity**", and collectively "**Alternate Entities**"), irrespective of whether or not such Alternate Entities exist as at the date hereof and whether such rights are expressed to be in favour of any or all of, the Declarant, any Neighbouring Lands Owner, or any of its or their Alternate Entities.

3. Invalidity

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or enforceability in whole or in part of any one or more of such provisions shall be deemed not to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and in such event all the other provisions of this Declaration shall continue in full force and effect as if such invalid provisions had never been included herein.

4. Notices

(a) Except as otherwise provided in the Condominium Act, any notice, direction or other instrument required or desired to be given or delivered, may be given as follows:

(i) to a Resident or to any director or officer of the Resident, either personally or by ordinary mail postage prepaid, addressed to the Resident at the address for service given by such Resident to the Corporation for its records, or if no such address has been given to the Corporation, then to such Resident at their POTL;

(ii) to a Mortgagee who has notified the Corporation of their interest in any POTL, by giving same to such Mortgagee or to any director or officer of such Mortgagee either personally or by ordinary mail, postage prepaid, addressed to such Mortgagee at the address for service given by such Mortgagee to the Corporation;

(iii) to the Corporation, by giving same to any director or officer of the Corporation, either personally or by ordinary mail, postage prepaid, addressed to the Corporation at its address for service; and

(iv) to the Declarant by giving same to any director or officer of the Declarant, either personally, by bonded courier, or by telefax, addressed to the Declarant at its address for service from time to time.

(b) For any notices mailed as aforesaid, such notice shall be deemed to have been received (and to be effective) on the third day following the day on which same was mailed.

(c) In the event of a postal strike or threatened actual interruption of mail service, all notices shall be delivered personally, by courier, or by telefax transmission.

5. Waiver

The failure to take action to enforce any provision contained in the Legal Requirements, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor be deemed to abrogate or waive any such provision.

6. Construction of Declaration

This Declaration shall be read with all changes of number and gender required by the context.

7. Headings

The headings in the body of this Declaration form no part of the Declaration but shall be deemed to be inserted for convenience of reference only.

SAMPLE

8. Trademarks and Copyright

The Declarant and all Alternate Entities shall retain ownership, control and the right to use all names, logos, sketches, images, plans, artist renderings, and scale models associated with the Condominium. The Declarant and all Alternate Entities shall be permitted to use the same in any marketing materials or any other manner as the Declarant or the Alternate Entities may deem appropriate at any time before or after the registration of this Declaration and the Description.

9. Interest

All amounts payable by an Owner that are not paid when due shall bear interest at the rate of the Prime Rate plus 5% per annum, calculated monthly, until paid by such Owner and such amounts shall be deemed to be an additional required contribution towards the common expenses by such Owner and recoverable as such.

10. References to Condominium Act

Any references to any section or sections of the Condominium Act in the Declaration, the by-laws of the Corporation and the Rules shall be read and construed as a reference to the identical or similarly appropriate section or sections (as the case may be) of any successor legislation of the Condominium Act or any amended Condominium Act.

[rest of page intentionally left blank; signature page follows]

SAMPLE

DATED at the City of [●], this _____ day of _____, 20__.

IN WITNESS WHEREOF the Declarant has hereunto affixed its corporate seal and executed these presents under the hands of its proper officers duly authorized in that behalf.

MATTAMY (BERCZY GLEN) LIMITED

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have authority to bind the Corporation

SAMPLE

SCHEDULE "A"
DESCRIPTION OF THE LAND

IN THE CITY OF MARKHAM, Regional Municipality of York, being comprised of part of Block 132, Plan 65M-4708, designated as Parts 17, 18 and 19, Plan 65R-_____, hereinafter referred to as the "Condominium Lands".

Being all of P.I.N 03053-_____ (LT).

TOGETHER WITH the uninterrupted and unobstructed rights-of-way or rights in the nature of easements, in favour of the Condominium Lands, in over, along and upon that part of Block 132, Plan 65M-4708, designated as Parts 1 to 16, inclusive, 20 and 21, Plan 65R-_____ (being P.I.N.s 03053-_____ (LT) to 03053-_____ (LT) inclusive), for the access of persons, materials, vehicles and equipment necessary for the maintenance, repair, reconstruction and operation of any utility or service, and mechanical or electrical installations appurtenant thereto, including but not limited to water mains, gas mains, storm or sanitary sewers, sanitary sewer outlets, meter and backflow chambers, electrical cables, wires and ducts, telephone and cable television, cables, wires, ducts and street light standards, acoustic fences, curbs, sidewalks, catch basins, manholes, fire hydrants and hydro vaults, landscaping, retaining walls, fences and infiltration galleries, all of which are situate or to be situate within that part Block 132, Plan 65M-4708, designated as Parts 1 to 16, inclusive, 20 and 21, Plan 65R-_____ and which are the responsibility of the Condominium Corporation to maintain and repair pursuant to the Declaration to which this Schedule "A" is attached.

TOGETHER WITH an easement in favour of the owners, their successors and assigns of the Condominium Lands in, over, along and upon that part of Block 132, Plan 65M-4708, designated as Parts 1 to 16, inclusive, and 20 and 21, Plan 65R-_____ (being P.I.N.s 03053-_____ (LT) to 03053-_____ (LT) inclusive), for the access of persons, materials, vehicles and equipment necessary for the maintenance of the landscape features which are situated or to be situated within the frontage of that part of that part of Block 132, Plan 65M-4708, designated as Parts 1 to 16, inclusive, and 20 and 21, Plan 65R-_____ (being P.I.N.s 03053-_____ (LT) to 03053-_____ (LT) inclusive), and which are the responsibility of the Condominium Corporation to maintain and repair pursuant to the declaration to which this Schedule "A" is attached.

SUBJECT TO an easement in gross in favour of Alectra Utilities Corporation over the Condominium Lands, for the purposes as set out in Instrument No. YR3337129.

SUBJECT TO an easement in favour of Enbridge Gas Inc. over the Condominium Lands, for the purposes as set out in Instrument No. YR3406332.

Note: The Declarant, at his sole discretion, may enter into agreements or transfers of easements with other land owners or utilities to facilitate the servicing and access to and from these lands and adjacent lands.

Note: The Declarant, at his sole discretion, reserves the right to transfer portions of the subject lands which may be required by municipal or regional authorities for road widenings, reserves or environmental purposes as well as reserving the right to transfer servient interests or accept transfer of appurtenant interests which may provide for access or service to the subject or adjoining lands.

Note: The final boundaries of the Condominium shall be defined precisely on a Reference Plan of Survey deposited in the Land Titles Division of the Land Registry Office prior to Condominium registration. The Declarant shall at its own discretion, determine the final Condominium boundaries.

In our opinion, based on the parcel register and the plans and documents recorded therein, the legal description set out above is correct, the easements hereinbefore described exist in Law or will exist in Law upon the registration of the Declaration and the Description and the Declarant is the registered owner of the land and appurtenant easements.

McMillan LLP
Solicitors and duly authorized representatives of the Declarant:

MATTAMY (BERCZY GLEN) LIMITED

Per: _____
Omar Mashnuk

SAMPLE

SCHEDULE "B"

CERTIFICATE *Condominium Act, 1998*

CONSENT

(under clause 7(2)(b) of the *Condominium Act*, 1998)

1. I (We) ● have a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act*, 1998, registered as Number ● in the Land Registry Office for the Land Titles (or Registry) Division of ●

2. I (We) consent to the registration of *(strike out whichever is not applicable: this declaration / this amendment to the declaration, which is not an amendment for creating a phase)*, pursuant to the *Condominium Act*, 1998, against the land or the interests appurtenant to the land, as the land and the interests are described in the description.

(If the mortgage is a registered mortgage within the meaning of clause 7(2)(b) of the Condominium Act, 1998, include the following paragraph:)

3. I (We) postpone the mortgage and the interests under it to the declaration and the easements described in Schedule A to the declaration.

4. I am (We are) entitled by law to grant this consent *(if applicable, add: and postponement.)*

Dated this …… day of …….. , …… .

CONSENT TO ATTACHMENT OF A COMMON INTEREST

(under subsection 40(3) of Ontario Regulation 48/01 and under clause 140(c) of the *Condominium Act, 1998*)

1. I (We) ● have a mortgage registered as Number ● in the Land Registry Office for the Land Titles (or Registry) Division of ● against a parcel of land (known as the "Parcel") to which a common interest in a common elements condominium corporation (known as the "Corporation") will attach upon the registration of the attached declaration (known as the "Declaration") dated ● and the description (known as the "Description") creating the Corporation.

2. I (We) acknowledge that, upon the registration of the Declaration and Description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule A to the Declaration.

3. I (We) consent to the registration of a notice in the prescribed form indicating that a common interest in the Corporation, as the common interest is set out in Schedule D to the Declaration, attaches to the Parcel upon the registration of the Declaration and Description.

Dated this …… day of …….. , …… .

SAMPLE

SCHEDULE "C"

This Schedule is not applicable.

SAMPLE

May 14, 2026

SPRINGWATER MARKHAM PHASE 4

SCHEDULE ' D '

PARCEL OF TIED LAND (POTL) NO.	POTL DESCRIPTION	PROPORTIONS EXPRESSED IN THE PERCENTAGES IN WHICH THE OWNERS ARE TO CONTRIBUTE TO THE COMMON EXPENSES	PROPORTION EXPRESSED IN PERCENTAGES OF THE COMMON INTEREST THAT WILL ATTACH TO EACH POTL
1	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 1, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
2	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 2, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
3	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 3, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
4	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 4, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
5	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 5, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
6	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 6, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
7	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 7, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
8	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 8, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
9	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 9, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
10	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 121, Plan 65M-4708, designated as PART 10, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
11	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 11, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
12	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 121, Plan 65M-4708, designated as PART 12, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
13	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 13, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
14	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 14, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
15	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 15, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
16	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 16, XXXX, Being all of PIN XXXX-XXXX	6.2500	6.2500
TOTAL RESIDENTIAL PERCENTAGE		100.0000	100.0000

SAMPLE

SCHEDULE "E"
COMMON EXPENSES

Common expenses shall include but shall not be limited to the following:

(a) All expenses of the Corporation incurred by it or by the Board in the performance of the objects and duties of the Corporation, whether such objects and duties are imposed under the provisions of the Condominium Act, this Declaration or performed pursuant to any other Legal Requirements.

(b) All sums of money properly levied or charged to the Corporation on account of any and all public and private suppliers of insurance coverage, taxes, utilities, and services including without limiting the generality of the foregoing, levies or charges payable on account of:

(i) the procurement and maintenance of any insurance coverage required or permitted by the Condominium Act, or this Declaration and which this Declaration provides is not to be borne solely by an Owner;

(ii) water and sewage charges for the common elements, if applicable;

(iii) water discharge surcharges, if any, assessed by an Approving Authority;

(iv) hydro-electric power for the common elements (including all street lighting), if applicable;

(v) fuel, including natural gas, for the common elements, if applicable;

(vi) realty taxes (including local improvement charges) levied against the common elements and any POTLs owned by the Corporation;

(vii) snow ploughing and removal, salting of roadways and walkways, landscaping, including irrigation of such landscaping, and lawn maintenance;

(viii) garbage collection, the collection of recyclable materials and waste disposal for the POTLs and the common elements, if applicable;

(ix) maintenance materials, tools, equipment and supplies;

(x) Utility Services and Sub-Metering to the extent not payable by an Owner and/or to the extent applicable to the common elements;

(xi) maintenance of the Facilities; and

(xii) pest control.

(c) The cost of obtaining and maintaining fidelity bonds as provided in the by-laws of the Corporation, if any.

(d) All sums of money paid or payable by the Corporation to or for the benefit of any and all persons, firms or companies engaged or retained by the Corporation, its Board or by its duly authorized directors, officers, managers, agents, servants and employees, for the purpose of performing any or all of the duties of the Corporation.

(e) All sums of money paid or payable by the Corporation in the performance of its objects, duties and powers including legal, engineering, accounting, auditing, expert appraising, consulting, advising, maintenance, managerial, secretarial and professional advice and services required by the Corporation.

(f) All sums of money assessed by the Corporation for the reserve fund to be paid by every Owner as part of their required contribution towards common expenses, for the major repair and replacement of common elements and assets of the Corporation in accordance with the Condominium Act and this Declaration.

(g) All sums of money paid by the Corporation for any addition, alteration, improvement to or renovation of the common elements or assets of the Corporation, save such costs or expenses as this Declaration imposes on any Owner.

(h) The cost of borrowing money to carry out the objects and duties of the Corporation and the repayment thereof including principal and interest, and the repayment of debts incurred for the objects and duties of the Corporation.

SAMPLE

(i) All sums of money paid or payable by the Corporation for the acquisition or retention of real property for the use and enjoyment of the common elements or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment of the common elements.

(j) All sums of money paid or payable by the Corporation for the utilization of any easement, lease or right required, necessary or desirable for the maintenance of access and supply of service to the Land.

(k) All expenses incurred by the Corporation or by its Board in enforcing any of the Legal Requirements and any applicable laws, by-laws and regulations or requirements of any Approving Authority from time to time, and in effecting compliance therewith by all the Owners and their respective Tenants and Guests unless these expenses are able to be charged or levied against the individual Owners, as contemplated by this Declaration.

(l) The cost of maintenance, repair, operation, replacement and equipping the common elements.

(m) All sums of money paid or payable by the Corporation pursuant to the provisions of Section 97 of the Condominium Act.

(n) The cost of insurance appraisals.

(o) The fees and disbursements of any insurance trustee, if applicable.

(p) All sums of money paid or payable by the Corporation pursuant to any management contract which may be entered into between the Corporation and a manager.

(q) Common expenses and realty taxes payable by the Corporation in respect of any POTL owned by the Corporation.

(r) All costs relating to any Transfers, including any easements, to the Corporation.

(s) All sums of money payable pursuant to or in accordance with any Encumbrance.

(t) All costs for major capital repairs or replacements to any component part of the electricity distribution system including the re-wiring of cables and or the replacement of major components such as conduits, bus ducts, transformers, fuses, main breakers, switches, switchboards, cabinets, distribution panels or related components.

(u) All fees charged by the Condominium Authority of Ontario.

SAMPLE

SCHEDULE "F"

This Schedule is not applicable.

SAMPLE

SCHEDULE "G"

CERTIFICATE OF ARCHITECT OR ENGINEER

(under subsections 40(11) and 56(7) of Ontario Regulation 48/01 and under clauses 8(1)(e) and (h) or clauses 157(1)(c) and (e) of the *Condominium Act, 1998*)

I certify that:

I. Each building and structure that the declaration and description show are included in the common elements has been constructed in accordance with the regulations made under the Condominium Act, 1998, with respect to the following matters:

(*Check whichever boxes are applicable:)*

1,2,3 ☐ The declaration and description show that there are no buildings or structures included in the common elements.

OR

1. ☐ The exterior building envelope, including roofing assembly, exterior wall cladding, doors and windows, caulking and sealants, is weather resistant if required by the construction documents and has been completed in general conformity with the construction documents.

2. ☐ Floor assemblies of the buildings and structures are constructed and completed to the final covering.

3. ☐ Walls and ceilings of the buildings and structures are completed to the drywall (including taping and sanding), plaster or other final covering.

4. ☐ All underground garages have walls and floor assemblies in place.

OR

☐ There are no underground garages.

5. ☐ All elevating devices as defined in the *Elevating Devices Act* are licensed under that Act if it requires a license, except for elevating devices contained wholly in a unit and designed for use only within the unit.

OR

☐ There are no elevating devices as defined in the *Elevating Devices Act*, except for elevating devices contained wholly in a unit and designed for use only within the unit.

6. ☐ All installations with respect to the provision of water and sewage services are in place and operable.

OR

☐ There are no installations with respect to the provision of water and sewage services.

7. ☐ All installations with respect to the provision of heat and ventilation are in place and heat and ventilation can be provided.

OR

☐ There are no installations with respect to the provision of heat and ventilation.

8. ☐ All installations with respect to the provision of air conditioning are in place.

OR

☐ There are no installations with respect to the provision of air conditioning.

9. ☐ All installations with respect to the provision of electricity are in place and operable.

OR

☐ There are no installations with respect to the provision of electricity.

SAMPLE

10. ☐ All indoor and outdoor swimming pools are roughed in to the extent that they are ready to receive finishes, equipment and accessories.

OR

☐ There are no indoor and outdoor swimming pools.

II All facilities and services that the declaration and description show are included in the common elements have been installed and provided in accordance with the requirements of the municipalities in which the land is situated or the requirements of the Minister of Municipal Affairs and Housing, if the land is not situated in a municipality.

Dated this ... day of ....., …….

(signature)

(print name)
(Strike out whichever is not applicable:
Architect
Professional Engineer)

SAMPLE

SCHEDULE "H"

List of all buildings, structures, facilities and services that are included in the common elements:

1. Buildings and structures that the declaration and description show are included in the common elements:

   (a) There are no buildings and structures included in the common elements.

2. Facilities and services that the declaration and description show are included in the common elements:

   (a) Private laneway to base coat of asphalt.

   (b) Private walkway connecting Elgin Mills Road East and some of the POTLs to the private laneway.

   (c) Visitor Parking Spaces – asphalt paved parking areas.

   (d) Various landscaped areas adjacent to the internal roads and walkways within the common elements.

   (e) Sidewalks, walkways and curbs.

   (f) Hydro transformers.

SAMPLE

SCHEDULE "I"

CERTIFICATE OF OWNER IN THE MATTER OF A COMMON ELEMENTS CONDOMINIUM CORPORATION

(under clause 139 (l) (b) of the *Condominium Act, 1998*)

1. I am (We are) the owner(s) of the freehold estate in ● (provide a registerable description of the parcel of land to which a common interest in the common elements condominium will attach) (known as the "Parcel").

2. I (We) consent to the registration of the attached declaration to create a common elements condominium corporation (known as the "Corporation") on (provide a brief legal description sufficient to identify the property).

3. I (We) acknowledge that, upon registration of the declaration and the description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule "A" to the declaration.

4. I (We) consent to the registration of a notice in the prescribed form against the Parcel indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the declaration, attaches to the Parcel upon the registration of the declaration and description..

Dated this ___ day of _____, 20__.

MATTAMY (BERCZY GLEN) LIMITED

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have authority to bind the Corporation

SAMPLE

SCHEDULE "J"

NOTICE OF ATTACHMENT OF A COMMON INTEREST IN A COMMON ELEMENTS CONDOMINIUM CORPORATION

(under clause 139 (2) (b) of the *Act*, 1998)

Take notice that:

1. The attached declaration and the description creates a common elements condominium corporation (known as the "Corporation").

2. A common interest in the Corporation, as the common interest as set out in Schedule D to this declaration, attaches to the following parcel of land (known as the "Parcel"): (provide the registerable description of the parcel of land as set out in Schedule D to the declaration).

3. The common interest cannot be severed from the Parcel upon the sale of the Parcel or the enforcement of an encumbrance registered against the Parcel.

4. A copy of the certificate of the owner of the Parcel consenting to the registration of the declaration and this notice is attached to this declaration as Schedule I.

5. If the owner of the Parcel defaults in the obligation to contribute to the common expenses of the Corporation, the Corporation has a lien against the Parcel.

Dated this ___ day of _____, 20__.

MATTAMY (BERCZY GLEN) LIMITED

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have authority to bind the Corporation

SAMPLE

4

SAMPLE

SPRINGWATER MARKHAM
PHASE 4

BUDGET STATEMENT

SAMPLE

May 24, 2026

SPRINGWATER MARKHAM PHASE 4

BUDGET STATEMENT FOR THE COMMON EXPENSES FOR THE YEAR FOLLOWING REGISTRATION OF THE DECLARATION AND DESCRIPTION OF THE PROPOSED SPRINGWATER MARKHAM PHASE 4 COMMON ELEMENTS CONDOMINIUM CORPORATION IN MARKHAM, ONTARIO

****

I	**REVENUE**			
	Common Charges		$48,000	
	Interest Income		500	
	TOTAL REVENUE			**$48,500**
II	**OPERATING EXPENDITURES**			
	A.	**UTILITIES**		
		Hydro	1,000	
		Water / Sewage	300	
		Gas	0	
		TOTAL UTILITIES		1,300
	B.	**REPAIRS AND MAINTENANCE**		
		Electrical	400	
		Plumbing / Catch Basin / Hydrant	700	
		Landscaping	200	
		Sidewalks	200	
		Miscellaneous	200	
		TOTAL REPAIRS AND MAINTENANCE		1,700
	C.	**CONTRACTS**		
		Property Management	11,000	
		Snow Ploughing	11,800	
		Landscaping	9,000	
		Waste Disposal	0	
		Power Sweeping	800	
		TOTAL CONTRACTS		32,600
	D.	**SUPPLIES**		
		Lighting / Property / Signage	600	
		TOTAL SUPPLIES		600
	E.	**INSURANCE**		4,000
	F.	**GENERAL AND ADMINISTRATIVE**		
		General Meetings / Communication	1,000	
		Office Supplies / Administration	1,000	
		Bank Charges	300	
		Legal Fees	508	
		Condominium Administrative Fee	192	
		Audit Fees	3,500	
		Less Declarant Contribution	*(3,500)*	
		TOTAL GENERAL AND ADMINISTRATIVE		3,000

SAMPLE

G.	**PERFORMANCE AUDIT**	6,000	
	Less Declarant Contribution	*(6,000)*	
	TOTAL PERFORMANCE AUDIT		0
TOTAL OPERATING EXPENDITURES			**$43,200**
H.	**CONTRIBUTION TO RESERVE FUND**		
	Reserve Fund Provision	3,300	
	Reserve Fund Provision for Reserve Fund Study	2,000	
	TOTAL RESERVE FUND		**5,300**
TOTAL EXPENDITURES			**$48,500**

SAMPLE

SPRINGWATER MARKHAM PHASE 4

BUDGET NOTES

I INDIVIDUAL POTL ASSESSMENT

The monthly common charge for each Parcel of Tied Land (POTL) is determined by dividing the total budgeted common element fees attributed to the Common Elements by 12 to determine the monthly assessment and by multiplying that figure by each POTL's percentage contribution to common expenses to find the monthly individual common charge.

1. **Total Monthly Common Expenses**

   $48,000 ÷ 12 = $4,000.00

2. **Monthly Individual Common Charge**

   Individual POTL monthly common charges are determined by multiplying the total monthly assessment by the percentage contribution to common expenses of each POTL. A schedule of monthly common charges for each POTL is attached to this budget statement.

II OPERATING EXPENSES ($43,200)

A. UTILITIES ($1,300)

1. **Hydro ($1,000)**

   Each POTL will be separately metered and the cost of electricity to the POTL will be the responsibility of the respective POTL owner and will not form part of the condominium budget. Hydro associated with the exterior street lighting of the private roadway and laneway has been accounted for.

2. **Water / Sewage ($300)**

   Each POTL will be separately metered or sub- metered and the cost of water and waste water to each POTL will be the responsibility of the respective POTL owner and will not form part of the condominium budget.

3. **Gas ($0)**

   Each POTL will be separately metered and the cost of gas to each POTL will be the responsibility of the respective POTL owner and will not form part of the condominium budget.

B. REPAIRS AND MAINTENANCE ($1,700)

This grouping of accounts pays for repairs and maintenance to the shared facilities as required by outside contractors.

1. **Electrical ($400)**

This is the contracted cost for servicing and maintaining the street lighting and light standards located throughout the roadway system.

2. **Plumbing / Catch Basins / Hydrants ($700)**

This account pays for costs associated with any preventative and annual maintenance of servicing the fire hydrants and regular cleaning of catch basins.

3. **Landscaping ($200)**

Miscellaneous repairs and maintenance to entrance sign area on North West corner.

SAMPLE

4. **Sidewalks ($200)**

Repairs and maintenance to the common sidewalks and curbs as required.

5. **Miscellaneous ($200)**

Miscellaneous repairs to other common elements including such items as signage and other items not described in this grouping of expenses.

C. CONTRACTS ($32,600)

1. **Property Management ($11,000)**

The Declarant proposes to enter into a Management Agreement with FirstService Residential to perform property management services.

2. **Snow Ploughing ($11,800)**

The annual cost covering a five-month period for the snow ploughing and salting of the private roadway, visitor parking areas and the perimeter common walkways of the project. Each POTL owner is responsible to clear their own driveway, steps and landings.

3. **Landscaping ($9,000)**

The estimated cost to maintain both the common area landscaping and maintenance of the lawn portion of the front or side yards of the POTLs which will only include regular grass cutting and trimming of grass located on the front or side yards of the POTLs landscaped lands, has been accounted for.

4. **Waste Disposal ($0)**

It is anticipated that Municipal Garbage curb side pick up to remove waste and other recyclables will be provided by the City of Markham, however, in the event that the Municipal Garbage curb side pick up service is not available or the service cannot be implemented, then the monthly maintenance fee will be increased by an average of $40.00 per POTL per month.

5. **Power Sweeping ($800)**

The estimated cost to power sweep at a frequency of one time a year the private laneway.

D. SUPPLIES ($600)

This category includes the estimated cost for lighting supplies, signage, maintenance supplies.

E. INSURANCE ($4,000)

The allocation in this category is for the cost of the insurance premium to meet the requirements of the Common Elements Condominium Corporation. Included is all risks replacement cost property coverage of the common elements, comprehensive public liability, and Directors and Officers liability coverage. Please note that this insurance coverage does not cover any POTL. Each POTL owner must obtain their own insurance coverage for their own POTL.

F. GENERAL AND ADMINISTRATIVE ($3,000)

1. **General Meetings / Communication ($1,000)**

This is the estimated cost of holding the quarterly meetings of the Common Elements Condominium Corporation during the first year, including minute taking services and postage mailout. Costs associated with holding the Turnover meeting will be the responsibility of the Declarant.

SAMPLE

2. **Office Supplies / Administration ($1,000)**

The budget provides for any office expenses directly related to the operation of the Common Elements Condominium Corporation including duplication and distribution of minutes and other corporation documents that may be sent from time to time to POTL owners.

3. **Bank Charges ($300)**

The budget provides for bank charges related to the Corporation bank account for deposits and pre-authorized fund transfers.

4. **Legal Fees ($508)**

Provision has been made for the appointment of legal counsel for the Common Elements Condominium Corporation at the discretion of the Board of Directors.

5. **Condominium Administrative Fee ($192)**

Estimated annual fees associated with the creation of the new Condominium Authority of Ontario Office. This organization is an Administrative Authority which will provide condominium owners with the tools and information that owners may need to understand condominium ownership, Board of Director training and use of the dispute resolution services.

6. **Audit Fees ($0)**

a. Audit Fees ($3,500)
Section 43 (7) of the Condominium Act requires an audit sixty (60) days after the turnover meeting and Section 67 requires an audit at year end. The provision is the estimated cost to complete both the audits during the year.

*b. **Declarant Contribution towards Audit Fees (-$3,500)***
The cost of the Turnover Meeting Audit per section 43 (7) of the Condominium Act and the Year end audit per section 67 of the Condominium Act, will be paid by the Declarant upon the presentation of a valid invoice approved by the Condominium Corporation.

G. PERFORMANCE AUDIT ($0)

1. **Performance Audit ($6,000)**

The cost of the engineering study to be conducted by the Homeowner Board of Directors, to examine the common element areas.

The Declarant shall arrange for an agreement on behalf of the Corporation with an independent engineering consultant to prepare a Performance Audit within one (1) year immediately following registration of the Declaration and the Description. The Performance Audit shall be conducted by professional consulting engineers who shall make a thorough examination of the common element areas and assess the as-constructed condition of the various systems and components of the common element areas in order to provide the Corporation with a report on the common element areas which will assist the Corporation in assessing repair and maintenance requirements

2. Less Declarant Contribution (-$6,000)

The initial cost of the Performance Audit Amount will be paid by the Declarant. The Declarant will pay the specified amount up to a maximum

SAMPLE

of $6,000 including HST upon the presentation of a valid invoice approved by the Condominium Corporation

H. CONTRIBUTION TO RESERVE FUND ($5,300)

1) Reserve Fund Provision ($3,300)

Section 93 (2) of the *Condominium Act 1998* defines the Reserve Fund, as a fund set up by the condominium corporation in a special account for the major repair and replacement of common elements and assets of the Condominium corporation. It is anticipated that one-twelfth of the annual contribution to the Reserve Fund will be made on a monthly basis. At the time of the preparation of this budget, a detailed Reserve Fund Study had not been prepared. The provision is calculated at 12% of the estimated operating expenses. Future allocations will be dictated by the reserve fund study to be completed in accordance with the *Condominium Act, 1998*. The only Reserve Expense anticipated in the first year relates to the preparation of the Reserve Fund Study.

2) Reserve Fund Study ($2,000)

In accordance with the *Condominium Act 1998*, the condominium corporation will retain the services of an independent consultant to prepare a reserve fund study (Section 94 (4)), which will establish the level of funding necessary to maintain an adequate reserve for future major repair and replacement of the common elements. Section 94 (7) allows for the reserve fund study to be expensed from the reserve fund.

SAMPLE

ADDITIONAL STATEMENTS REQUIRED BY THE CONDOMINIUM ACT

a) The total common expenses of this proposed Common Element Condominium Corporation, including the provision to the reserve fund is $48,000 as shown on the Budget Statement.

b) The cost of each expense item is shown on the Budget Statement. The cost of the Reserve Fund Study is $2,000 including H.S.T.; the cost of both the turn over and year end financial audits is $3,500 including H.S.T., to which the Declarant will contribute up to a maximum of $3,500 including HST towards the cost of the turn over audit and year end, and the cost of the performance audit is $6,000 including H.S.T. to which the Declarant will contribute up to a maximum of $6,000 including HST towards the first-year performance audit cost.

c) The cost, type, level and frequency of services is detailed in the notes above.

d) The monthly common element fee for each POTL is shown on the attached schedule to the Budget Statement.

e) At the time of preparation of the Budget Statement of, there are no judgments, with respect to the property, against the Declarant nor is the Declarant Corporation a party to any lawsuit material to the within property.

f) There are no services not included in the foregoing Budget that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense except for the annual Year End Financial Audit fee estimated to be $3,500 including HST.

g) As at the date of the foregoing Budget, the Common Element Condominium Corporation has not been created and accordingly, there are no amounts in the Reserve Fund. At the end of the first year after registration, there should be $3,300 plus any earned interest income in the reserve fund account.

h) The Harmonized Sales Tax is included in all applicable expense items on the Budget Statement.

i) The cost of cable T.V. service, telephone and internet service to each POTL will be on a user pay basis and is not a common expense and not included in the budget statement.

j) This budget statement incorporates an assumed inflation factor of 7.5% per annum, based on a projected Common Elements Condominium Corporation registration date of September 1, 2027 and in the event that registration occurs sometime thereafter, then this budget statement (and all figures reflecting expenses set forth herein) should be read and construed as automatically being increased by an inflation factor of 7.5% per annum. In such event, purchasers acknowledge and agree that they shall be bound by such revised budget and the acceptance of such revised budget should not be construed as a material change to the Disclosure Statement. Furthermore, nothing set forth in this budget statement should be construed or interpreted as a representation or warranty that the actual registration of the Condominium shall take place by the date noted above, namely September 1, 2027.

k) Owners will be responsible for insuring any contents and improvements in their individual POTLs. This insurance policy should also include personal third-party liability insurance, reimbursement for living expenses outside of their POTLs and protection against any deductible charges that might accrue to the owner from the Common Element Condominium Corporation. The Common Element Condominium Corporation shall insure the common elements for full replacement cost without deduction for depreciation.

SAMPLE

May 14, 2026

SPRINGWATER MARKHAM PHASE 4

SCHEDULE OF MONTHLY COMMON CHARGES

PARCEL OF TIED LAND (POTL) NO.	BLOCK NUMBER	POTL DESCRIPTION	MUNICIPAL ADDRESS	MONTHLY COMMON CHARGE
1	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 1, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
2	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 2, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
3	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 3, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
4	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 4, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
5	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 5, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
6	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 6, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
7	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 7, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
8	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 8, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
9	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 9, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
10	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 121, Plan 65M-4708, designated as PART 10, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
11	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 11, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
12	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 121, Plan 65M-4708, designated as PART 12, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
13	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 13, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
14	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 14, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
15	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 15, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
16	132	In the City of Markham, Regional Municipality of York Region, being composed of part of Block 132, Plan 65M-4708, designated as PART 16, XXXX, Being all of PIN XXXX-XXXX	TBD	250.00
TOTAL COMMON CHARGES				4,000.00

SAMPLE

5

SAMPLE

mattamyHOMES | SPRINGWATER

YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. [●]

BY-LAW NO. 1

Be it enacted as a By-Law of York Region Common Elements Condominium Corporation No. [●] (hereinafter referred to as the "**Corporation**") as follows:

ARTICLE I

DEFINITIONS

Unless otherwise specifically defined herein, the terms used herein shall have ascribed to them the definitions contained in the *Condominium Act*, *1998*, S.O. 1998, c. 19, and any amendments thereto, (hereinafter called the "**Condo Act**") and the Declaration. Any reference to the Condo Act herein shall, where the context so requires, be deemed to include the regulations promulgated thereunder.

ARTICLE II

RECORD

The Corporation shall maintain a record (hereinafter called the "**Record**") respecting the property which shall note the name and address for service of each owner of a common interest in the Corporation and each mortgagee of a common interest appurtenant to a parcel of tied land described in Schedule "D" to the Declaration (a "**POTL**") whose mortgage entitles the mortgagee to vote at a meeting of owners. Only those mortgagees who have notified the Corporation in writing of their right to vote and their address for service and those owners who have notified the Corporation in writing of their name and address for service shall be noted on the Record. The Corporation shall use the record solely for the purposes of the Condo Act. The address for service of each owner shall be the address of their POTL and the address for service of each mortgagee shall be the address shown for them on their mortgage registered in the applicable land registry office, unless the Corporation is given notice of a different address for service by such owner or mortgagee. Any owner or mortgagee whose name is in the Record shall notify the Corporation in writing of all changes in their address for service. The Corporation's Record shall also note an owner's or a mortgagee's electronic communication address if such owner or mortgage provides the Corporation with such owner's or mortgagee's electronic communication address in writing for any purpose, including any change in such electronic communication address, and the Corporation has not received a written request from such owner or mortgagee that notices not be given using such electronic communication address.

ARTICLE III

MEETINGS OF OWNERS

1. **Meetings** - Subject to the requirements of the Condo Act, anything that is required to be approved by a vote of any of the owners shall be approved only at a meeting of the owners duly called for that purpose. Any meeting of the owners may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means, as the Board may determine from time to time.

2. **Meeting Called by First Board** - The First Board (as hereinafter defined) shall call and hold a meeting of owners by the later of the thirtieth (30th) day after the day by which the Declarant has transferred twenty per cent (20%) of the common interests in the Corporation and the ninetieth (90th) day after the Declarant transfers the first common interest in the Corporation (the "**First Meeting of Owners**"). The First Board is not required to call the First Meeting of Owners, if, by the day set for the meeting, the Declarant no longer owns a majority of the common interests and so advises the First Board in writing as a notice to the First Board. At the First Meeting of Owners, the owners, other than the Declarant, may elect two additional directors to the First Board (the "**Additional Directors**").

3. **Quorum**

(a) **First Meeting of Owners:** A quorum for the election of the Additional Directors is those owners who own twenty-five per cent (25%) of the common interests in the Corporation not owned by the Declarant. To count towards the quorum, an owner must have been entitled to receive notice of the First Meeting of Owners, must be entitled to vote at a meeting and shall be present at the meeting or represented by proxy.

(b) **Turnover Meeting and Annual General Meeting:** A quorum for the meetings referred to in Paragraphs 5 and 6 of this Article III shall be constituted when owners who own at least twenty-five per cent (25%) of the common interests in the Corporation are present at the meeting or represented by proxy on the first and second attempts to hold such meetings. If a quorum is not present at the second attempt to hold the meeting and it is the third or subsequent attempt to holding the meeting, the quorum shall be constituted when owners who own at least fifteen per cent (15%) of the common

SAMPLE

interests in the Corporation are present at the meeting or represented by proxy, subject to any by-law registered in accordance with subsection 56(9) of the Condo Act.

4. **Increased Number of Directors** - Any Additional Directors elected to the First Board in accordance with Paragraph 2 of this Article III shall hold office in addition to those directors appointed to the First Board in accordance with Paragraph 1 of Article V, even if the addition of any Additional Directors results in more directors on the First Board than the Declaration or the by-laws of the Corporation allow.

5. **Turnover Meeting** - The board of directors elected or appointed at a time when the Declarant owns a majority of the common interests (the "**First Board**") shall, not more than twenty-one (21) days after the Declarant ceases to be the registered owner of a majority of the common interests, call a meeting (the "**Turnover Meeting**") of the owners to elect a new board of directors (the "**New Board**", and the term "**Board**" as hereinafter defined shall also include the New Board) in accordance with Paragraphs 2 and **Error! Reference source not found.** of Article V, and such meeting shall be held within twenty-one (21) days after the calling of the meeting. If the Turnover Meeting is not called within such time, any owner or mortgagee entitled to vote under section 48 of the Condo Act may call the Turnover Meeting. At the Turnover Meeting, the Declarant or its agents shall give to the New Board all items specified in subsection 43(4) of the Condo Act. Within thirty (30) days after the Turnover Meeting, the Declarant shall deliver to the New Board all items listed in subsection 43(5) of the Condo Act. In addition, pursuant to subsection 43(7) of the Condo Act, within sixty (60) days after the Turnover Meeting, the Declarant shall deliver to the New Board, at the expense of the Corporation, audited Financial Statements (as hereinafter defined) of the Corporation prepared as of the last day of the month in which the Turnover Meeting is held.

6. **Annual General Meeting** - The first annual general meeting of owners shall be held not more than three (3) months after the registration of the Declaration and Description and subsequent annual general meetings shall be held within six (6) months of the end of each fiscal year of the Corporation. The annual general meeting shall be held at such time and on such day and using such means in each year as the Board may from time to time determine, for the purpose of hearing and receiving the reports and statements required by the Condo Act and by-laws of the Corporation to be read at and laid before the owners at an annual meeting; electing directors; appointing the Auditor (as hereinafter defined), fixing or authorizing the directors to fix the Auditor's remuneration of in accordance with Article VIII and for the transaction of such other business as may properly be brought before such meeting. For greater certainty, in the event the annual general meeting may be attended in person, it shall be held at such place within the City of Markham (hereinafter called the "**Municipality**") as the Board may determine from time to time.

7. **Other Meetings** - The Board may at any time call a meeting of owners for the transaction of any business to be held at such time and on such day and using such means as the Board may determine. For greater certainty, in the event such meeting may be attended in person, it shall be held at such place within the Municipality as the Board may determine from time to time.

8. **Requisition for Meeting** – A requisition for a meeting of owners (an "**Owners' Requisition**") may be made by owners of the Corporation who together (i) own at least fifteen per cent (15%) of the common interests; (ii) are listed in the Record; and (iii) are entitled to vote. An Owners' Requisition shall be in writing and signed by the requisitionists, state the nature of the business to be presented at the meeting and be delivered personally or by registered mail to the President or Secretary of the Board or deposited at the address for service of the Corporation. If the nature of the business to be presented at the meeting includes the removal of one or more directors, the requisition shall state, for each director who is proposed to be removed, the name of the director and the reasons for the removal. Upon receipt of an Owners' Requisition, the Board shall,

(a) if the requisitionists in the Owners' Requisition so request, or if the requisitionists consent in writing, add the business to be presented at the meeting to the agenda of items for the next annual general meeting; or otherwise,

(b) call and hold a meeting of the owners of the Corporation within thirty-five (35) days of receiving the Owners' Requisition.

If the Board does not comply with (a) or (b) above, any of the requisitionists may call the meeting and in such case the meeting shall be held within forty-five (45) days of the day on which the meeting is called. Upon request, the Corporation shall reimburse a requisitionist who calls a meeting pursuant to this Paragraph 8 for the reasonable costs incurred in so calling the meeting.

9. **Notice of Meetings**

(a) Notice of every meeting of owners shall be in writing specifying the time of the meeting, the date of the meeting, the place of the meeting (if the owners may attend the meeting in person), instructions for attending and participating in the meeting by telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting (if the owners may attend the meeting by telephonic or electronic means) and the nature of the business to be presented and shall, not less than fifteen (15) days before the day on which the meeting is to be held, be given to the Auditor and to each owner and mortgagee who is entered on the Record twenty (20) days before the date of such meeting. In addition to the foregoing, any notice of a meeting of owners shall be accompanied by a copy of all proposed changes to the Declaration, by-laws, rules or agreements that are to be discussed at the meeting as well as a copy of any Owners' Requisition. An owner or mortgagee who attends a meeting or who is represented

SAMPLE

by proxy shall be deemed to have waived the right to object to a failure to give the required notice, unless the person expressly objects to the failure at the meeting.

(b) A preliminary notice of meeting as described in subsection 45.1(1) of the Condo Act shall be given at least twenty (20) days prior to the notice described in Paragraph 9(a) of this Article III, in accordance with the requirements of the Condo Act.

10. **Reports** - A copy of the financial statements required under subsection 66(2) of the Condo Act (the "**Financial Statements**") and a copy of the Auditor's annual report required under subsection 67(1) of the Condo Act (the "**Auditor's Report**") shall be attached to the notice of the annual general meeting of owners. A copy of the minutes of meetings of owners and of the Board, shall, within ten (10) days of the date of each such meeting, be furnished to each such mortgagee who has requested the same.

11. **Persons entitled to be present** - The only persons entitled to attend a meeting of owners shall be the owners and mortgagees entered on the Record, any others entitled to vote at such meeting, the Auditor, the directors and officers of the Corporation, a representative of the property manager and others who, although not entitled to vote, are entitled or required under the provisions of the Condo Act or the by-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the majority of the persons otherwise present at the meeting.

12. **Quorum** - Subject to any other By-law of the Corporation, at any meeting of owners, a quorum shall be constituted when persons entitled to receive notice of the meeting and to vote at the meeting and who own not less than twenty-five per cent (25%) of the common interests are present in person or represented by proxy at such meeting. If thirty (30) minutes after the time appointed for the holding of any meeting of owners, a quorum is not present, the meeting shall be dissolved and shall stand adjourned to the same time on the corresponding day of the next week, at such place within the said Municipality as the Board shall determine (if the owners may attend the meeting in person) or using such telephonic or electronic means as the Board shall determine (if the owners may attend the meeting by telephonic or electronic means). Notice of the time, day, place (if applicable) and means of the convening of such adjourned meeting shall be given not less than three (3) days prior to the convening of such meeting, and if thirty (30) minutes after the convening of such meeting a quorum is not present, the meeting shall be dissolved and shall stand adjourned to the same time on the corresponding day of the next week at a place or using such telephonic or electronic means as hereinbefore provided. If any meeting held pursuant to this Section shall be held by telephonic or electronic means, notice of the meeting shall include instructions for attending and participating in the meeting by telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting. A person who, through telephonic or electronic means, casts a vote before or at a meeting of owners or attends such a meeting is deemed to be present at the meeting.

13. **Right to Vote** - No vote shall be taken at a meeting of owners on any matter other than routine procedure unless that matter was clearly disclosed in the notice of the meeting. To vote at a meeting of owners, an owner must have been entitled to receive notice of the meeting, must be entitled to vote at the meeting and must be present at the meeting or represented by proxy. If a common interest or mortgage on a common interest is owned by two or more persons, any one of them present or represented by proxy may, in the absence of the other or others vote, but if more than one of them are present or represented by proxy, the majority of the owners may exercise the right to vote in respect of the common interest, and the vote shall not be counted if those co-owners present or represented by proxy at the meeting are evenly divided as to how to exercise the vote. The entitlement to vote is subject to the restrictions in Paragraph 18 of this Article III. If a common interest has been mortgaged, the person who mortgaged such common interest (or their proxy) may nevertheless represent the common interest at meetings and vote in respect thereof, unless the mortgagee shall notify the Corporation and the common interest owner of its intention to exercise the right to vote at least four (4) days before the date of the meeting. If a common interest is subject to more than one mortgage for which the mortgagee has the right to vote, only the mortgagee who has priority may exercise the right. If the mortgagee with priority fails to vote, the mortgagee next in priority may exercise the right. If none of the mortgagees exercise the right to vote, the owner has the right to vote at a meeting of owners or to consent in writing, as long as the owner was entitled to receive notice of and vote at the meeting. Any dispute over the right to vote shall be resolved by the chair of the meeting upon such evidence as they may deem sufficient. All voting shall be on the basis of one vote per common interest. Subject to section 51 of the Condo Act, this Paragraph 13 and Paragraph **Error! Reference source not found.** of Article V, on a vote to elect or remove a member of the Board, all owners entitled to vote may vote for each member of the Board.

14. **Method of Voting** - At any general or other meeting, any question shall be decided by a show of hands unless a recorded vote is demanded either prior to the vote or promptly thereafter by any person or mortgagee or person duly appointed as proxy entitled to vote at the meeting; provided, however, that unless a recorded vote is so demanded, a declaration by the chair that such question has by the show of hands been carried is prima facie proof of the fact without proof of the number or proportion of votes recorded in favour of or against such question, and provided further that a demand for a recorded vote may be withdrawn. Notwithstanding the foregoing, voting for the election of directors shall be by ballot only; and provided further that all matters required by the Condo Act or Declaration to be determined by the vote of owners holding a stated percentage of the common interest shall be by ballot only. A vote by show of hands or by a recorded vote may be conducted entirely by one or more telephonic or electronic means or by any combination of in-person voting and by one or more telephonic or electronic means.

15. **Representatives** - An executor, administrator, committee of a mentally incompetent person, guardian or trustee (and where a corporation acts in such capacity, any person duly appointed a proxy for such corporation) upon filing with the Secretary of the meeting sufficient proof of their appointment, shall represent the owner or mortgagee at all meetings of the owners of the Corporation and may vote in the same manner and to the same extent as such

SAMPLE

owner. If there be more than one executor, administrator, committee, guardian or trustee, the provisions of Paragraph 13 of this Article III dealing with the right to vote shall apply.

16. **Proxies** - Every owner or mortgagee entitled to vote at meetings of owners may by instrument in writing appoint a proxy, who need not be an owner or mortgagee, to attend and act at the particular meeting to which the proxy relates, in the same manner, to the same extent and with the same power as if the owner or mortgagee were present at the meeting and any instrument appointing a proxy for the election or removal of a director shall state the name or the directors for and against whom the proxy is to vote. An instrument appointing a proxy shall be in the form prescribed by Section 13 of Ontario Regulation 48/01 made under the Condo Act and shall include any other information reasonably required by the Corporation. An instrument appointing a proxy that purports to be applicable to more than one (1) meeting shall be invalid. The instrument appointing a proxy shall be deposited with the Secretary of the meeting before any vote is cast under its authority. All instruments appointing a proxy shall be retained by the Corporation for 90 days following the date of the meeting in respect of which the instrument appointing a proxy was issued.

17. **Votes to Govern** - At all meetings of owners every question shall, unless otherwise provided by the Condo Act, be decided by a majority of the votes by owners present at the meeting in person or by proxy, duly cast on the question.

18. **Entitlement to Vote** - No owner is entitled to vote at any meeting if any contributions payable in respect of their common interest are in arrears for more than thirty (30) days prior to the meeting, unless the Corporation receives payment of the arrears before the meeting is held.

19. **Telephonic or Electronic Meetings and Telephonic or Electronic Voting**

(a) In the event a meeting of owners is conducted by telephonic or electronic means, the platform used for the meeting shall:

(i) enable all persons entitled to attend the meeting to reasonably participate;

(ii) permit all persons entitled to attend the meeting to reasonably and adequately observe the meeting and communicate, in real-time, with the chair, any guests and with each other, in a manner similar to the manner in which an attendee may participate and communicate at a meeting in person;

(iii) enable all persons attending the meeting to have access, in real time, to all questions posed and all answers given at the meeting;

(iv) enable all persons attending the meeting to have access, in real time, to the result of any vote cast at the meeting;

(v) shall be capable of confirming the identity of all persons attending the meeting or enabling the person assigned the responsibility of confirming the identity of all persons attending the meeting by the Board to confirm the identity of all persons attending the meeting; and

(vi) shall be capable of generating a reliable record confirming units attending the meeting.

(b) In the event a recorded vote is held by one or more telephonic or electronic means, the platform used for such voting shall:

(i) provide the opportunity to vote in favour of or against any question proposed for consideration through such platform and/or in favour of or against each candidate for election to, or removal from, the Board;

(ii) be capable of authenticating the identity of each person casting a vote;

(iii) be capable of authenticating the validity of each vote to ensure that the vote is not altered in transit;

(iv) be capable of separating any authentication of the person from the vote, so that a vote cannot be traced to a specific person; and

(v) be capable of producing an electronic receipt for each person who casts a vote, which shall include the specific vote cast, as well as the date and time of submission. (an "**E-Vote Receipt**").

(c) An E- Vote Receipt may be relied upon and counted by the scrutineers and/or chairperson at a meeting of owners for the purposes of tabulating votes and such record shall be deemed to be a ballot for the purpose of the Corporation's obligations to maintain records in accordance with the Condo Act.

SAMPLE

ARTICLE IV

THE CORPORATION

1. **Duties of the Corporation** - The duties of the Corporation shall include, but shall not be limited to the following:

(a) controlling, managing and administering the common elements and assets of the Corporation on behalf of the owners;

(b) collecting contributions towards the common expenses from the owners;

(c) arranging for the supply of electricity, water and other utilities to the property except where prevented from carrying out such duty by reason of any event beyond the reasonable control of the Corporation. If any apparatus or equipment used in effecting the supply of heat, electricity, water or other utility at any time becomes incapable of fulfilling its function or is damaged or destroyed, the Corporation shall have a reasonable time within which to repair or replace such apparatus and shall not be liable for indirect or consequential damages or for damages for personal discomfort or illness by reason of the failure to perform such duty;

(d) obtaining and maintaining insurance for the property as may be required by the Condo Act, the Declaration or by-laws;

(e) repairing and restoring the common elements;

(f) obtaining and maintaining fidelity bonds where obtainable, in such amounts as the Board may deem reasonable, for such officers and directors or employees as are authorized to receive or disburse any funds on behalf of the Corporation;

(g) causing audits to be made after every year-end and making the Auditor's Report and Financial Statements available to the owners and mortgagees;

(h) preparing an estimated budget in accordance with Article X hereof;

(i) keeping accurate accounts and sending to each owner an annual statement of income and expenditures in respect thereto and keeping such accounts open for inspection by owners;

(j) establishing and maintaining one or more reserve funds;

(k) taking all reasonable steps to effect compliance with the Condo Act, the Declaration, the by-laws and the rules from time to time;

(l) granting such temporary or permanent easements as may be required in connection with the construction of buildings upon the adjacent real property; and

(m) arranging for the performance audit in accordance with section 44 of the Condo Act.

2. **Powers of the Corporation** - The powers of the Corporation shall include, but shall not be limited to the following:

(a) employing and dismissing personnel necessary for the maintenance and operation of the common elements;

(b) adopting and amending rules concerning the operation and use of the property pursuant to the provisions of the Condo Act;

(c) employing a manager at a compensation to be determined by the Board to perform such duties and services as the Board shall authorize;

(d) obtaining and maintaining fidelity bonds for any manager where deemed necessary by the Board, and in such a manner as the Board may deem reasonable;

(e) investing reserve funds, provided that such investment shall be permitted by the *Trustee Act*, R.S.O. 1990, c. T. 23, and amendments thereto, and convertible into cash in not more than ninety (90) days;

(f) commencing, settling, adjusting, compromising or referring to arbitration or the courts any claim or claims which may be made upon or which may be asserted on behalf of the Corporation;

(g) subject to (i) subsection 56(3) of the Condo Act; (ii) any other by-law of the Corporation; and (iii) approval of each such borrowing or loan in excess of an amount aggregating more than one month's total contribution to common expenses for any one occurrence, matter or item by the owners at a meeting duly called for that purpose: borrowing such amounts as in its discretion are necessary or desirable in order to carry out the objects and duties of the Corporation; securing any such loan by

SAMPLE

mortgage, pledge or charge of any asset of the Corporation; adding the repayment of such loan to common expenses; and delegating to such one or more of the officers and directors of the Corporation as may be designated by the directors from time to time, all or any of the powers conferred in this Subparagraph (g);

(h) retaining and holding any securities or other property, whether real or personal, which shall be received by the Corporation, in the form received, whether or not the same is authorized by any law, present or future, for the investment of trust funds;

(i) selling, conveying, exchanging, assigning or otherwise dealing with any real or personal property at any time owned by the Corporation at such price, on such terms, and in such manner as the Corporation in its sole discretion deems advisable and doing all things and executing all documents required to give effect to the foregoing;

(j) leasing any part or parts of the common elements, except such part or parts over which any owner has the exclusive use, as agent of the owners subject to the approval of each such lease by a majority of the owners at a meeting duly called for that purpose unless such lease is required under the Declaration, in which case owner approval is not required;

(k) granting or transferring easements through the common elements subject to the approval of each such grant or transfer by a majority of the owners at a meeting duly called for that purpose unless such easement is required under the Declaration, in which case owner approval is not required;

(l) entering into and binding the Corporation to the terms of:

(i) an insurance trust agreement;

(ii) a management agreement;

(iii) any agreement respecting utility metering services; and

(iv) any other agreement permitted by the Condo Act and considered necessary or desirable by the Board.

ARTICLE V

BOARD OF DIRECTORS

1. **First Board** - Within ten (10) days after the registration of the Declaration and Description, the Declarant shall appoint the First Board of the Corporation which, subject to Paragraph 2 of Article III shall consist of three (3) directors. The Declarant may revoke the appointment of a director to the First Board and appoint another director to hold office until the New Board is elected at the Turnover Meeting. The members of the First Board shall hold office until the New Board is elected.

2. **Election of Directors on Turnover** - At the Turnover Meeting, the owners shall elect the New Board. Until changed by a by-law, the number of directors shall be three (3) of whom a majority shall constitute a quorum for the transaction of business at any meeting of the Board. The directors of the Corporation shall be elected in rotation and shall be eligible for re-election (such board of directors as constituted from time to time hereinafter and heretofore referred to as the "**Board**"). One (1) director shall be elected to hold office for a term of one (1) year; one (1) director shall be elected to hold office for a term of two (2) years; and one (1) director shall be entitled to hold office for a term of three (3) years. At such election, the director receiving the greatest number of votes shall hold office for the longest term and the director receiving the next greatest number of votes shall hold office for the next longest term. Such directors, may, however, continue to act until their successors are elected notwithstanding their term of office exceeds the term prescribed herein. If more than one (1) of such directors shall resign from the Board prior to the expiration of their respective terms, and shall be replaced at a meeting of owners called for that purpose, the director or directors receiving the greater votes shall complete the longest remaining terms of the resigning directors. At each annual meeting thereafter a number of directors required to bring the total number of directors to three (3) shall be elected for term(s) of three (3) years. If directors are elected by acclamation and the terms of office to be filled are unequal, the length of the term of such directors shall be determined by drawing lots.

3. **Affairs of the Corporation** - The affairs of the Corporation shall be managed by the Board.

4. **Qualifications** - Each director shall be an individual eighteen (18) or more years of age, shall not have the status of a bankrupt, shall not be found incapable of managing property under the *Substitute Decision* Act, *1992* or the *Mental Health Act*, shall not be found incapable by any court in Canada or elsewhere, and shall comply with the disclosure obligations prescribed under Section 11.6 of Ontario Regulation 48/01 made under the Condo Act. The director need not be an owner of a common interest in the Corporation.

5. **Disqualification** - A person immediately ceases to be a director if the person has the status of bankrupt; has been found, under the *Substitute Decisions Act, 1992* or the *Mental Health* Act, to be incapable of managing property; has been found to be incapable by any court in Canada or elsewhere; a certificate of lien has been registered under subsection 85(2) of the Condo Act against a common interest owned by the person and the person does not obtain a discharge of the lien under subsection 85(7) of the Condo Act within ninety (90) days of the registration of the lien;

SAMPLE

has not completed the training prescribed by Section 11.7 of Ontario Regulation 48/01 made under the Condo Act within the time periods prescribed by Section 11.7 of Ontario Regulation 48/01 made under the Condo Act; or has not complied with the disclosure obligations prescribed under Section 11.10 of Ontario Regulation 48/01 under the Condo Act.

6. **Consent** - A person shall not be elected or appointed as a director unless the person consents to such election or appointment. A person shall be deemed to consent to their election or appointment if they are present at the meeting when elected or appointed and they do not refuse to act as a director. A person who is not present at the meeting may be elected or appointed if the person consents in writing to act as a director before the meeting or within ten (10) days after the meeting.

7. **Notice** - The notice of a meeting to elect one or more directors shall include the name and address of each individual who, as of the fourth day before the notice is sent, has notified the Board in writing of their intention to be a candidate in the election.

8. **Removal of Directors** - A director, other than a director on the First Board, may be removed before the expiration of the director's term of office by a vote of the owners at a meeting duly called for the purpose where the owners of more than fifty per cent (50%) of all the common interests vote in favour of removal and at such meeting, the owners may elect any person qualified to be a member of the Board for the remainder of the term of the director so removed.

9. **Filling of Vacancies** - If a vacancy arises in the Board and a quorum of the Board remains in office, the remaining directors may exercise all of the powers of the Board. In addition, provided that the vacancy did not result from an increase in the number of directors and provided a quorum is present, the majority of the remaining members of the Board may appoint any qualified person to be a member of the Board to fill such vacancy until the next annual general meeting. At the annual general meeting the owners shall elect a person to fill the vacancy and that person shall hold office for the remainder of the term of the director whose position became vacant. If however, a vacancy arises and there are not enough directors remaining in office to constitute a quorum, or if the vacancy results from an increase in the number of directors, then the directors then in office shall, within thirty (30) days of losing the quorum or within thirty (30) days of the date of the by-law increasing the number of the directors, as the case may be, call and hold a meeting of owners to fill all the vacancies in the Board, and in default thereof, or if there are no directors in office, the meeting may be called by any owner who shall, upon such owner's request, be reimbursed by the Corporation for the reasonable costs incurred in calling the meeting. The directors elected as a result of an increase in the number of directors shall not act until the By-law increasing the number of directors is registered in accordance with subsection 56(9) of the Condo Act.

10. **Calling of Meetings** - Meetings of the Board shall be held from time to time at such place and at such time and on such day and using such means as a quorum of directors or the President and any other director may determine. Written notice of any meeting so called shall specify the time of the meeting, the place of the meeting (if the directors may attend the meeting in person), instructions for attending and participating in the meeting by telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting (if the directors may attend the meeting by telephonic or electronic means) and the general nature of the business to be transacted and shall be given personally, by pre-paid mail, courier delivery or electronic communication to each director not less than forty-eight (48) hours (excluding any part of a Saturday or of a holiday as defined by the *Legislation Act, 2006*, S.O. 2006, c. 21) before the time when the meeting is to be held, save that no notice of a meeting shall be necessary if all directors are present and none expressly object to the holding of such meeting or if those absent have waived notice of or otherwise signified in writing their consent to the holding of such meeting.

11. **Regular Meetings** - The Board may appoint a day or days in any month or months for regular meetings at a place (if the directors may attend the meeting in person), hour and means to be named. A copy of any resolution of the Board fixing a time and place (if the directors may attend the meeting in person) of regular meetings and specifying whether the meetings will be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means shall be given personally, by pre-paid mail, courier delivery or electronic communication to each director forthwith after being passed, but no other notice shall be required for any such regular meeting. Notwithstanding the foregoing, if the directors may attend the regular meetings by telephonic or electronic means, instructions for attending and participating in the meeting by telephonic or electronic means, including, if applicable, instructions for voting by such means at the meeting, will be provided to the directors prior to the meeting.

12. **Meeting by Telephonic or Electronic Means** - A meeting of the directors may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means provided that all directors of the Corporation attending such meeting are able to communicate with each other simultaneously and instantaneously. A person who, through telephonic or electronic means, attends a meeting of directors is deemed to be present at the meeting.

13. **First Meeting of the New Board** - Provided a quorum of directors is present, the New Board may without notice hold its first meeting for the purpose of organization and the election and appointment of officers and any other general business of the Corporation immediately following the Turnover Meeting.

14. **Interest of Directors in Contracts** - No director shall be disqualified by their office from contracting with the Corporation nor shall any contract or arrangement entered into by or on behalf of the Corporation with any director or any firm or corporation in which any director is in any way interested be avoided, nor shall any director so

SAMPLE

contracting or having an interest in the contract, arrangement, contracting firm or corporation be liable to account to the Corporation for any profit realized by any such contract or arrangement by reason of such director holding such office or of the fiduciary relationships thereby established provided that the provisions of the Condo Act regarding disclosure of the interest and confirmation of the contract or transaction by the owners and Paragraph 16 of this Article V are complied with.

15. **Interest of Officers in Contracts** - No officer of the Corporation who is not a director shall be disqualified by their office from contracting with the Corporation nor shall any contract or arrangement entered into by or on behalf of the Corporation with an officer or any firm or corporation in which any officer is in any way interested be avoided, nor shall any officer so contracting or having an interest in the contract, arrangement, contracting firm or corporation be liable to account to the Corporation for any profit realized by any such contract or arrangement by reason of such officer holding such office or of the fiduciary relationships thereby established provided that the provisions of the Condo Act regarding disclosure of the interest and confirmation of the contract or transaction by the owners and Paragraph 17 of this Article V are complied with.

16. **Declaration of Interest by Director** - It shall be the duty of every director of the Corporation who has, directly or indirectly, a material interest in any contract or transaction to which the Corporation is or is to be party, to disclose their interest in such contract or transaction in writing at a meeting of the directors and they shall at that time disclose the nature and extent of such interest and, if applicable, shall not be present during the discussion, shall not vote and shall not be counted in the quorum in respect of such contract or transaction. Where disclosure under Paragraph 16 is required by any director, the director shall make such disclosure at the first meeting of the Board after they become aware of the contract or transaction. The Board shall enter the disclosure made by a director in the minutes of the meeting of the Board at which the disclosure was made.

17. **Declaration of Interest by Officer** - It shall be the duty of every officer who is not a director who has, directly or indirectly, a material interest in any contract or transaction to which the Corporation is or is to be party, to disclose their interest in such contract or transaction at the first meeting of the Board held after the officer becomes aware of the contract or transaction or the proposed contract or transaction. The Board shall enter the disclosure made by an officer in the minutes of the meeting of the Board at which the disclosure was made.

18. **Protection of Directors and Officers** - Except as otherwise provided in the Condo Act, no director or officer of the Corporation shall be liable for the acts, neglect or default of any other director or officer or for joining in any act for conformity or for any loss or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Corporation shall be deposited or for any loss occasioned by an error of judgment or oversight on their part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of their office or in relation thereto, unless the same shall happen through the director's or officer's breach of their duty to act honestly and in good faith.

19. **Indemnity of Directors and Officers** - Every director and officer of the Corporation and their heirs, executors, administrators, estate trustees and other legal personal representatives shall from time to time be indemnified and saved harmless by the Corporation from and against:

(a) any liabilities and all costs, charges and expenses that they sustain or incur in respect of any action, suit or proceeding that is proposed or commenced against them for or in respect of any act done or permitted by them or any omission by them in respect of the duties of their office; and

(b) all other costs, charges and expenses that they sustain or incur in respect of the affairs of the Corporation;

(all such losses set out in subsections (a) and (b) of this Paragraph 19 being hereinafter collectively referred to as "**Losses**")

except for any Losses incurred by any director or officer resulting from what has been adjudged to be a breach of the duty to act honestly and in good faith. The Corporation shall purchase directors and officers liability insurance for each member of the Board in the amount of Five Million ($5,000,000.00) Dollars.

20. **Standard of Care** - Every director and officer of the Corporation shall exercise the powers and discharge the duties of their office honestly and in good faith and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

21. **Liability of Directors and Officers** – No director and no officer shall be found liable for a breach of the standard of care if the breach arises as a result of the director's or officer's, as the case may be, reliance in good faith upon Financial Statements of the Corporation that the Auditor, an officer or a manager represents to the director or officer as presenting fairly the financial position of the Corporation in accordance with generally accepted accounting principles or a report or opinion of a lawyer, public accountant, engineer, appraiser or other person whose profession lends credibility to the report or opinion.

SAMPLE

ARTICLE VI

OFFICERS

1. **Elected Officers** - At the first meeting of the Board after each election of directors the Board shall elect from its members a President. In default of such election the then incumbent, if a member of the Board, shall hold office until their successor is elected. A vacancy occurring from time to time in such office may be filled by the Board from among its members.

2. **Appointed Officers** - From time to time the Board shall appoint or elect a Secretary and may appoint one or more Vice-Presidents, a General Manager, a Treasurer and such other officers as the Board may determine, including one or more assistants to any of the officers so appointed. The officer appointed pursuant to this Paragraph 2 may, but need not be, a member of the Board. One person may hold more than one office and if the same person holds both the office of Secretary and office of Treasurer they may be known as Secretary-Treasurer.

3. **Term of Office** - In the absence of written agreement to the contrary, the Board may remove at its pleasure any officer of the Corporation.

4. **President** - The President shall, when present, preside at all meetings of the owners and of the Board and shall be charged with the general supervision of the business and affairs of the Corporation. Except when the Board has appointed a General Manager or Managing Director, the President shall also have the powers to be charged with the duties of that office.

5. **Vice-President** - During the absence of the President, their duties may be performed and their powers may be exercised by the Vice-President or if there are more than one, the Vice-Presidents in order of seniority (as determined by the Board) save that no Vice-President shall preside at a meeting of the Board or a meeting of owners who is not qualified to attend the meeting as a director or owner, as the case may be. If a Vice-President exercises any such duty or power the absence of the President shall be presumed with reference thereto. A Vice-President shall also perform such duties and exercise such powers as the Board may prescribe.

6. **General Manager** - The General Manager, if one has been appointed, shall have the general management and direction, subject to the authority of the Board and the supervision of the President, of the Corporation's business and affairs and the power to appoint and remove any and all employees and agents of the Corporation not elected or appointed directly by the Board and to settle the terms of their employment and remuneration.

7. **Secretary** - The Secretary or Assistant Secretary, if one has been appointed, shall give or cause to be given all notices required to be given to the owners, directors, Auditor, mortgagees and all others entitled thereto; they shall attend all meetings of the directors and of the owners and shall enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meetings; they shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation and they shall perform such other duties as may from time to time be prescribed by the Board.

8. **Treasurer** - The Treasurer shall keep or cause to be kept full and accurate books of account in which shall be recorded all receipts and disbursements of the Corporation and under the direction of the Board shall control the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; they shall render to the Board at the meeting thereof or whenever required of them an account of all their transactions as Treasurer and of the financial position of the Corporation; and they shall perform such other duties as may from time to time be prescribed by the Board. The offices of Secretary and Treasurer may be combined.

9. **Other Officers** - The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board requires of them. Any one of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the Board otherwise directs.

10. **Agents and Attorneys** - The Board shall have power from time to time to appoint agents or attorneys for the Corporation with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit.

ARTICLE VII

BANKING ARRANGEMENTS & CONTRACTS

1. **Banking Arrangements** - The banking business of the Corporation or any part thereof shall be transacted with such bank or trust company as the Board may designate, appoint or authorize from time to time by resolution and all such banking business or any part thereof shall be transacted on the Corporation's behalf by such one or more officers or other persons as the Board may designate, direct or authorize from time to time by resolution and to the extent therein provided, including, without restricting the generality of the foregoing, the operation of the Corporation's accounts, the making, signing, drawing, accepting, endorsing, negotiating, lodging, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders relating to any property of the Corporation; the execution of any agreement relating to any such banking business and defining the rights and powers of the parties thereto; and the authorizing of any officer of such bank or trust company to do any act or thing on the Corporation's behalf to facilitate such banking business.

SAMPLE

2. **Execution of Instruments** - Deeds, transfers, assignments, contracts and obligations on behalf of the Corporation may be signed by any one officer or director of the Corporation. Any contract or obligation within the scope of any management agreement entered into by the Corporation may be executed on behalf of the Corporation in accordance with the provisions of such management agreement. Notwithstanding any provisions to the contrary contained in the by-laws of the Corporation, the Board may at any time and from time to time direct the manner in which and the person or persons by whom any particular deed, transfer, assignment, contract or obligation or any class of deeds, transfers, assignments, contracts or obligations of the Corporation may or shall be signed.

3. **Execution of Certificate under Subsection 1 of Section 76 of the Condo Act** - Certificates provided pursuant to subsection 76(1) of the Condo Act may be signed by any officer or any director of the Corporation, provided that the Board may by resolution direct the manner in which, and the person by whom, such certificate may or shall be signed.

ARTICLE VIII

FINANCIAL

1. **Year End** - Until otherwise resolved by the Board, the financial year of the Corporation shall end on:

   (a) if the Corporation was registered on any date between the first day and the fifteenth day (inclusive) of the month of registration, the last day of the month which preceded the month in which the Corporation was registered; and

   (b) if the Corporation was registered on any date between the sixteenth day and the last day (inclusive) of the month of registration, the last day of such month of registration.

2. **Appointment of Auditor** - The owners shall, at the first annual general meeting, appoint one or more persons qualified to be auditors (such person or persons hereinafter and heretofore collectively referred to as the "**Auditor**") to hold office until the close of the next annual meeting, and if the owners fail to do so, the Board shall make such appointment(s) as expeditiously as possible. Subject to subsection 60(5) of the Condo Act, at each subsequent annual general meeting, the owners shall appoint an Auditor to hold office until the close of the next annual general meeting. If this is not done, the Auditor in office shall continue in office until a successor is appointed. The Corporation shall give notice in writing to the Auditor of their appointment immediately after such appointment is made.

3. **Remuneration of Auditor** - The remuneration of an Auditor appointed by the owners shall be fixed by the owners, or by the Board if authorized to do so by the owners, but the remuneration of an Auditor appointed by the Board shall be fixed by the Board.

ARTICLE IX

NOTICE

1. **Notice to Owners** - Unless otherwise specifically provided for herein, in the Declaration or in the by-laws, any notice (other than a notice of a meeting of owners), communication or other document, including budgets and notices of assessments required to be given or delivered by the Corporation to the owners shall be given to such owners whose names appear on the Record five (5) days before the day the notice is given.

2. **Service of Notice on Owner** - Any notice that is required to be given to an owner shall be sufficiently given if in writing and,

   (a) delivered to the owner personally;

   (b) mailed by prepaid mail in a sealed envelope addressed to the owner at the address noted in the Record;

   (c) sent to the owner's electronic communication address that appears in the Record if:

      (i) the owner provides the Corporation in writing, for any purpose, with the owner's electronic communication address, including any change in the electronic communication address, and

      (ii) the Corporation has not received a written request from the owner that notices not be given using the address; or

   (d) delivered at the owner's POTL or mail box for the owner's POTL, provided that notice shall not be delivered to the owner's POTL or mail box for the owner's POTL if:

      (i) the owner has provided a written request that notice not be given in this manner; or

      (ii) the address for service in the Record is not the address of the POTL of the owner.

3. **Service of Notice on Mortgagee** - Any notice, communication or other document required to be given by the Corporation to a mortgagee shall be sufficiently given if in writing and,

SAMPLE

(a) delivered to the mortgagee personally;

(b) mailed by prepaid mail in a sealed envelope addressed to the mortgagee at the address noted in the Record; or

(c) sent to the mortgagee's electronic communication address that appears in the Record if:

(i) the mortgagee provides the Corporation in writing, for any purpose, with the mortgagee's electronic communication address, including any change in the electronic communication address, and

(ii) the Corporation has not received a written request from the mortgagee that notices not be given using the address.

4. **Service of Notice on Persons other than Owners** - Unless otherwise provided in the Condo Act, any notice, communication or other document required to be given by the Corporation to any person, except the Declarant, entitled to notice and who is not an owner or mortgagee shall be sufficiently given if in writing and,

(a) delivered to the person to whom it is to be given personally;

(b) mailed by prepaid mail in a sealed envelope addressed to them; or

(c) sent to the person's electronic communication address.

5. **Time of Notice** - For the purposes of Paragraphs 2, 3 and 4 of this Article IX, any notice given by personal delivery shall be deemed to have been effectively made on the date of delivery; on the day of transmission, if given by electronic communication and on the third day following the date of mailing, if delivered by prepaid mail.

6. **Notice to the Board or Corporation** - Unless otherwise specifically provided for herein or in the Condo Act, any notice, communication or other document to be given to the Board or Corporation shall be sufficiently given if in writing and mailed by prepaid ordinary mail addressed to it at the address for service of the Corporation set out in the Declaration or sent by electronic communication to the Corporation. Any notice, communication or document so mailed shall be deemed to have been made on the third day following the day on which same was mailed, and any notice, communication or document delivered by electronic communication shall be deemed to have been made on the day of transmission.

7. **Omissions and Errors** - The accidental omission to give any notice to anyone entitled thereto or the non-receipt of such notice or any error in any notice or affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

ARTICLE X

ASSESSMENT AND COLLECTION OF COMMON EXPENSES

1. **Duties of the Board regarding common expenses** - All expenses, charges and costs of maintenance or replacement of the common elements and any other expenses, charges or costs which the Board may incur or expend pursuant hereto shall be assessed by the Board and levied against the owners in the proportions in which they are required to contribute to the common expenses set forth in the Declaration. The Board shall from time to time and at least annually prepare a budget for the Corporation and determine by estimate the amount of common expenses for the next ensuing fiscal year or remainder of the current fiscal year as the case may be which shall include provision for a reserve fund or funds as required by the Condo Act. The Board shall allocate and assess such common expenses as set out in the budget for such period among the owners, according to the proportion in which they are required to contribute to the common expenses as set forth in the Declaration. The Board shall advise all owners promptly in writing of the amount of common expenses payable by each of them respectively determined as aforesaid, and shall deliver copies of each budget on which such common expenses are based, to all owners and mortgagees entered on the Record.

2. **Duties of the Board regarding Reserve Fund** - In addition to the foregoing, the Board shall make provision for a reserve fund in the annual budget, for the major repair and replacement of the common elements and assets of the Corporation. The Corporation shall establish and maintain this reserve fund, and shall collect from the owners as part of their contribution toward the common expenses, amounts that the Board determines sufficient for such major repair and replacement, calculated on the basis of expected repair and replacement costs and life expectancy of the common elements and assets of the Corporation.

3. **Owners' obligations** - Each owner shall be obliged to pay to the Corporation or as it may direct the amount of such assessment in equal monthly payments on the first day of each and every month next following delivery of such assessment until such time as a new assessment shall have been delivered to such owner. If the Board so directs, each owner shall forward to the Corporation forthwith a series of post-dated cheques covering the monthly common expenses payable during the period to which such assessment relates. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any rules and regulations of the Corporation in force from time to time by any common interest owner, their lessees or by members of their families and/or their invitees or licensees, shall be borne and/or paid for by such owner, and may be recovered by the Corporation against such owner in the same manner as common expenses.

SAMPLE

4. **Insurance Deductible** - Pursuant to subsections 105(2) and (3) of the Condo Act, where any insurance policy obtained or maintained by the Corporation contains a deductible clause that limits the amount payable by the insurer, then the portion of any loss that is excluded from coverage shall be deemed a common expense, provided however that if an owner, tenant or any other person residing in the owner's POTL with the permission or knowledge or acquiescence of the owner, by or through any act or omission causes damage to any portion of the common elements, in those circumstances where such damage was not caused or contributed by any act or omission of the Corporation (or any of its directors, officers, agents or employees), then the amount which is equivalent to the lesser of the cost of repairing the damage and the deductible limit of the Corporation's insurance policy shall be added to the common expenses payable in respect of such owner's common interest, together with all costs and expenses incurred by the Corporation (either directly or indirectly) in resolving such claim and/or having such damage fully rectified (including the increase in insurance premiums, if any, charged or levied against the Corporation by its insurer as a result of such claim or damage, together with all legal costs incurred by the Corporation on a solicitor and client basis), and shall be recoverable from such owner in the same manner (and upon the same terms) as unpaid common expenses.

5. **Extraordinary expenditures** - Extraordinary expenditures not contemplated in the foregoing budget and for which the Board shall not have sufficient funds may be assessed at any time during the year in addition to the annual assessment, by the Board serving notices of such further assessment on all owners which shall include a written statement setting out the reasons for extraordinary assessment, and such extraordinary assessment shall be payable by each owner within ten (10) days after the delivery thereof to such owner, or within such further period of time and in such instalments as the Board may determine.

6. **Conveyance of Common Interest** - No owner shall be liable for the payment of any part of the common expenses assessed against their common interest prior to a transfer by them of such common interest, but payable by them subsequent thereto, provided that they first give notice of such assessment to the transferee of such common interest.

7. **Method of payment of common expenses** - Each owner shall arrange for the payment of their proportionate share of the common expenses by such means as the Board shall determine from time to time.

8. **Default in payment of assessment**

(a) Arrears of payments required to be made under the provisions of this Article X shall bear interest at the rate of twenty per cent (20%) per annum or such other rate as the Board may by resolution determine and shall be compounded monthly until paid.

(b) In addition to any remedies or liens provided by the Condo Act, if any owner is in default in payment of an assessment levied against them for a period of fifteen (15) days, the Board may bring legal action for and on behalf of the Corporation to enforce collection thereof and there shall be added to any amount found due all costs of such action including costs as between a solicitor and their own client.

ARTICLE XI

DEFAULT

1. **Notice of unpaid common expenses** - The Board whenever so requested in writing by the owner, or mortgagee entered on the Record, shall promptly report any then unpaid common expenses due from, or any other default by an owner, and any common expenses assessed or other money claimed by the Corporation against any owner, which are thirty (30) days past due.

2. **Notice of default** - The Board when giving notice of default in payment of common expenses or any other default to the owner of the common interest, shall concurrently send a copy of such notice to each mortgagee of such common interest, who is entered on the Record, and who has requested that such notices be sent to them.

ARTICLE XII

RULES GOVERNING USE OF COMMON ELEMENTS

1. The Board may make, amend or repeal rules respecting the use of the common elements, in order to promote the safety, security and welfare of the owners and the property and for the purpose of preventing unreasonable interference with the use and enjoyment of the common elements or the assets of the Corporation. Upon making, amending or repealing a rule, the Board shall give notice of the rule to the owners, which notice shall include a copy of the rule as made, amended or repealed, a statement of the date on which the Board proposes that the creation, amendment or repeal of the rule will become effective and a statement that the owners have a right to request a meeting to consider the rule. Any rules made, amended or repealed by the Board shall be effective thirty (30) days after notice thereof has been given to each owner, unless the Board is in receipt of an Owners' Requisition requiring a meeting of the owners to consider the rules. If such meeting of owners is required, then the rules shall become effective only upon the approval of the rules at such meeting. Notwithstanding the foregoing, a rule or amendment that has substantially the same purpose or effect as a rule that the owners have previously amended or repealed within the preceding two (2) years is not effective until the owners approve it, with or without amendment, at a meeting duly called for that purpose.

2. The rules shall be complied with and enforced in the same manner as the by-laws, but the owners may, at any time amend or repeal a rule at a meeting of owners duly called for that purpose, and for greater certainty, the rules shall be observed by the owners and all residents, tenants, invitees or licensees of the common interests of owners, as the case may be.

SAMPLE

ARTICLE XIII

MISCELLANEOUS

1. **Invalidity** - The invalidity of any part of this By-Law shall not impair or affect in any manner the validity and enforceability or effect of the balance thereof.

2. **Gender** - The use of the masculine gender in this By-Law shall be deemed to include the feminine (and vice versa) and the plural wherever the context so requires.

3. **Waiver** - No restriction, condition, obligation or provision contained in this By-Law shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

4. **Headings** - The headings in the body of this By-Law form no part thereof but shall be deemed to be inserted for convenience of reference only.

5. **Alterations** - This By-Law or any part thereof may be varied, altered or repealed by a by-law passed in accordance with the provisions of the Condo Act and the Declaration.

[signature page follows]

SAMPLE

The foregoing By-Law No. 1 is hereby passed by the Directors of the Corporation pursuant to the *Condominium Act*, *1998* (Ontario) as evidenced by the respective signatures hereto of all the Directors.

DATED at the City of _____ this ____ day of _____, 20__.

_____ _____

_____

The undersigned, which owns 100% of the common interests, hereby confirms, pursuant to the *Condominium Act, 1998* (Ontario), the foregoing By-Law No. 1 of the Corporation is signed by all of the Directors of the Corporation.

DATED at the City of _____ this ____ day of _____, 20__.

MATTAMY (BERCZY GLEN) LIMITED

By: _____

Name:
Title:

I have authority to bind the Corporation.

SAMPLE

6

SAMPLE

YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. [●]

BY-LAW NO. 2

Be it enacted as a By-Law of York Region Common Elements Condominium Corporation No. [●] (hereinafter referred to as the "**Corporation**") respecting the entering into of certain assignment agreements for the following agreements:

[To add list of agreements following condominium registration]

(collectively, the "**Assigned Agreements**").

Be it enacted as a By-Law of the Corporation as follows:

1. That the Corporation enter into agreements substantially in the form attached hereto as Schedule "A" whereby the Corporation assumes the rights, obligations and liabilities of Mattamy (Berczy Glen) Limited (the "**Declarant**") under the Assigned Agreements;

2. That all the terms, provisions and conditions set out in the Assigned Agreements are hereby authorized, sanctioned and confirmed;

3. That any one officer or director of the Corporation is authorized to execute, on behalf of the Corporation, the assignment agreements for the Assigned Agreements. The affixation of the corporate seal of the Corporation to each such assignment agreement for the Assigned Agreements is hereby authorized, sanctioned and confirmed; and

4. That the Corporation is hereby authorized to do, observe, perform, keep and be bound by every term, covenant, proviso, condition and agreement contained in the Assigned Agreements to be done, observed, performed and kept by the Declarant as if the Corporation were an original party to each of the Assigned Agreements and as such had executed each of the Assigned Agreements.

[signature page follows]

SAMPLE

The foregoing By-Law No. 2 is hereby passed by the Directors of the Corporation pursuant to the *Condominium Act*, *1998* (Ontario) as evidenced by the respective signatures hereto of all the Directors.

DATED at the City of [●] this [●] day of [●], 2026.

[●]

[●]

[●]

The undersigned, which owns 100% of the common interests, hereby confirms, pursuant to the *Condominium Act, 1998* (Ontario), the foregoing By-Law No. 2 of the Corporation is signed by all of the Directors of the Corporation.

DATED at the City of [●] this [●] day of [●], 2026.

MATTAMY (BERCZY GLEN) LIMITED

By: _____

Name:
Title:

I have authority to bind the Corporation.

SAMPLE

SCHEDULE "A"

RATIFICATION AND ASSIGNMENT AGREEMENT

This Agreement is made as of _____, 20___.

BETWEEN:

MATTAMY (BERCZY GLEN) LIMITED
(the "**Transferor**")

-and-

YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. [●]
(the "**Transferee**")

WHEREAS the Transferor entered into an agreement dated [●] with [●] in respect of [●] (the "**Assigned Agreement**").

IN CONSIDERATION OF the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Transferee acknowledges receipt of a true copy of the Assigned Agreement.

2. To the extent permitted, the Transferee ratifies and confirms the Assigned Agreement and covenants and agrees to observe and perform all of the obligations of the Transferor under the Assigned Agreement, whether arising prior to, as of or subsequent to the date hereof, and the Transferee shall be entitled to all of the rights of the Transferor under the Assigned Agreement as if the Transferee were an original party thereto in the place and stead of Transferor, but only to the extent that such rights and obligations are in respect of the lands described in Schedule "A" attached hereto (the "**Springwater Lands**").

3. If any provision contained in this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is held to be invalid or unenforceable, will not be affected thereby and each provision of this Agreement will be valid and enforceable to the fullest extent permitted by law.

4. Any notice to be given to the Transferee pursuant to the Assigned Agreement shall be addressed to the Transferee as follows:

   York Region Common Elements Condominium Corporation No. [●]
   111 Gordon Baker Road, Suite 700, North York, Ontario M2H 3R1
   Attention: Manager

The Transferee will, from time to time, at the request of any party to the Assigned Agreement, execute and deliver such instruments and take such further actions as may be required to accomplish the purpose of this Agreement.

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

[remainder of page intentionally left blank; signature page follows]

SAMPLE

The parties hereto have executed this Agreement.

MATTAMY (BERCZY GLEN) LIMITED

By: _____
Name:
Title:

By: _____
Name:
Title:

I/We have authority to bind the Corporation.

YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. [●]

By: _____
Name:
Title:

By: _____
Name:
Title:

I/We have authority to bind the Corporation.

SAMPLE

SCHEDULE "A"

SPRINGWATER LANDS

[●]

SAMPLE

7

Proposed Condominium Rules

SAMPLE

mattamyHOMES | SPRINGWATER

YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. [●]

RULES AND REGULATIONS

PREAMBLE

It is incumbent upon the board of directors to ensure an appropriate regime of rules are enacted to enhance the proper management, operation, use and enjoyment of all portions of the condominium corporation by its residents. The board is empowered by the *Condominium Act, 1998* (the **"Condo Act"**) to make rules respecting the use of the common elements, to promote the safety, security or welfare of the owners, or of the property, or for the purpose of preventing unreasonable interference with the use and enjoyment of the common elements.

The rules extend not only to our present and future owners, but to tenants, residents and their families, guests, invitees and/or agents all as provided in Section 119 of the Condo Act.

The Condo Act gives the rules force and effect by the imposition of certain duties, namely: (i) the corporation has a duty to effect compliance by the owners of the Condo Act, the declaration, by-laws and the rules; (ii) each owner is bound to comply with the Condo Act, declaration, bylaws and rules; and (iii) every owner has a right to compliance by other owners with the Condo Act, declaration, by-laws and rules and can further require the board of directors to enforce other owner's compliance with the Condo Act, declaration, by-laws and rules in accordance with the board's duty.

Ultimately, the board of directors is empowered to enforce the rules by way of an application to the courts pursuant to Section 134(1) of the Condo Act, whereby the court may direct performance of any duty, rule or obligation found within the Condo Act, declaration, by-laws and/or the rules.

Owners are urged to familiarize themselves with the attached rules as you, your family, your guests or any invitees or agents visiting or residing within your POTL must comply with the rules. It is in your best interests to have a working knowledge of the rules in order to ensure that your condominium is a pleasant, safe complex which offers the maximum enjoyment and usage of its facilities.

As previously stated in the preamble, the board of directors may, upon its own initiative, or upon requisition by the required number of owners, hold a meeting to adopt or amend the rules. Therefore, the following rules are not "cast in stone" and the decision as to whether you, as owners, feel the rules are appropriate or create a proper regime for condominium living, is entirely up to you. Some items contained with the rules are strictly a matter of taste and convenience, subject to the wants and wishes of the demographic group which presently uses the common elements within this condominium. Therefore, an attempt to find a neutral formula has been made, which is intended to be acceptable to the various demographic groups purchasing within this condominium and the board of directors may, from time to time, amend the rules to incorporate any individual points of style or tastes as our constituency desires.

[NOTE TO PURCHASERS: the rules herein are preliminary only and are subject to change by the Declarant from time to time in its sole and unfettered discretion without notice to purchasers.]

I. DEFINITIONS

All terms of which the first letter is capitalized shall have the same meaning as set out in the Declaration, unless otherwise defined herein.

1. **Board**
Shall mean the Board of Directors of the Condominium Corporation elected pursuant to the provisions of the Condo Act.

2. **Business Days**
Shall mean any day other than a Saturday, Sunday or a statutory holiday in the Province of Ontario.

3. **Common Elements**
Has the meaning given to it in the Declaration.

4. **Condo Act**
Shall mean the *Condominium Act, 1998*, S.O., 1998, c. 19 and all amendments thereto and for the purposes of clarity, the use of similar terms within the Rules as those found within the Condo Act shall, to the extent not defined in the Rules or in the Declaration, have the same meaning given to them within the Condo Act.

SAMPLE

5. **Condominium and/or Corporation and/or Condominium Corporation**
Shall mean York Region Common Elements Condominium Corporation No. [●]

6. **Declaration**
Shall mean the declaration of York Region Common Elements Condominium Corporation No. [●].

7. **Guest**
Has the meaning given to it in the Declaration.

8. **Legal Requirements**
Has the meaning given to it in the Declaration.

9. **Manager**
Shall mean the property management company, its agents, employees or licensees as the context requires.

10. **Motor Vehicle**
Has the meaning given to it in the Declaration.

11. **Owner**
Has the meaning given to it in the Declaration.

12. **POTL**
Has the meaning given to it in the Declaration.

13. **Resident**
Has the meaning given to it in the Declaration.

14. **Tenant**
Has the meaning given to it in the Declaration.

The use of the masculine gender shall, as the context demands, include the feminine gender, and the use of singular shall necessarily include the plural whenever the context demands.

The use of the term "**include**" herein means include without limitation and "**including**" means including without limitation.

Any reference to smoking and/or vaping includes smoking and/or vaping any substance including tobacco and cannabis.

II. USE OF THE COMMON ELEMENTS

1. No unlawful, illegal, improper or offensive use or conduct shall be permitted in or made of any portion of the Common Elements. Without limiting the generality of the foregoing, all Residents and Guests shall comply with all municipal and other zoning ordinances, and any other laws, by-laws, rules, regulations, ordinances and legislation of all government authorities and/or agencies having jurisdiction over the Condominium Corporation.

2. Owners shall take all reasonable steps to ensure that their Tenants and Guests (and any Tenants shall take all reasonable steps to ensure that their Guests) comply with the Legal Requirements.

3. All costs, damages, liabilities, suits, claims or losses suffered or incurred by the Corporation, including increased insurance premiums, cleaning charges, or repair charges for the Common Elements arising from any violation of the Rules by a Resident or their Guest(s), may be recovered against the applicable Owner and may be collected in the same manner as common expenses.

4. No Resident shall do, or permit anything to be done, on the Common Elements, or bring or keep anything on the Common Elements, which will in any way increase the risk of fire or rate of fire insurance premiums for the Condominium, or on property kept therein, or obstruct or interfere with the rights of other Residents, or in any way injure or annoy them, or conflict with the laws relating to fire or with the regulations of the relevant fire department, or with any insurance policy carried by the Corporation or any Resident, or which will conflict with any of the rules and ordinances of the local board of health, or with any municipal by-law or any provincial or federal statutes or regulations.

5. No one may hold a sale of personal property (e.g. by auction or "in house" garage sale) on the Common Elements without the prior written consent of the Board.

6. Any physical damage to the Common Elements caused by a Resident or their Guest(s) shall be repaired by arrangement and under the direction of the Board at the cost and expense of such Resident.

SAMPLE

7. All Residents and Guests shall endeavour to use the paved walkways or the driveways when entering or leaving the Condominium and any POTLs and shall avoid crossing softscaped lawns or landscaped areas.

8. Subject to the Declaration, the by-laws of the Corporation, any agreements authorized by the by-laws of the Corporation or these Rules, no one may obstruct any sidewalk, passageway, walkway, driveway or laneway, or use any of them except to travel to or from the POTLs or the Common Elements.

9. A person responsible for a spill, stain or mess in the Common Elements shall clean it up immediately. If the person cannot do so properly, they shall advise the Manager as soon as possible, and shall reimburse the Corporation for the costs of having the spill, stain or mess, cleaned up.

10. No advertising, soliciting or campaigning signs or banners may be placed on any part of the Common Elements, except by the Declarant, the Corporation, or by an Owner pursuant to a right set out in the Declaration.

11. No aerial, antenna, satellite dish or associated equipment shall be placed on any part of the Common Elements, except by the Declarant, the Corporation, or by an Owner pursuant to a right set out in the Declaration.

12. No person or pet shall damage, change or litter upon any of the landscaping contained within the Common Elements. No one may add to or change the planting of flora or landscaping in any part of the Common Elements without prior Board approval.

13. No equipment owned or leased by the Corporation shall be removed from the Common Elements by, or on behalf of, any Resident.

14. No building, structure or tent shall be erected, placed, located, kept or maintained on the Common Elements, and no trailer, either with or without living, sleeping or eating accommodations shall be placed, located, kept or maintained on the Common Elements.

III. NOISE

1. Residents and their Guest(s) shall not create nor permit the creation or continuation of any noise or nuisance, which, in the opinion of the Board or the Manager, may or does disturb the comfort or quiet enjoyment of the Common Elements by other Residents or their Guest(s).

2. No Resident shall use or permit the use of any fire crackers or other fireworks in or upon the Common Elements.

3. No Resident shall use the landscaped portions of the Common Elements for any activity, including games, group activities or gatherings which in the sole opinion of the Board or the Manager creates a nuisance, annoyance or undue source of unwanted sound for any of the other Residents or if, in the sole opinion of the Board or the Manager, such activity would create an inconvenience for the Manager.

IV. PETS

1. No animal shall be permitted to soil or damage any part of the Common Elements whether by waste, excrement or otherwise, and in the event of same, the owner of such animal shall make good such damage and effect the removal of such waste and save harmless the Corporation from any expense in connection therewith.

V. PARKING

1. No person shall place, leave, park or permit to be placed, left or parked upon the Common Elements any Motor Vehicle which, in the opinion of the Manager or as directed by the Board, may pose a security or safety risk, either caused by its length of unattended stay, its physical condition or appearance or its potential damage to the property. Immediately upon receipt of written notice from the Manager or the Board, which notice shall be deemed received when it is posted at the entrance of the POTL where the owner of the Motor Vehicle resides or upon the Motor Vehicle in question, the owner of such Motor Vehicle shall be required to either remove or attend to the Motor Vehicle as required and directed by the Manager, in default of which the Motor Vehicle shall be removed from the property at the expense of the owner of the vehicle and the responsible Resident, which expense may be recovered in the same manner as common expenses. If a Motor Vehicle is left standing upon the Common Elements, the vehicle may be towed without notice to the owner of the vehicle and at the expense of the owner of the vehicle and the responsible Resident, which expense may be recovered in the same manner as common expenses.

2. Parking is prohibited in the following areas:

SAMPLE

(a) roadways;

(b) fire zones;

(c) traffic lanes;

(d) drive aisles;

(e) delivery and garbage areas; and

(f) any other area not designated for parking.

3. Parking in any prohibited area may result in the immediate removal of the offending vehicle and at the expense of the owner of the vehicle and the responsible Resident, which expense may be recovered in the same manner as common expenses.

4. No Motor Vehicle fuelled by liquid or gaseous propane or natural gas shall be placed, left, or parked or permitted to be placed, left or parked in or upon the Common Elements or visitor parking spaces.

5. If a vehicle breaks down anywhere that would obstruct free vehicle movement, the driver shall immediately get their vehicle out of the way, notify the Manager of the break-down and arrange to have the vehicle towed as soon as possible.

6. No servicing or repairs shall be made to any Motor Vehicle, trailer, boat, snowmobile or equipment of any kind anywhere on the Common Elements, other than minor emergency repairs such as changing tires or the addition only of oil, coolant or other fluids. Residents shall be responsible for any stains or damage caused by the leaking of oil, gasoline, coolant, windshield wiper fluid or other operation fluid.

7. Motor Vehicles may only be driven on road surfaces, at a speed not to exceed the maximum posted speed. Unless otherwise posted, the maximum vehicle speed is 10 km/hr.

8. No trailers, campers, boat trailers, trucks, boats, recreational vehicles, mechanical toboggans, snowmobiles, commercial vehicles or mechanical equipment may be parked in a visitor parking space unless authorized by the Board.

9. Any vehicle found abandoned on the Common Elements may be ticketed and towed away.

10. If a driver must help a person incapacitated by age, handicap, injury or illness to enter or exit any buildings, they may leave their vehicle unattended while doing so, provided that in so doing no fire route or laneway is obstructed by the unattended vehicle.

11. No one shall empty their vehicle ashtrays or leave any other litter from their vehicle anywhere but in designated garbage areas.

12. The Corporation is not responsible for any loss of or damage to a Guest's Motor Vehicle or personal property.

13. A parking permit is required with respect to any Motor Vehicle parked in a visitor parking space between the hours of 2:00 a.m. and 7:00 a.m. The permit shall be an official permit authorized and issued by the Board, the Manager and/or its designated agent. Residents are responsible for obtaining a permit on behalf of their Guest(s), in advance, from the Board, the Manager and or its designated agent, during normal business hours. The permit must be visibly displayed on the left front dashboard.

14. The visitor parking spaces shall only be used in accordance with the provisions of the Declaration and shall not be used by Residents.

15. The visitor parking spaces shall be used only by the Declarant, guests of the Declarant and Guests.

16. Motor Vehicles shall be equipped with the most recent noise control devices and operated on the roadways in a manner so as not to disturb Residents. No Motor Vehicles or bicycles are permitted to be operated on sidewalk or walkway areas.

17. No unlicensed Motor Vehicle shall be driven and no person shall operate a motorized vehicle within the Common Elements without a proper operating licence.

VI. GARBAGE DISPOSAL

1. No one shall leave any debris, refuse or garbage ("**Waste**") in the Common Elements (including those of which the person has the exclusive use), except at times designated by the Board or the Manager as garbage pick-up days and in locations designated by the Board or the Manager as

SAMPLE

designated area(s). Such Waste shall be contained in properly tied polyethylene or plastic garbage bags, or in some other manner as determined by the Board or the Manager in their sole and unfettered discretion, not exceeding a weight limit as determined by the Board or the Manager in their sole and unfettered discretion, and to be disposed of as directed by the Board or Manager in their sole and unfettered discretion. Where such Waste consists of large items, crates or cartons, the Owner shall arrange with the Manager or supervisor for disposal thereof and such crates or cartons shall not, in any event, be left outside.

2. Waste sorting is required by the municipality and Residents shall be required to sort Waste in accordance with the requirements of the municipality.

VII. TENANTS

1. No POTL shall be occupied under a lease unless, prior to the Tenant being permitted to occupy the POTL, the Owner shall have delivered to the Corporation a completed Tenant Information Form in accordance with Schedule "A" attached hereto and an executed copy of the Application/Offer to Lease and the Lease itself. In addition, the Owner shall provide the Corporation the Tenant's name and telephone numbers, shall inform the Corporation of the number of persons occupying the POTL, and shall provide the Corporation with such other information as the Manager or the Board may require in their sole and unfettered discretion.

2. The foregoing documentation shall be supplied forthwith and without charge to and upon request for same by the Corporation.

3. All Tenants shall provide the Board with their names, addresses, and telephone numbers. Updates of such information shall be provided to the Board within five (5) Business Days of any change to such information.

4. Within 10 days of ceasing to rent its POTL (or within 10 days of being advised that its Tenant has vacated or abandoned the POTL, as the case may be), an Owner shall notify the Corporation in writing that the POTL is no longer rented.

5. All Owners shall be responsible for any damage or additional maintenance to the Common Elements caused by their Tenants and will be assessed and charged therefore.

6. During the period of occupancy by a Tenant, the Owner of the relevant POTL shall have no right of use of any part of the Common Elements.

7. The Owner shall supply to the Board its current address and telephone number during the period of occupancy by a Tenant.

VIII. SOLICITING

1. Notwithstanding anything hereinbefore set out, Section 118 of the Condo Act states that "No corporation or employee or agent of a corporation shall restrict reasonable access to the property by candidates, or their authorized representatives, for election to the House of Commons, the Legislative Assembly or an office in a municipal government or school board if access is necessary for the purpose of canvassing or distributing election material".

IX. ACCESS CONTROL

1. Residents are to immediately report any suspicious person(s) seen on the property to the Manager or its staff.

X. ENFORCEMENT OF RULES

1. The Rules shall be enforced in accordance with the terms of the Condo Act, the Declaration, the by-laws of the Corporation and upon any such further terms as the Board may deem advisable in its sole and unfettered discretion from time to time.

2. In addition to any other power of enforcement of the Rules that the Board may have by virtue of the Condo Act, the Declaration, and/or the by-laws of the Corporation (including the right to have a court of competent jurisdiction order compliance with the Rules), the Board may also deal with Residents and/or Guests who violate the rules as follows:

   (a) the offending or responsible Resident shall be notified in writing with respect to the first offense by the Manager and/or Board and shall be given fourteen (14) days from receipt of the notice to rectify the violation or signify to the Board their future willingness to comply with the rules;

   (b) upon the second offence, the offending or responsible Resident shall be given written notice and shall be given two (2) days from receipt of the notice to rectify the violation and

SAMPLE

signify to the Board in writing that they shall comply and/or require their Guest(s) to comply with the rules and regulations; and

(c) upon the third offence and any further offences by the offending or responsible Resident the Board may direct that the said Resident supply the Board with a security deposit with respect to such further or subsequent breaches of the rules which may be occasioned by the Resident and/or their Guests, which security deposit will be forfeited and considered liquidated damages in the event that any further breach of the rules is occasioned by the Resident and/or their Guests.

3. These Rules shall not in any manner whatsoever create or establish in favour of any Resident any right or entitlement to use the Common Elements.

SAMPLE

SCHEDULE "A"

TENANT INFORMATION FORM

York Region Common Elements Condominium Corporation No. ●

POTL _____, Level _____

Landlord's Name: _____

Landlord's Address: _____

Telephone: _____

Email: _____

Term of Lease: _____ years

Commencement Date: _____

Attach a copy of the application/offer to lease and the lease itself.

Tenant's Full Name: _____

Social Insurance Number: _____

Driver's License Number: _____

Vehicle Plate Number: _____

Number of Occupants: Adults ____, Children _____, Total _____

Adults Full Names: _____ Age: _____

_____ Age: _____

Children's Full Names: _____ Age: _____

_____ Age: _____

Tenant's Present Address: _____

Telephone: _____

Employer: _____

Business Address: _____

Business Telephone Number: _____

Name of Nearest Relative: _____

Nearest Relative's Address: _____

Telephone: _____

DATED at _____ this _____ day of _____, 20_____.

_____
Tenant's Signature

_____
Tenant's Signature

SAMPLE

8

Proposed Management Agreement

SAMPLE

COMMON ELEMENTS CONDOMINIUM MANAGEMENT AGREEMENT

B E T W E E N :

► YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. ►

(hereinafter called the "**Corporation**")

OF THE FIRST PART

- and -

FIRSTSERVICE RESIDENTIAL ONTARIO

(hereinafter called the "**Manager**")

OF THE SECOND PART

WHEREAS the Corporation has been created pursuant to the *Condominium Act*, *1998*, S.O. 1998 C.19, as amended, which Act and regulations made thereunder are collectively referred to herein as the "**Act**", known as "**Property Name**" and is located at **Property Address, Markham, Ontario, Postal Code** (the "**Property**");

AND WHEREAS the Corporation desires to engage the Manager as management agent to manage the Corporation and assets of the Corporation, and the Manager desires to do so, in accordance with the terms and conditions of this agreement (the "**Agreement**").

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein contained and other valuable consideration, the Corporation appoints the Manager and the Manager hereby accepts the appointment as the exclusive management agent of the Property and the assets of the Corporation on the terms and conditions hereinafter set forth.

SAMPLE

ARTICLE 1
NOMENCLATURE

1.1 Unless a contrary intent is expressed in this Agreement, the terms used herein shall have ascribed to them the meanings contained in the Act and the declaration (the "**Declaration**"), the by-laws (the **"By-Laws"**), and rules (the **"Rules"**) of the Corporation (together the **"Agreement Documents"**).

ARTICLE 2
TERM

2.1 The term of this Agreement shall be for **three (3) years** from the **__ day of _____, 20__ to the __ day of _____, 20__** unless terminated in accordance with the provisions of this Agreement and the Act. In the event this Agreement is not terminated in accordance with the provisions of this Agreement and the Act, this Agreement shall automatically renew and continue in full force and effect on a month-to-month basis.

ARTICLE 3
ROLE OF MANAGEMENT AND SUPERVISION BY THE BOARD

3.1 The Manager agrees to assist the Board of Directors of the Corporation (the "**Board**") in the operation and administration of the Corporation and of the Property and assets of the Corporation and accepts the relationship of trust and confidence established between itself, the Board and the owners of the P.O.T.L.s (the "**Owners**" and each an "**Owner**") by entering into this Agreement. The Manager will work under the direction and supervision of the Board.

3.2 The Manager acknowledges that it is familiar with the Act and with the terms of the Agreement Documents as of the date of this Agreement. The Manager's management of the Property shall be subject to the specific instructions of the Corporation as expressed by its Board and to each and every term and condition contained in this Agreement, and the Manager further agrees to carry out expeditiously the instructions of the Corporation and its Board, subject to section 3.7.

3.3 The Manager agrees that during the term of this Agreement, it will provide all management services required in connection with the management of the Corporation in performing its duties, provided that the Manager shall not be responsible for the duties of the Board or of any officer of the Corporation, except as specifically set out in this Agreement. The Corporation and the Manager acknowledge that the Manager is an agent of the Corporation, subject to the express terms and conditions of this Agreement. All contracts of the Corporation shall be executed by an authorized signing officer (or officers) of the Corporation.

3.4 The Manager acknowledges that it has implemented a privacy policy regarding the handling of the personal information of owners, residents, employees and all others whose personal information the Manager uses, collects, intends to use and intends to collect. The Manager further acknowledges that such privacy policy is in compliance with the Personal Information and *Electronic Documents Act*, 2000, c.5 ("**PIPEDA**") and all other applicable privacy laws. The Manager further agrees to use all personal information in its possession in accordance with PIPEDA, all other applicable privacy laws and any specific direction of the Corporation.

3.5 The Manager covenants to comply with the provisions of the *Accessibility for Ontarians with Disabilities Act*, 2005, S.O. 2005, c. 11 ("**AODA**"), and without limitation, shall ensure that all of its employees and all contractors it retains have received training with respect to the customer service standard under AODA.

3.6 The Manager covenants and warrants that it will, at all times during the term of this Agreement and if required following termination, comply with both the Act and the *Condominium Management Services Act*, 2015, S.O. 2015, c. 28, Schedule 2 ("**CMSA**"). Further, the Manager represents and warrants that it and all necessary employees are licensed to provide "condominium management services" as defined and set out in the CMSA.

3.7 The Manager agrees to furnish efficient business administration and supervision and to perform its responsibilities, including administrative, financial and advisory, in the best manner, consistent with effective management techniques and in the most expeditious and economical manner consistent with the best interests of the Corporation. The Manager shall conduct its duties consistent with the requirements of the Act, the CMSA, the Agreement Documents and with applicable federal, provincial and municipal laws and regulations, as well as all binding court or tribunal orders, judgments or decrees, and all applicable directives, policies, rules and orders given by any government agency or regulatory body, all as these pertain to, or are binding on, the operation of the Corporation and of the Property (collectively, "**Legal Requirements**"). In the event the Manager is instructed to take any action which, in the Manager's opinion, is contrary to

SAMPLE

the Legal Requirements, the Manager shall advise the Corporation so in writing promptly. In addition to any other indemnification obligation contained in this Agreement, in the event that any damages, loss, expense, or other costs are incurred by the Manager as a result of the Corporation's instructions given after the Manager has given written notice of disagreement, the Corporation shall fully indemnify the Manager for any such damages, loss, expense, or other costs.

ARTICLE 4
SPECIFIC DUTIES OF THE MANAGER

4.1 Without limiting the generality of Article 3, the Manager shall perform, in particular, the following specific duties, subject to the direction of the Board:

(a) **Corporate Funds**. To collect, receive, and deposit in trust for the Corporation all monies payable pursuant to the Agreement Documents by the Owners or others and to deposit the same forthwith in separate account(s) to be opened with a Canadian chartered bank of the Manager's choice and maintained by the Manager in the name of the Corporation. Such account(s) will identify the Manager as the agent and custodian of the account with signing authority. All such monies shall thereafter be held in trust in the name of the Corporation and be used:

(i) **Disbursements**. The executives of the Manager as listed on the banking resolution (as updated from time to time) may make payment of all expenses properly incurred by or on behalf of the Corporation by cheque or electronic funds transfer or direct banking; all such expenses to be accompanied by an invoice, receipt, work order or such other documentation identifying the particulars of the expense for which the payment is being made and having been submitted to the Board for approval prior to release of payment. In addition, or in the alternative, the Corporation may authorize the issuance of cheques through a bill payment system utilizing an electronic workflow for approval, or such other payment system as may be made available by the Manager, subject to the Board passing a resolution to such effect. Standing authorization may be provided by the Board to the Manager for payment of regular utilities accounts and any other accounts as may be authorized by the Board from time to time;

(ii) **Insurance and Appraisals**. To arrange for insurance coverage and any appraisals in connection therewith required by the Corporation in accordance with the provisions of the Agreement Documents, and the amounts of such insurance shall be as directed by the Board;

(iii) **General Maintenance and Repairs**. To repair and maintain or cause to be so repaired and maintained, those parts of the Property and assets of the Corporation which require repair and maintenance by the Corporation in accordance with the provisions of the Agreement Documents, and, without limiting the generality of the foregoing, to arrange for (subject to subparagraph Article 4(k)) the supply as may be required of electricity, water and other services and to arrange through use of Corporation employees and/or independent contractors as in each instance may seem most desirable for the effective and economical operation, maintenance and repair of the Property and its equipment or so as to comply with the enforcement of any regulations and requirements of the local Board of Health, Police, Fire Departments and any other federal, provincial or

SAMPLE

municipal authorities having jurisdiction which affect the Property, and without limiting the generality of the foregoing, such arrangements shall include where applicable to the Property, removal of litter and disposal of waste, snow and ice removal, landscaping and grounds maintenance, fire hydrant servicing, exterior painting, alterations and any supervision and maintenance necessary in connection with the Property, and subject to subparagraph Article 4(k) as aforesaid to maintain such staff on behalf of and at the expense of the Corporation as may be required at all times to promptly and efficiently carry out the foregoing, and any other requirements and instructions of the Board; and

(iv) **Reserve Fund**. To deposit to the credit of the Corporation with a Canadian Chartered Bank of the Manager's choice in a separate account for major repair and replacement of the Common Elements and assets of the Corporation, on a monthly basis, the proportionate amount of the total budgeted expenditure allocated by the Corporation in its budget statement for the establishment of the reserve fund and to ensure that such monies are not used or employed by the Board or the Manager for the payment of general operating expenses. The Manager shall recommend and arrange for the undertaking of Reserve Fund Studies as may be required from time to time pursuant to the Act, subject to the approval of the Board.

The Manager shall, subject to direction from the Board, arrange for the Corporation to engage an investment advisor or advisors to manage and/or monitor an investment plan as approved by the Board pursuant to subsection 115(8) of the Act (the "**Investment Plan**") and the Manager shall deposit the "surplus" monies in the Corporation's general account(s) and reserve account(s) in accordance with the Investment Plan and subsection 115(6) and (7) of the Act.

(b) **Enforcement of Corporation Documents**. To take such action within its power, short of legal action, to enforce the terms of the Agreement Documents to any of the foregoing which may be in force from time to time subject to the direction of the Board; and to retain legal counsel as directed by the Board at the expense of the Corporation.

(c) **By-Law Advisement**. Subject to 4.1(d), to advise and consult with the Board with respect to any further By-Laws and Rules which, in the opinion of the Manager, ought to be established to further the harmonious and satisfactory operation of the Property.

(d) **Legal Services**: The services of the Manager shall not include the provision of legal services of any kind, but, upon the express instruction of the Board, shall include the procurement of such services on behalf and for the benefit of the Corporation.

(e) **Common Element Deficiencies**. To use its best efforts to assist the Corporation with the Tarion warranty process as it pertains to any building deficiency required by the Corporation to be repaired or rectified and, if applicable, to assist with the correction of any building deficiency short of legal action under any warranty applicable to the Property; and in this regard the Manager represents and warrants that it is familiar with the filing requirements of the *Ontario New Home Warranties Plan Act*, R.S.O. 1990, C.O.31 or any amendments, replacements or successor

SAMPLE

legislation thereto and of the procedures to be followed under that statute in order to protect the interests of the Corporation. Notwithstanding, the Manager will not accept any appointment as “designate” for the Corporation, nor act in any capacity thereof.

(f) **Communication to the Owners**. Subject to the instructions of the Board to forthwith after their enactment communicate to all Owners the text and import of any further By-Laws or Rules or amendments thereto.

(g) **Insurance Claims**. To supervise insurance or other claims by or against the Corporation and to see that the rights of the Corporation in respect to such claims are protected including the filing of notice of claim but not including the adjusting of any loss.

(h) **Inadequate Performance by Contractors**. To use reasonable diligence to ensure that contracts and agreements between the Corporation and any supplier or third-party service provider/personnel are performed in accordance with the agreed upon terms and to inform the Board in the event performance is considered by the Manager to be inadequate or contrary to the agreed terms and where services are properly performed and/or materials provided in accordance with the contract, to take advantage of all trade discounts by prompt payment of trade invoices, with appropriate holdbacks under the *Construction Act*, R.S.O. 1990, C. C.30 (**"Construction Act"**), where applicable. All suppliers and third-party service providers shall be deemed hired by the Corporation. The Manager shall not be liable for any contracts executed on behalf and for the benefit of the Corporation.

(i) **Construction Liens**. To retain or cause to be retained holdbacks required by the Construction Act, R.S.O 1990, as amended, and to 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 the title to the Property and if a claim or lien shall be filed in respect of such work, the Manager shall, as directed by the Board, forthwith take all necessary steps to have the same removed and discharged.

(j) **Inspection/Work Schedule**. To prepare schedules and assignment of responsibilities as may be necessary for all persons employed to work at the Property and to provide such supervision as may be reasonably necessary and to conduct an inspection, as reasonably required, of the Property and to complete a checklist setting out the status of the ongoing maintenance and repairs to be completed in respect of the Common Elements, and compliance by Owners with the Agreement Documents (i.e. stipulate infractions and the steps taken to correct same) and to make such schedules, inspections and status reports available for inspection by the Board at all reasonable times.

(k) **General Authority**. Generally to do and perform and where desirable contract as agent for and in the name of the Corporation for all things desirable or necessary for the proper and efficient management of the Property (including the giving of proper attention to any complaints and endeavouring as far as is economical to reduce waste) and to perform every other act whatsoever in or about the Property to carry out the intent of this Agreement provided, however, that the Manager shall not authorize any work, repairs, alterations or maintenance estimated to cost in excess of $5,000.00 for any one item or to have a duration in excess of one (1) year without first obtaining the Board's approval to proceed with such work except for monthly or recurring operating charges. On rare occasions where

SAMPLE

circumstances warrant, the Board shall provide its approval or other direction to the Manager within a reasonable time of receipt of the Manager's request for approval. Furthermore, if in the Manager's opinion there exists a hazardous situation which could cause personal injury or damage to the Property or the Corporation's equipment or chattels or which could impair the value of the Owners' interest therein or the Owners' equipment, chattels, improvements or property or which could cause the suspension of any service to the Corporation at a time when the Corporation or its representatives cannot be reasonably located for the purpose of giving approval for such work, or if failure to do such work might expose either the Corporation or the Manager or both to the imposition of penalties, fines, imprisonment or any other substantial liability, the Manager is hereby authorized to proceed with such work as in its reasonable discretion it determines to be urgently necessary for the prevention of personal injury, the protection and preservation of the Property or the Corporation's equipment or chattels or the Owners' interest therein or the Owners' equipment, chattels, improvements or property therein or to protect the Corporation or the Manager from exposure to fines, penalties, imprisonment or any other substantial liability, subject always to the Act, and the Declaration and By-Laws and the Rules. The Manager shall in the case of a hazardous situation report to the Board as soon as possible. The Manager, in any hazardous situation, may enter any P.O.T.L. with or without the consent of the Owner thereof to perform such work or repairs as it reasonable determines to be urgently necessary for the protection and preservation of the Property and any assets of the Corporation or any equipment or chattels, or to protect the Corporation and the Manager from exposure to fines, penalties, imprisonment or any other substantial liability.

(l) **Materials, Equipment and Supplies**. To purchase subject to subparagraph Article 4(k) above and on behalf of the Corporation such equipment, tools, appliances, materials and supplies as are necessary for the proper operation and maintenance of the offices and property of the Corporation. All such purchases and contracts shall be in the name of and at the expense of the Corporation.

(m) **Inventory**. To maintain an up-to-date list of all inventories, equipment and chattels of the Corporation as part of the Corporation's records.

(n) **Emergency Situations**. To keep the Board advised at all times of the telephone number or numbers at which a representative or employee of the Manager may be reached at any time during normal business hours in respect to any infraction of the Agreement Documents, or at any time during the day or night in the event of any emergency involving the Property and assets of the Corporation. The Manager will make all arrangements to deal promptly with such infractions and immediately with any emergency arising in connection with the maintenance and operation of the Property and assets of the Corporation. In this regard, the Manager shall deal in the first instance with minor emergencies and infractions and shall forthwith report to the Board any major emergency or persistent, flagrant or serious violation of the Agreement Documents. It is understood and agreed by the parties hereto that the Manager shall, in its reasonable discretion, determine whether or not an emergency exists and whether or not such emergency is of a minor or major nature.

(o) **Fire and Safety Procedures**. If required, to cause to be prepared at the cost of the Corporation, by a qualified third party consultant, and then put into practice a formal Fire Safety Plan which shall at the minimum include:

SAMPLE

(i) Compliance with the Ontario Fire Code;

(ii) Identification of all residents requiring assistance in the event of an emergency;

(iii) The formation and introduction of response team(s); and

(iv) Identification and elimination on a planned basis of hazards to safety.

(p) **Information**. To receive in writing (except in case of emergency) and co-ordinate the disposition of requests for information and service concerning or related to the duties and obligations of the Manager as provided by this Agreement, in all cases referring to the Board such requests as involve policy decisions or interpretations of the Agreement Documents of the Corporation.

(q) **Notice of Meetings**. At the request of the Board, schedule and arrange the facilities for all annual, general and special meetings of the Owners and deliver to the Owners and to such other persons as are entitled to notice pursuant to the Act, Declaration or By-Laws, such notices and other information as is required in connection with the holding of such meetings. At the expense of the Corporation and upon request of the Board, the Manager shall prepare notices of meetings and other information in sufficient quantity for distribution to all persons entitled to receive same. With respect to meetings of the Board, the Corporation shall notify the Manager in writing as to the place, date and time of such meetings and a representative of the Manager shall attend all such meetings unless otherwise directed by the Board, provided the representative of the Manager shall not be required to attend more than **four (4)** meetings of the Board of Directors and **one (1)** meeting of the Owners per fiscal year. All meetings will be scheduled on a Monday, Tuesday, Wednesday or Thursday, except for statutory holidays. The Manager's cost of additional meetings shall be charged to the Corporation in accordance with Section 8.2 and Schedule "A".

(r) **Employee Records**. To execute and file all returns and other instruments, maintain proper payroll records and do and perform all acts required of the Corporation as the employer of on-site personnel in respect of Employment Insurance contributions and deductions, Workers 'Compensation, Employer's Health Tax, Canada Pension Plan contributions and payments, the *Income Tax Act of Canada* and any other employee and employer contributions or payments required under any social, labour or tax legislation in force from time to time, and in connection therewith the Corporation agrees, upon request, to execute and deliver promptly to the Manager all necessary consents, notices of appointment and like approvals or directions. At the option of the Board, provide to the employees of the Corporation the employment benefits as are provided by the Manager for employees of other similar Condominium Corporations and invoice the Corporation for the cost of such benefits and any applicable taxes.

(s) **Supervision of Employees**. To manage any and all persons employed by the Corporation for the operation and maintenance of any equipment in existence or which might be in existence and which the Corporation desires or is obliged to operate and maintain, and to arrange at the cost of the Corporation and be responsible for any safety and technical instructions of personnel employed at the Property which may be required for the proper operation and maintenance of such equipment.

SAMPLE

On the basis of the budget adopted by the Corporation, and subject to prior written approval by the Board, the Manager shall negotiate agreements with, manage and discharge all necessary personnel required to properly and physically maintain all Property.

ARTICLE 5
MANAGEMENT SERVICES

5.1 The Manager agrees that, during the term of this Agreement, it will provide all management services required in connection with the undertaking of the Corporation as may be necessary in the performance of its duties provided. Pursuant to subparagraph 3.3 of this Agreement, the Manager shall not be responsible for the duties of the Board or any Officers of the Corporation, except as set out in this Agreement.

5.2 Without limiting the generality of subparagraph 5.1 of this Article 5, the Manager shall perform the following duties:

(a) **Annual Budget**. To prepare and present to the Board at least six (6) weeks before the commencement of each fiscal year during the term of this Agreement an estimated budget in writing for the following fiscal year and for the approval of the Board and to consult with the Board whenever it appears desirable or necessary to revise the Owners' contributions to the Common Expenses.

(b) **Financial Reporting**. To provide the Board electronically on or before the 20th day of each month with year-to-date monthly itemized unaudited financial statements showing:

(i) Corporation income on accrual basis;

(ii) dollar amount of Common Expenses collected;

(iii) dollar amount of each disbursement as compared with budget expenses by budget categories;

(iv) a list of P.O.T.L.S. that are delinquent in payment of their required contribution to Common Expenses and the amount of each delinquency;

(v) amounts of all other delinquent accounts and names of the persons owing such accounts;

(vi) particulars of accounts, term deposits, certificates and any other instruments respecting investment income and other assets and liabilities of the Corporation in accordance with good accounting principles as at the date of the financial statements.

(vii) particulars of significant variations from budget;

(viii) an income and expense statement; and

(ix) statement of financial position

All accounting and financial reporting which is required under the terms of this Agreement to be provided by the Manager to the Corporation shall be in accordance with the reasonable requests of the Corporation's auditors as to format

SAMPLE

and shall be provided within the reasonable time limit prescribed by the Corporation's auditors.

(c) **Additional Financial Records**. Provide the Board of Directors of the Corporation on a monthly basis with a copy of the following:

(i) A general bank statement summary;
(ii) A reserve fund bank statement summary;
(iii) A bank reconciliation for the general account;
(iv) A bank reconciliation for the reserve account; and
(v) A general ledger analysis

(d) **Books and Records**. To maintain the Corporation's records in accordance with the Act and to use its best efforts to keep an up-to-date record of the names and addresses of all owners, mortgagees and tenants of whom the Manager has received notice. If the Corporation receives notices or written communication from registered mortgagees or any other persons claiming an interest in a P.O.T.L. or from an owner providing information with respect to the leasing of the Owner's P.O.T.L., the Corporation shall forthwith communicate that information to the Manager. All books and records of accounts kept in relation to the management of the Corporation shall be the property of the Corporation and upon termination of this Agreement shall be surrendered to the Corporation or to a representative of the Corporation, designated in writing in accordance with such timing requirements as provided by the CMSA. Until termination of this Agreement, the Corporation's current books and records of accounts shall be physically kept in the Manager's business office. Records referred to herein shall be delivered to the Corporation's onsite Management Office, if space is available, after the completion of the annual financial audit. Alternatively, the Manager shall store the records at a monthly cost to the Corporation as indicated in Schedule A.

(e) **Access to Books and Records**. To make available upon reasonable notice at reasonable times to the Corporation, its auditors, and designated representatives, all books and records pertaining to the operation of the Property and the business of the Corporation whenever requested, provided that the Corporation shall be charged a reasonable hourly fee to properly compensate for the time spent in preparing and copying of records requested for and/or viewed. With respect to requests for access to or copies of records of the Corporation by Owners under s. 55 of the Act, the Manager's cost of addressing requests for non-core records shall be charged to the Corporation in accordance with Section 8.2 and Schedule "A". Notwithstanding the foregoing, in accordance with subsection 55(3) of the Act, the Manager shall use reasonable efforts to obtain reimbursement for the Corporation from the subject Owner of the Schedule "A" costs from the person requesting the records where permitted under the Act or Regulations. For greater clarity, the Corporation shall pay the amount as stated at Schedule "A" to the Manager, regardless of any decision of the Condominium Authority Tribunal that may award a lesser amount in a particular case.

(f) **Approval of Invoices**. To make all disbursements properly incurred for and on behalf of the Corporation with the approval of the Board; provided, however, that the approval of the Board shall not be required prior to payment by the Manager of any items of expense as to which the Manager has discretionary spending authority pursuant to subparagraph 6.1(c).

SAMPLE

(g) **Status Certificates**. Upon receipt and payment of a written request, prepare and execute by the Manager status certificates in the form prescribed by regulation pursuant to the Act and to issue and provide status certificates together with the statements and information required pursuant to the Act to any person or persons who request(s) one and has paid the appropriate fee, within the time permitted for the delivery of such certificates, statements and information prescribed in the Act.

The Manager shall not be obligated or responsible for inspecting the Common Elements appurtenant to the P.O.T.L. The Manager shall not inspect the P.O.T.L. to determine whether or not the Corporation has any claim for damages against an Owner as contemplated by the Act or whether any violation of the Agreement Documents exists prior to issuing the status certificate. The onus shall be that of the purchaser as set out in the Status Certificate.

The Manager is responsible for the accuracy and completeness of all information contained in the status certificate; however, the Manager shall not be liable for any information within the knowledge of the Board but not communicated to the Manager in writing and which should be included in the status certificate.

The Manager shall be entitled to the fee prescribed by regulation pursuant to the Act for the preparation and issuance of the status certificate and related documentation and shall bear the costs/disbursements applicable to the issuance of the status certificate and accompanying documentation.

(h) **Notice of Lien**. The Manager may issue Notice of Lien to Owners, with such cost to be recovered from those Owners requiring such notice pursuant to s. 85 of the Act.

(i) **Preventive Maintenance Program**. Arrange with a third party pursuant to a contract with the Corporation, for the preventative maintenance of equipment, including major technical and electrical equipment and plumbing systems, in accordance with the recommendations of manufacturers or suppliers thereof. The Manager shall also maintain general maintenance procedures and schedules to be followed by any employees of the Corporation. The Corporation shall make available to the Manager all shop drawings, as-built architectural and structural plans, maintenance and operating manuals for mechanical and electrical equipment and plumbing systems and such other documents as the Manager reasonably requires to carry out its duties that are in the Corporation's possession from time to time.

(j) **Manager's Report**. Present to the Board as may be reasonably required a Manager's report, to serve as a written form of communication from the Manager to the Board. This Manager's report shall reflect the directives of the Board to the Manager and shall further reflect the actions of the Manager with respect to those directives. Any and all correspondence received by the Manager with respect to the operation of the Corporation shall be available for examination by the Board. The Manager's report shall be made available to the Board at least two (2) days before the applicable Board meeting where it is to be presented.

(k) **Fidelity Insurance**. In addition to the fidelity insurance required by the CMSA, to arrange, obtain and maintain fidelity insurance for the Corporation in such amounts as may be requested by the Corporation, with loss payable to the Corporation. The Corporation agrees that the Manager shall be named as an insured party along

SAMPLE

with the Corporation and the fidelity insurance shall not be terminable by either the insurer or the Corporation unless sufficient prior notice of cancellation has been delivered by registered mail to the auditor of the Corporation, the Manager, and to the Board. The premium for the additional fidelity insurance requested under this paragraph shall be an expense of the Corporation.

ARTICLE 6
EMPLOYMENT OF CONTRACTORS

6.1 The Manager may contract on behalf and for the benefit of the Corporation with any person, firm or corporation to provide any goods and/or perform any work or services for the Corporation within the scope of the Manager's duties under this Agreement subject, however, to the following provisions:

(a) **Written Agreements**. Any person, firm or corporation employed to perform work or services shall be contracted pursuant to a written contract setting out the essential terms and conditions of such contract. All suppliers and third-party service providers, whether a person, firm, or corporation, shall be deemed hired by the Corporation. The Manager shall not be liable for any contracts executed on behalf and for the benefit of the Corporation.

(b) **Approval of the Board**. In addition to the requirements of subparagraph Article 4(k), any contract to perform work or services entered into on behalf of the Corporation shall be for a reasonable consideration usual in the industry and be budgeted for by the Corporation. In the event that any contract for work or service shall be for a consideration in excess of that budgeted for by the Corporation, then prior to the Corporation entering into such contract, the Manager shall first obtain a resolution of the Board approving such contract. All contracts shall be signed by a member of the Board.

(c) **Spending Restrictions**. Where the cost of performing such work or services exceeds the sum of $5,000.00, the Manager shall submit at least two (2) written quotations for presentation to the Board and prior to entering into such contract, the Manager shall first obtain a resolution of the Board approving such contract, except that if any such work is urgently required to be done and failure to do such work could, in the Manager's reasonable opinion, result in a hazardous situation which could cause personal injury or damage to the Property or its equipment or contents or which could impair the value of the Owners' investment or if failure to do such work might expose either the Corporation or the Manager, or both, to the imposition of penalties, fines, imprisonment or any other liability, then the Manager is hereby authorized to proceed with any such work as it in its discretion reasonably determines to be urgently necessary for the prevention of personal injury, the protection and preservation of the Property or its equipment or contents or the Owners' investment therein or to protect the Corporation or its Directors from exposure to fines, penalties, imprisonment or any other liability. In the case of such hazardous situation the Manager shall report to the Corporation as soon as possible.

As well, where a contract to provide services to the Corporation extends past one (1) year, the Manager shall submit at least two (2) written quotations for presentation to the Board and prior to the Corporation entering into such contract, the Manager shall first obtain a resolution of the Board approving such contract. All contracts shall be signed by a member of the Board.

SAMPLE

ARTICLE 7
ACCESS TO P.O.T.L.S

7.1 Subject to the relevant provisions of the Act and the Agreement Documents, the Manager and its agents, servants and employees may enter a P.O.T.L. or exclusive use area of the Common Elements in order to perform its duties hereunder, provided always that the Manager shall give reasonable notice to the Owner of its intention to enter the P.O.T.L. or exclusive use area, save only in the case of an emergency or Owner's extended absences in which case prior notice shall not be required.

ARTICLE 8
MANAGER'S COMPENSATION

8.1 The Manager shall be paid as compensation for its management services rendered under this Agreement as follows:

Until terminated in accordance with the provisions of this Agreement (but subject always to paragraph 17.2), **a management fee of $_____ per month from Date to Date; a management fee of $_____ per month from Date to Date; a management fee of $_____ per month from Date to Date** payable monthly, in advance, by electronic transfer. The Manager's fee includes all office expenses directly related to the business office of the Manager with respect to the performance of the duties of the Manager hereunder, but does not include any expenses directly related to the business offices of the Corporation nor the duties outlined in paragraph 8.2. The Manager's fee does not include disbursements incurred on behalf of the Corporation, including parking charges for staff employed by the Manager. All stated fees are exclusive of any applicable taxes. In addition to any parking charges as aforesaid, the Corporation agrees to provide to the Manager, without cost, the use of at least one (1) parking space at the Property at all times.

8.2 **Additional fees** (the "**Additional Fees**") for various services (the "**Additional Services**") apply as set out in various provisions of this Agreement and shall be invoiced as set out at Schedule "A". Furthermore, there are a number of Additional Services that are expected to be required under future anticipated changes to legislation that are not yet in force. As such, the Manager shall be entitled to Additional Fees (above the monthly fee as stated in s. 8.1), to be invoiced to the Corporation, in accordance with Schedule "A" hereto relating to any such future legislative changes. All Additional Fees as stated in Schedule "A" hereto are exclusive of any applicable taxes. The Manager shall be entitled to amend Additional Fees to reflect inflation, changes to underlying costs and time spent, or other relevant factors. The Manager shall provide the Corporation with 30 days' written notice of any Additional Fees for any new Additional Services, or any amended Additional Fees for existing Additional Services, prior to implementation.

ARTICLE 9
P.O.T.L. REPAIRS

9.1 Notwithstanding any other provision of this Agreement the Manager is given no authority or responsibility for maintenance of or repairs to the P.O.T.L.s which shall be the sole responsibility of the Owners individually, save and except in those circumstances where the Corporation has an obligation to maintain or repair the P.O.T.L.s after damage whether in accordance with the Act, the Agreement Documents, or otherwise. The services to arrange for any maintenance and repairs required that is not a result of insurable loss shall be at the expense of the Corporation or Owner.

SAMPLE

ARTICLE 10
PLANS AND SPECIFICATIONS

10.1 If any plans, drawings, specifications and architectural or engineering assistance become necessary or desirable to enable the Manager to discharge its duties pursuant to this Agreement, and if the Board or its designated representative from time to time authorizes the obtaining of the foregoing, before any expense is incurred therefore, then the cost thereof shall be at the expense of the Corporation.

ARTICLE 11
BOARD CO-OPERATION

11.1 The Corporation acknowledges that the Board must co-operate with the Manager to the extent required to perform expeditiously, efficiently and economically the Manager's services required under this Agreement and to provide such evidence of authority by way of certified resolution or otherwise and such specific directions as the Manager may reasonably require. The Board agrees to continuously act in the best interest of the overall community and their Corporation and agrees to fully and formally disclose, in writing, any personal interests or relationships that might represent a conflict-of-interest or perceived conflict-of-interest.

11.2 The Corporation agrees that it shall provide the Manager and its employees and representatives a safe workplace in which to perform the services hereunder and accordingly, the Corporation agrees that it shall comply with all statutes, regulations and codes relating to workplace safety, including, without limitation, the *Accessibility for Ontarians with Disabilities Act*, *Workplace Hazardous Materials Information System regulations*, and the *Occupational Health and Safety Act* ("**OHSA**"). Furthermore and without limitation, the Corporation recognizes that Workplace Harassment is a serious issue and hereby agrees to enforce any Workplace Harassment and Violence policy that the Corporation may have implemented, as well as assisting the Manager in enforcing its Respect in the Workplace Policy (as may be amended from time to time), with a view to addressing any harassment or violence directed towards employees and representatives of the Manager, and in fact as directed towards any individual at the Property.

11.3 The Corporation covenants and agrees with the Manager that it will not, either directly or indirectly, in any manner whatsoever, at any time during the term of this Agreement or for a period of twelve (12) months after the termination of this Agreement (the "**Protected Period**"): (a) employ any employee or agent of the Manager in any manner whatsoever; (b) solicit, interfere with or endeavour to entice away from the Manager any employee or agent of the Manager or any person who, at any time during the six-month period immediately prior to the making of such solicitation, interference, or endeavour, was an employee or agent of the Manager; or (c) divulge to any person, firm or corporation the name of any employee or agent of the Manager. In the event that the Corporation breaches any of the covenants and/or agreements contained in this paragraph, the Corporation agrees to forthwith pay to the Manager a placement fee of one year (twelve months, or reasonable equivalent) of the annual compensation payable by the Manager to the applicable employee or agent in the year in which such breach takes place (and the parties hereto agree that the foregoing payment is not a penalty but is a genuine pre-estimate of the damages suffered and is in addition to (and not in substitution for, whole or partial satisfaction of or derogation from) any rights and remedies which the Manager may have at law or otherwise as a result of such breach). This s. 11.3 shall survive termination of this Agreement.

SAMPLE

ARTICLE 12
LIAISON OFFICER

12.1 The Board shall advise the Manager in writing from time to time as required of the name of the Officer, Director or other representative, not to exceed one individual, who is authorized to act for and on behalf of the Corporation to enable the Manager to consult with the Board or obtain the Board's approval before proceeding with any work, act or actions if required hereunder. The Board may designate from time to time an individual in addition to the President who shall be authorized to deal with the Manager on any matter relating to the management of the Property, and if such designation is made, the Manager is directed not to accept directions or instructions with regard to the management of the Property from anyone else. In the absence of any designation by the Board, or if a designation is revoked then until another designation is made, the President of the Board shall have sole authority.

ARTICLE 13
INDEMNIFICATION

13.1 The Manager shall, during and after the term of this Agreement, defend, indemnify and save the Corporation and its directors, officers, employees and agents completely free and harmless from any and all damages or injuries to persons or property, or claims, actions, obligations, liabilities, costs, expenses and fees, by reason of the gross negligence or willful misconduct of the Manager or any of its employees in the carrying out of the provisions of this Agreement.

13.2 The Corporation shall, during and after the term of this Agreement, defend, indemnify and save the Manager and its partners and affiliates and their respective directors, officers, security holders, employees and agents completely free and harmless from any and all damages or injuries to persons or property, or claims, actions, proceedings before any court, tribunal or adjudicator, obligations, liabilities, costs, expenses and fees, for 1) any reason in the carrying out of the Manager's duties and obligations hereunder, unless by reason of the gross negligence or willful misconduct of the Manager or any of its employees in the carrying out of the provisions of this Agreement; 2) acts of the Corporation or its Board of Directors, agents, or third party service providers; and 3) events that occurred prior to the Agent’s appointment as management agent, or after the termination of this Agreement.

13.3 The provisions of this Article 13 shall survive the termination of this Agreement.

ARTICLE 14
COMPREHENSIVE LIABILITY INSURANCE

14.1 The Corporation agrees to take out or authorize the Manager to arrange for comprehensive liability insurance in the name of the Corporation on the Property to a limit of not less than $5,000,000.00 inclusive and further agrees that the Manager shall be named as an additional insured party along with the Corporation as their interest may appear in each such policy or policies which shall provide protection against any claims for personal injury, death or property damage or loss for which either the Corporation or the Manager might be held liable as a result of their respective obligations, and the Corporation further agrees, if so requested, to provide the Manager with a certificate of insurance from its insurers which shall include an undertaking that the insurer will provide the Manager with at least thirty (30) days prior written notice of cancellation or any material change in the provisions of any such policy.

ARTICLE 15
DELINEATION OF DUTIES

SAMPLE

15.1 Manager, under the terms and conditions of this Agreement, shall not in any way be considered an insurer or guarantor of security for or within the property. Neither shall manager be held liable for any loss or damage by reason of any actual or alleged failure to provide adequate security, or ineffectiveness of any security measures undertaken. All such responsibility shall be solely borne by any third-party providers of security services to the Corporation. The Board on behalf of the Corporation, all owners and occupants of any dwelling, tenants, guests and invitees of any owner, as applicable, acknowledges that Manager cannot and does not represent or warrant that any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices, or other security systems (if any are present) will prevent loss by fire, smoke, burglary, theft, hold-up or otherwise, nor that fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems will in all cases provide the detection or protection for which the system is designed or intended.

The Board on behalf of the Corporation, each owner and occupant, and each tenant, guest and invitee of an owner, as applicable, acknowledges and understands that manager is not an insurer and that each owner and occupant of any P.O.T.L. and each tenant, guest and invitee of any owner assumes all risks for loss or damage to persons, to P.O.T.L.s and to the contents of P.O.T.L.s and further acknowledges that Manager has made no representations or warranties nor has the corporation, any owner, occupant, tenant, guest or invitee relied upon any such representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems recommended or installed or any security measures undertaken within the property.

ARTICLE 16
MISCELLANEOUS

16.1 **Deficit Financing**

Unless the Board has specifically authorized such procedure, under no circumstances shall the Manager advance funds to the Corporation on a temporary loan basis, whether interest is charged to the Corporation or not, in the event of a cash deficit occurring in the Corporation's current account. The Manager shall notify the Board of any anticipated cash deficit, and the Board shall take immediate steps to obtain the necessary funds to cover any such deficit pursuant to the By-Laws of the Corporation by either utilizing the Corporation's overdraft protection if any, levying of a special assessment, the delivery of a revised budget, or the exercise of its borrowing authority on behalf of the Corporation.

16.2 **Collection of Accounts Receivable Including Common Expenses**.

The Manager, without limiting its covenants as hereinbefore contained, shall, in addition to its covenant to enforce the Agreement Documents of the Corporation as hereinbefore contained, actively pursue the collection of outstanding Common Expenses from Owners, and where appropriate under Section 87 of the Act, tenants, respectively at all times and with a view to reducing these receivables to the lowest minimum monthly balance. In the event that the Corporation must register a Certificate of Lien pursuant to s. 85(2) of the Act, the Manager shall serve the delinquent Owner with a Notice of Lien in the prescribed form pursuant to the Act and instruct the Corporation's solicitor to register the Certificate of Lien in the appropriate Land Registry Office within the time prescribed by the Act after the date on which the Owner first defaults.

SAMPLE

In the event that the Manager, after instruction from the Board, fails to provide proper information, adequate notice, and instructions to the Corporation's solicitors for the registration of a Certificate of Lien covering the arrears of Common Expenses, interest charges and legal costs within the time specified under the Act resulting in any loss or any additional cost to the Corporation, the Manager shall be directly liable for same to the Corporation.

16.3 **Fiduciary Relationships**

The Manager may engage any parent or subsidiary entity affiliated or otherwise connected with it (hereinafter called the "**affiliate**") to perform any work or services for the Corporation within the scope of Manager's duties under the provisions of this Agreement, without being in breach of any fiduciary relationship with the Corporation, provided the Manager discloses to the Corporation that it intends to engage an affiliate and the Manager has obtained at least two additional quotations from other competent suppliers or contractors who are not affiliates of the Manager and the Board has approved the work or service to be performed by the Manager's affiliate.

The Corporation acknowledges that affiliates of the Manager may receive compensation for services rendered to the Corporation provided that the Corporation approves such services in accordance with this paragraph 16.3. FirstService Financial, Inc. and FS Insurance Brokers, Inc. ("FFI/FSIB"), affiliates of FirstService Residential, offers banking and insurance solutions exclusively to clients of FirstService Residential. For services to the Association/Corporation/Strata, FFI/FSIB earns compensation from their program partners at no expense to the Association/Corporation/Strata. FFI/FSIB are committed to transparency and will disclose their relationship with FirstService Residential, as well as whether compensation is received, in advance of any Association/Corporation/Strata decision related to the banking and insurance products they offer. Except for the placement of operating and reserve bank accounts the Corporation retains the right to opt out of any products or services affiliated with FFI.

When obtaining quotations or proposals from affiliated partners and/or companies with an official business relationship with the Manager, upon formal request from the Board, the Manager may be instructed to first obtain sealed bid proposals from the Manager's affiliated company in advance to requesting and/or receiving those of competitive companies.

SAMPLE

16.4 **Owner Relationship**

(a) The Manager shall promptly deal with all reasonable queries, requests or complaints by the Board or any Owner or mortgagee of a P.O.T.L. relating to the management of the Property or the duties or obligations of the Manager pursuant hereto, and to record in writing any such queries, requests or complaints and the eventual disposition thereof, and report same to the Board.

(b) The Manager shall maintain businesslike relations with Owners whose service requests relating to the Common Elements shall be received, considered and recorded in systematic fashion in order to show the action taken with respect to each request. Complaints relating to Common Elements, the maintenance and repair of which are the responsibility of the Corporation, shall be attended to by the Manager in a prompt and diligent manner.

16.5 The Corporation hereby assigns their right to vote to the Manager, on all matters regarding the Corporation`s membership with the Canadian Condominium Institute, unless otherwise directed.

16.6 The Corporation/Association acknowledges and agrees that it and/or owners may from time to time receive email contact or other communication from FirstService regarding topics including, but not limited to, discounts obtained by FirstService for various services which are being made available to owners, promotions being offered by FirstService or services being offered by FirstService and/or its affiliated or related companies or subsidiaries.

ARTICLE 17
TERMINATION

17.1 During the term of this Agreement, either party may at its option, without cause, terminate this Agreement as at the last day of a calendar month, upon sixty (60) days written notice to the other and, in connection therewith, the Corporation shall pay to the Manager any monies due to the Manager to the date of termination. The Corporation may, at its sole option, terminate this Agreement without cause and without giving sixty (60) days' prior notice of the same to the Manager by paying to the Manager an amount equal to two (2) months of the management fee payable to the Manager calculated in accordance with Article 8 of this Agreement. The management agreement may also be terminated under the terms and in accordance with, section 111 of the *Condominium Act* (1998, c. 19, s. 111 (1)(2).

17.2 The parties agree that the term of this Agreement shall not be allowed to lapse and terminate without notice of termination in writing given by either party to the other not less than sixty (60) days prior to the expiration of the term of this Agreement. Should notice of termination not be given sixty (60) days prior to the expiration of the term of this Agreement, as provided herein, the Agreement shall thereafter continue on a month to month basis until terminated upon sixty (60) days written notice, as provided herein, and, unless otherwise agreed to by the parties, the Manager's fee herein shall increase: (a) by 5.0% in respect of the 12-month period immediately following the initial term of this Agreement; and (b) for each 12-month period thereafter, 5.5% per annum, until renegotiated.

17.3 For a period of twenty-four (24) months after any termination of this Agreement and for the purpose of settling any dispute or defending any claim made against the Manager, the Corporation shall provide access to the Manager at all reasonable times and upon reasonable notice to all relevant contracts, records, files and other documents or information (in whatever form or medium maintained).

17.4 In addition to the rights of the parties to terminate upon notice as hereinbefore set out, the Agreement shall terminate upon the happening of any of the following events:

(a) the insolvency or bankruptcy of the Manager; or

(b) the termination of the Corporation.

17.5 **Upon termination of this Agreement**:

(a) the Manager shall cease to operate the Corporation's bank account and shall execute all necessary documents in recognition thereof as may be requested by the Corporation or the said bank, and shall as soon as possible thereafter render the final accounting to the Corporation;

(b) the Manager shall surrender to the Corporation all contracts, records, files, bank accounts and other documents or information which may be pertinent to the continuing operation of the Property both paper and electronic form, where available, and further shall maintain on behalf of the Corporation any records, files

SAMPLE

or information related to the Corporation and stored electronically for a period of twelve (12) months or until such earlier time as the Corporation advises the Manager in writing of its permission to destroy such records;

(c) the Manager shall turn over all keys to the Property in its possession or in the possession of any of its employees. The Manager shall also turn over possession of any area (such as management offices) located on the Property under its control;

(d) if it has not already done so, the Corporation shall assume the obligation of any and all contracts which the Manager has properly made for the purpose of arranging the services to be provided pursuant to this Agreement except those related to the employees of the Manager and to accounting services; and

(e) the obligation upon the Manager to account shall survive the termination of this Agreement.

ARTICLE 18
NOTICE

18.1 Any notice required to be given by either party to the other shall be sufficiently given if delivered or mailed by prepaid registered post addressed (or faxed or sent by other electronic means if both parties have agreed in writing) to the Corporation at the address for service designated by the Corporation to the Manager for such purpose (and in the absence of such designation shall be the address for service of the Corporation under the Act) and to the Manager at 2645 Skymark Avenue, Suite 101, Mississauga, Ontario L4W 4H2, and any such notice shall be conclusively deemed to have been given and received at the time of its personal delivery by one party to an officer or Director of the other, or in the event of service by mail, on the third business day after the day of such mailing, provided that if normal mail service is disrupted by reason of strikes, walkouts, slowdowns or other irregularities, then so long as such disruptions exist, any notice required or permitted to be given hereunder shall be delivered personally or otherwise shall be deemed to be ineffective for all purposes hereof. Either party may by notice in writing to the other designate another address to which notices mailed more than ten (10) days after the giving of such notice of change of address shall be addressed.

ARTICLE 19
PARTIAL INVALIDITY, STATUTES AND GOVERNING LAW

19.1 If any portion of this Agreement shall be for any reason declared invalid or unenforceable, the validity of any of the remaining portions of this Agreement shall not be thereby affected, and such remaining portions shall remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated.

19.2 Any reference in this Agreement to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations made pursuant thereto.

19.3 This Agreement shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

SAMPLE

ARTICLE 20
FORCE MAJEURE

20.1 The parties hereto will be excused from the obligation to perform pursuant to the terms of this Agreement to the extent that such party's performance is prevented due to any delay, or stoppage due to strikes, lockouts, labor disputes, labor shortages, acts of war, terrorism, terrorist activities, pandemic, epidemic, banking or financial institution closures, inability to obtain services from third parties, governmental actions, civil commotions, fire, flood, hurricane, earthquake, or other casualty, and other causes beyond the reasonable control of the party obligated to perform (collectively, a "Force Majeure"), except with respect to amounts to be paid by Corporation for services actually provided by Manager pursuant to this Agreement during a Force Majeure. Notwithstanding anything to the contrary contained in this Agreement, a Force Majeure will excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Agreement specifies a time period for performance of an obligation of either party (other than payment to Manager by Corporation for services actually provided during a Force Majeure unless there is an event causing banking or financial institution closures), that time period will be extended by the period of any delay in such party's performance caused by a Force Majeure. The foregoing will not be interpreted as extending the term or renewal term of this Agreement.

ARTICLE 21
SUCCESSORS AND ASSIGNS

21.1 This Agreement shall enure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

SAMPLE

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their respective corporate seals, attested by the hands of their respective Officers duly authorized in that behalf, as of the _____ day of _____, 20__.

► YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. ►

Per: _____

Name: ►
Title: ►

Per: _____

Name: ►
Title: ►

We have authority to bind the Corporation

FIRSTSERVICE RESIDENTIAL ONTARIO

Per: _____

Name: c/s
Title:

Per: _____

Name: c/s
Title:

We have authority to bind the Partnership

SAMPLE

SCHEDULE A – Additional Costs Regarding Additional Services

Additional Services:	***Additional Costs (in dollars, exclusive of HST and any other applicable taxes)***
INFORMATION CERTIFICATES (PER CERTIFICATE):	
Periodic Information Certificate	$275.00
Information Certificate Update	$200.00
New Owner Information Certificate	$50.00
ANNUAL RETURN FILING:	
Annual Return (Annually)	$250.00
RETURNS (PER RETURN):	
Notice of Change	$200.00
Initial Return (Due 90 days after Registration)	$200.00
Turnover Return (Due within 90 days of Turnover Meeting)	$200.00
CMSA CHARGES:	
Licensing Fee (Monthly)	$_____
RECORDS REQUESTS CHARGES (PER HOUR)	
Clerical Level work to prepare non-core records in response to a request under s. 55 of the Act (including without limitation where applicable, retrieving, compiling, redacting, copying) This fee does not include the paper and mailing costs.	$45.00
Senior Management Level work to aid in the preparation of non-core records in response to a request under s. 55 of the Act (including without limitation where applicable consulting, obtaining instructions from board and liaising with Corporation solicitor.)	Variable, at least 25% more than clerical staff. Rate to be approved by Board in advance in each case.
STORAGE CHARGES (MONTHLY)	
Records, where applicable.	$40.00
BOARD AND OWNERS' MEETING CHARGES	
Additional Board meetings or Owners' meetings over and above the allowance in this Agreement with a maximum duration of two (2) hours. (Per Meeting)	$500.00
All Board or Owner meetings exceeding the two (2) hour maximum duration will be subject to overtime charges. (Per Hour)	$200.00
Chairperson for Owner meetings (Per Meeting)	$400.00

SAMPLE

START UP CHARGES	
Start up Fee (Per P.O.T.L.) A one-time fee, to cover the administrative costs associated with setting up records and documents for new Condominium Communities or transitioning Condominium Corporations records and documents from the previous Property Management company.	$30.00
ADMINISTRATIVE CHARGES	
Printing Charges (Per Sheet)	
Black and White Printing	$0.25
Colour Printing	$1.00
Envelope/Postage Charges (Per Envelope)	
Envelopes (Small)	$0.95
Envelopes (Large)	$1.20
Postage - Local (Up to 30g)	$0.92
Postage - Local (30g - 50g)	$1.28
Postage - Local (Oversized)	$1.94
Postage - U.S.A. (Up to 30g)	$1.29
Postage - U.S.A. (Oversized)	$3.01
Postage - Overseas (Up to 30g)	$2.64
Postage - Overseas (Oversized)	$6.24
Miscellaneous	
Suite Entry Pads (Per P.O.T.L.)	$5.00
Survey Service Charge (Per P.O.T.L.)	$3.00
Electronic Services	
Digital Service (Per P.O.T.L.))	$1.80
ENERGY CHARGES (ANNUALLY)	
Energy and Water Reporting and Benchmarking (EWRB)	$500.00
ACCOUNTING CHARGES	
Special Assessment (Per P.O.T.L.))	$10.00
Non-Sufficient Funds (NSF) (Per Item) *Any returned items/payments from unit owners*	$22.12
Paper Statements *Any statement generated for P.O.T.L. Owners which are printed and mailed.*	$2.00

SAMPLE

Out of Scope Accounting Work (Per Hour) *Irregular accounting procedures that require a higher than normal amount of time to execute or special accounting work requested by the Board of Directors. Out of scope fees will be communicated and discussed with the Board prior to issuing invoices.*	$125.00
PAYROLL SERVICE CHARGES (MONTHLY - PER ASSOCIATE) *Applicable only to employees of the Corporation for which the Manager processes the payroll.*	$175.00

SAMPLE

SCHEDULE B – Board Resolution

RESOLUTION OF THE BOARD OF DIRECTORS

►YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. ►(the "Corporation")

RE: STATUS CERTIFICATES AND COMMON EXPENSE COLLECTION

NOW THEREFORE BE IT RESOLVED THAT:

A. RE: Status Certificates, Common Expense Collection

1. From time to time and until otherwise instructed by this Corporation, FirstService Residential Ontario shall be and is hereby authorized to execute the following instruments in accordance with the applicable By-Laws of the Corporation:

   (i) Status Certificates pursuant to Section 76 of the Act;

   (ii) Notices of Lien, Certificates of Lien and Discharges of Lien pursuant to Section 85 of the Act.

The undersigned directors hereby certify that the foregoing resolution was passed by the Directors of the Corporation at a meeting of the Board.

DATED this ___ day of _____, 20__.

YORK REGION COMMON ELEMENTS CONDOMINIUM CORPORATION NO. ►

Per: _____

Name:
Title:

Per: _____

Name:
Title:

We have authority to bind the Corporation

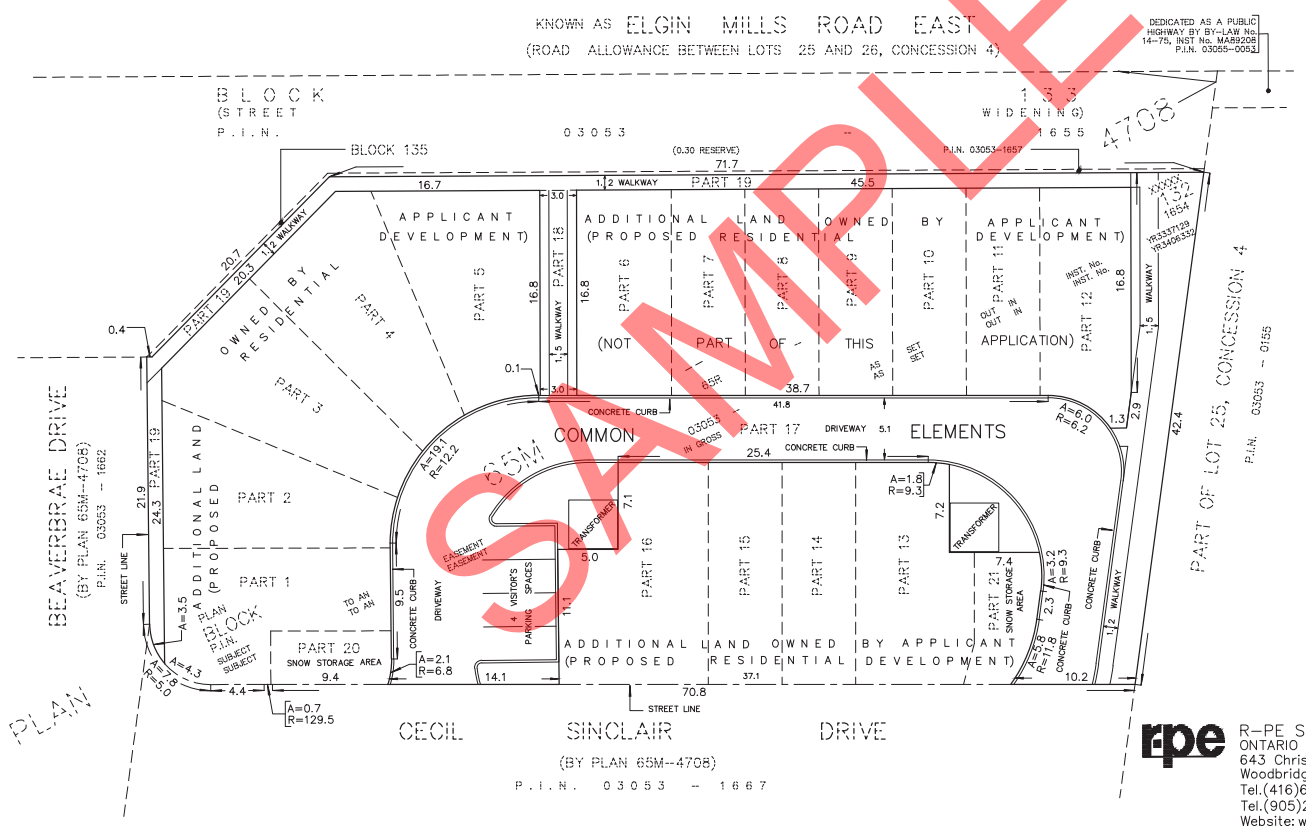
SAMPLE

9

Proposed Draft Plan
of Condominium

SAMPLE

DRAFT PLAN OF
COMMON ELEMENTS CONDOMINIUM OF
PART OF BLOCK 132
PLAN 65M–4708
CITY OF MARKHAM
REGIONAL MUNICIPALITY OF YORK



R–PE SURVEYING LTD.
ONTARIO LAND SURVEYORS
643 Chrislea Road, Suite 7
Woodbridge, Ontario L4L 8A3
Tel.(416)635–5000 Fax (416)635–5001
Tel.(905)264–0881 Fax (905)264–2099
Website: www.r–pe.ca

DRAWN: V.K. CHECKED: I.A.A.
JOB No. 26–024 CAD FILE No. 26–024DR PLAN

Feb 23, 2026 - 11:01:51

10

Condominium Authority of Ontario Residential Condo Buyers' Guide

SAMPLE



SAMPLE

Condominium Authority of Ontario Residential Condo Buyers' Guide

Condominium Authority of Ontario


SAMPLE

TABLE OF CONTENTS

Introduction **6**

1. What is a Condominium? **7**

1.1 Different Kinds of Condo Corporations 8

2. Consumer Protection for Condo Buyers **10**

3. Buying a Condo Unit **11**

3.1 Buying a Pre-Construction Condo Unit 11

3.2 Key Pre-Construction Documents 12

3.3 Cooling-Off Period 13

3.4 Deposits and Cancellations 14

3.5 Occupancy Dates & Delayed Occupancy 15

3.6 Pre-Construction Condo Assignment & Selling 15

3.7 First-Year Budget 16

3.8 Buying a Resale Condo 17

3.9 Leasing a Condo Unit and Disclosure to Condo Corporation 17

4. Moving into a Pre-Construction Condo Unit **18**

4.1 Interim Occupancy 18

5. Creating the Condo Corporation **20**

5.1 Condo Registration Process 20

5.2 Developer-controlled Board 21

5.3 Turn-over Meeting 21

6. Tarion and the Ontario New Home Warranties Plan Act **22**

6.1 What is Tarion? 22

6.2 The Unit Warranty 23

6.3 The Common Elements Warranty 23

6.4 Pre-delivery Inspection 23

7. Introduction to Condo Living **24**

7.1 The Unit and the Common Elements 24

7.2 Exclusive Use Common Elements 24

7.3 Shared Facilities and Services 24

SAMPLE

8. Condo Corporation Governing Documents **25**

9. Condo Governance **27**

9.1 Owner Participation in Condo Governance 27

9.2 Board of Directors and Board Responsibilities 28

9.3 Duties of Directors and Required Disclosure 29

9.4 Election Process 29

9.5 Requirements for Being a Director 29

9.6 Director Training Requirements 30

9.7 Disqualification of a Director 30

9.8 Board Meetings, Owners' Meetings and Quorum 31

9.9 Voting by Proxy, Electronically or In Person 33

9.10 Meeting Notices 33

9.11 Condo Management Services 35

10. Information Certificates and Records **36**

10.1 Periodic Information Certificate (PIC) 36

10.2 Information Certificate Update (ICU) 36

10.3 New Owner Information Certificate (NOIC) 36

10.4 Records Requirements and Process to Request or Examine Records 36

11. Condo Finances **38**

11.1 Reserve Fund 38

11.2 Common Expenses 39

11.3 How are Common Expenses Calculated? 40

11.4 Liens 40

11.5 Special Assessments 41

11.6 Chargebacks 41

11.7 Condo Corporation Insurance 42

11.8 Condo Owner Insurance 43

11.9 Deductibles 43

SAMPLE

12. Repair and Maintenance Obligations **44**
12.1 Making Changes to the Unit 45
12.2 Changes to Common Elements by Owners 45
12.3 Electric Vehicle Charging Systems 46
12.4 Right of Entry 46
13. Issues and Dispute Resolution **47**
13.1 Raising an Issue with the Condominium Board 47
1. Writing a Letter to the Board 47
2. Reaching out on a Condo Corporation's Virtual or Social Platform (If Applicable) 47
3. Raising an Issue at the AGM 47
4. Requesting an Owners' Meeting 48
5. Seek Legal Advice 48
13.2 Mediation, Arbitration and Compliance Orders 49
13.3 Condominium Management Regulatory Authority of Ontario 49
13.4 Handling Complaints about Condo Managers 49
13.5 Formal Compliance Mechanisms 50
1. Responsibility to Comply with the Condo Act 50
2. Superior Court of Justice 50
3. Offences Under the Condo Act 50
14. The Condominium Authority of Ontario **51**
14.1 Role of the CAO 52
14.2 The Condominium Authority Tribunal 53
Appendix A: Pre-Construction Checklist **55**
Appendix B: Resale Condo Checklist **58**
Glossary of Key Terms **62**

SAMPLE

INTRODUCTION

The CAO Residential Condo Buyers' Guide (the "CAO Condo Buyers' Guide" or "Guide") has been prepared by the Condominium Authority of Ontario to provide Ontario condo buyers with information that can help them make better purchasing decisions and also help better prepare them for condo living. The CAO is an organization that aims to improve condo living by providing services and resources for condo communities. The Minister of Public and Business Service Delivery and Procurement has delegated responsibility for the development of this Guide to the CAO and approved its contents.

According to section 72 (1) of the *Condominium Act, 1998*, this Guide must be provided to buyers of pre-construction/new residential ("pre-construction") condo units purchased from either the developer or someone working for the developer. The buyer has a 10-day cooling-off period starting from the latest date on which they receive a copy of the most recent Guide, the fully signed purchase agreement, and the most recent Disclosure Statement. The 10-day period begins when the buyer has received all three documents. During this period, the buyer may cancel the purchase agreement by providing written notice to the developer. Buyers are strongly advised to review these documents carefully with their legal counsel during this time. Although this Guide is not required to be provided to buyers of resale condo units and only applies to residential condos, it offers valuable information on various aspects of condo buying and living.

SAMPLE



1. WHAT IS A CONDOMINIUM?

Most people think of condos as high-rise residential towers in urban areas. A better way to think of a condo is as a shared real estate ownership structure. Owners collectively share ownership of the condo corporation's common elements and assets. Condo living also involves community engagement, as owners participate in collective decision-making. Condos are also diverse, with many existing in suburban and rural areas as well as urban centres, and with unique and differing set ups.

Condo communities are governed by a board of directors that are typically volunteers. Directors are elected by the owners, and each community has its own unique structure and rules.

What this means is that purchasing a condo allows someone to become part of a community where they are directly responsible for paying their share of the community's upkeep, following its rules, staying informed about its operation, and voting on important decisions that affect all owners and more. Here's a summary of what condo owners can, should, and must do:

OWNERS **CAN**:	OWNERS **SHOULD**:	OWNERS **MUST**:
• Seek election to their condo's board of directors • Request an owners' meeting to discuss important matters in their community (provided the statutory requirements are met) • Request to review condo records • Request an item for discussion be added to the agenda for an owners' meeting	• Attend and vote at owners' meetings • Always strive to resolve issues collaboratively • Review all communications provided by the condo corporation, such as information certificates, financial statements, reserve fund studies, and any other communications	• Abide by the governing documents • Notify the corporation if they lease their unit • Repair and maintain the unit in accordance with the Condo Act and governing documents • Pay condo fees on time • Use the common areas and amenities in accordance with the governing documents • Allow the condo corporation access to their unit when necessary

SAMPLE

Condo boards, elected by the owners are responsible for making decisions about the condo on behalf of all unit owners and may hire a condo manager to oversee the day-to-day operations of the corporation on their behalf. The condo manager must be licensed by the Condominium Management Regulatory Authority of Ontario (CMRAO).

1.1 Different Kinds of Condo Corporations

The Condo Act outlines two main types of condo corporations:

Freehold corporations are ones where the land /property is jointly owned by the unit owners.

Leasehold corporations are ones where the underlying land on which the condo is built is leased. These are less common than freehold. Unit owners buy a leasehold interest in a unit and its associated common elements but do not own the underlying land.



SAMPLE

There are four types of **freehold** corporations.



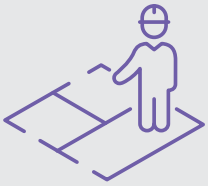
Standard Condominium Corporation

- The most common type of condo corporation in Ontario
- Has individual units and common elements which often include areas such as a foyer, exterior walls, and amenities



Phased Condominium Corporation

- A standard condo corporation that is intended to be built in phases where new units and common elements are constructed and added to the initial condo corporation
- Upon final phase registration, which must take place within 10 years of the initial condominium registration, a phased condominium becomes a completed standard condominium



Vacant Land Condominium Corporation

- The units are typically vacant lots at the time of purchase. The layout of the condominium may resemble a subdivision
- The common elements are often things such as private roadways, private sewer systems and may include amenities such as a park or recreational facility
- The developer may sell the individual units as vacant or may build a home on some or all of the units



Common Elements Condominium Corporation

- There are no units in this type of condo corporation, only common elements which are shared by owners of parcels of tied land (POTL) that are legally attached to the common elements
- Owners purchase a common interest in the common elements that is attached to their POTL. Examples include shared roads, golf courses or ski hills

SAMPLE

The Condo Act has different requirements for different types of condo corporations.

2. CONSUMER PROTECTION FOR CONDO BUYERS

It pays to be informed! Ontario home buyers, whether they are purchasing for residential or investment purposes, have access to several housing consumer protection organizations that help protect consumers. There are five in total, each with different responsibilities. It is a good idea to become familiar with these organizations and to make use of their resources.

Condominium Authority of Ontario	Supports and protects consumers through digital information, education and dispute resolution services.	The CAO's searchable Condo Registry offers key details, including whether a condo corporation is meeting its Condo Act filing requirements, the identity of the declarant, the current board of directors, the date of the last Annual General Meeting (AGM) and more.
CMRAO	The Condominium Management Regulatory Authority of Ontario regulates and licenses condo managers and management providers and enforces professional standards.	Their Public Registry shows whether condo managers and management providers are licensed or have had disciplinary action taken against them and more.
Home Construction Regulatory Authority	The HCRA licenses and regulates new home builders and vendors.	Their Builder Directory shows whether a builder is licensed, if they've had any disciplinary action taken against them and more.
RECO Real Estate Council of Ontario	The Real Estate Council of Ontario regulates and licenses real estate agents and brokers.	Their Agent/Broker Search Portal shows if a real estate agent or broker is licensed or has had disciplinary action taken against them and more.
TARION SUPPORTING YOUR NEW HOME WARRANTY	Administers the province's new home warranty program. Developers must enroll all new homes with Tarion and provide specific new home warranties to each new home buyer.	Buyers and owners who register with Tarion's MyHome Online Portal can receive e-mail alerts for important dates and warranty timelines, submit claims online and more.

SAMPLE

3. BUYING A CONDO UNIT

3.1 Buying a Pre-Construction Condo Unit

Pre-construction condos are sold by developers directly to buyers before construction is complete. This comes with its own risks like delayed construction, potential project cancellation and more. A useful pre-construction condo buyer's checklist can be found in Appendix A. The checklist provides important considerations before and during the buying process.



3.2 Key Pre-Construction Documents

Developers must provide six key documents to buyers of pre-construction units during the purchase process. Buyers should understand the purpose of each document and carefully review these with the help of a lawyer before finalizing the purchase.

- The purchase agreement does not become firm and binding until the buyer receives the first three documents outlined below and the 10-day cooling-off period has passed.

Pre-construction Agreement of Purchase and Sale (Purchase Agreement)	Contains important information about rights and obligations as a condo buyer, the developer's rights and obligations, the unit, and the terms of the agreement.
Disclosure Statement	Contains the proposed condo's governing documents, a summary of agreements the condo has or will enter into, the condo's proposed first year budget, and more.
CAO Condo Buyers' Guide	This Guide must be provided to buyers of pre-construction condo units by the developer. The purchase agreement is not binding until this is received. Buyers of resale condo units may also wish to review this Guide.
HCRA Information Sheet for Buyers of Pre-Construction Condos	Must be attached to the purchase agreement. Outlines the risks of buying a pre-construction condo as well as important updates like the estimated occupancy date for the unit and the status of construction. It also provides information about the conditions that may lead to termination of the purchase agreement.
Addendum to the Agreement of Purchase and Sale	Must be attached to the purchase agreement. Contains the delayed occupancy warranty provided by the developer as well as an official Statement of Critical Dates outlining when the unit will be ready for occupancy along with conditions for extension of Critical Dates and early termination. **The Addendum to the Agreement of Purchase and Sale prevails over the purchase agreement and any other attachments if inconsistencies are found.**
Tarion Warranty Information Sheet	Must be attached to the purchase agreement. Outlines key information about the warranty buyers are entitled to if the unit has defects. It also includes information about Tarion, deposit protection, delayed occupancy coverage, warranty exclusions, construction performance guidelines, common elements warranties and pre-delivery inspections of the unit.

SAMPLE



3.3 Cooling-Off Period

The Condo Act provides buyers with a cooling-off period of 10 calendar days where the purchase agreement can be cancelled for any reason whatsoever simply by notifying the developer in writing.

This 10-day period begins once a buyer has received all 3 of the following documents:

- Agreement of Purchase and Sale executed by the buyer and the developer
- Disclosure Statement
- CAO Condo Buyers' Guide

If the purchase is cancelled within the cooling-off period, the developer must refund any deposits given by the buyer, plus any applicable interest at the rate set out in the Condo Act without any additional penalty or charge.

The Condo Act provides a buyer with another 10-day cooling-off period where there is another chance to cancel the purchase, if there is a *material change* in the Disclosure Statement. A material change is specifically defined under the Condo Act as a change that would have caused a reasonable person to no longer want to proceed with the purchase had the information that is now disclosed or revealed been included in the Disclosure Statement delivered to the buyer at the time of sale or later by notice. This cooling-off period begins on the later of:

- The date that the developer delivers a revised Disclosure Statement or a notice to the buyer advising of the material change
- The date that a buyer otherwise became aware of the material change
- The date that the Ontario Superior Court of Justice determines that a material change has occurred

SAMPLE

3.4 Deposits and Cancellations

Once the purchase agreement has been signed, the developer must hold any deposits and other payments covered by the purchase agreement in trust. The developer must refund these monies plus interest, calculated according to sections 19 and 19.1 of O. Reg. 48/01 under the Condo Act, if the project is terminated.

Did you know developers may cancel pre-construction projects even after you have purchased your unit?

If monies are not refunded as required, buyers may be able to file a claim for deposit protection coverage up to $20,000 with Tarion under the *Ontario New Home Warranties Plan Act, 1990*.

Make sure to review the conditions for cancelling the pre-construction project carefully before making a purchase. Buyers are encouraged to understand the various risks associated with buying a pre-construction unit.

The conditions for cancellation, if applicable, are found in the purchase agreement and mandatory Addendum to the Agreement of Purchase and Sale and may include conditions such as:



Failure to sell a certain percentage of condo units



Inability to secure financing for the project



Delays in obtaining development approvals

SAMPLE

3.5 Occupancy Dates & Delayed Occupancy

The Addendum to the Agreement of Purchase and Sale contains a Statement of Critical Dates. The Statement of Critical Dates must be signed by the condo buyer and developer. It sets out when the developer expects to finish the unit for occupancy along with other critical dates and the timing for delivery of any permitted extensions. Some important dates to focus on in this document are:

- **Tentative Occupancy Date or a Firm Occupancy Date** – The form should set out a date that the developer states that the unit will be ready for occupancy. Buyers are entitled to receive delayed occupancy coverage from the developer if the Firm Occupancy Date is not met and the developer does not extend the date as permitted in the Addendum to the Agreement of Purchase and Sale. If the developer does not pay delayed occupancy coverage, the buyer can make a claim to Tarion for delayed occupancy compensation.
- **The Outside Occupancy Date** – The latest date that the developer has agreed to provide the buyer with occupancy of the unit. Buyers can terminate the purchase agreement within 30 days of this date if the developer does not meet this date. Buyers who exercise their right to terminate the purchase agreement due to this delay are entitled to delayed occupancy compensation from the developer. If the developer does not pay delayed occupancy coverage, the buyer can make a claim to Tarion for delayed occupancy compensation.

Note: Condo construction may be delayed, and this may impact the occupancy of the condo unit. The Addendum to the Agreement of Purchase and Sale allows the developer to extend dates provided the notice requirements are met. If a buyer's occupancy is delayed for reasons that are not permitted under the Addendum to the Agreement of Purchase and Sale, they may have a right to compensation from the developer for this delay. Details on this warranty can be found in the Addendum to the Agreement of Purchase and Sale.

For more information about occupancy dates and warranty coverage for delayed occupancy, visit Tarion's webpage.

3.6 Pre-Construction Condo Assignment & Selling

A condo unit assignment is a transaction where the buyer of a pre-construction condo unit transfers their purchase agreement to a new buyer before taking ownership of the unit. A buyer may be able to assign the purchase agreement to a new buyer before or during interim occupancy. Buyers are encouraged to review the purchase agreement as there are often conditions that can include requiring the developer's agreement to the assignment, charging a fee, and keeping the buyer liable for closing. Buyers should understand that the developer may not agree to an assignment sale, which may stop the transaction from occurring.

SAMPLE

Additionally, buyers of pre-construction condo units will receive warranty protection for up to 7 years through Tarion. More information on Tarion and the applicable warranty can be found below. This warranty period does not prevent the unit from being sold during this time (once ownership has been transferred). However, buyers should consult with a financial professional to be aware of any tax implications associated with the sale.

3.7 First-Year Budget

The first-year budget is required to be prepared by the developer and contains information about expenses all owners are required to pay in addition to the cost of buying the unit.

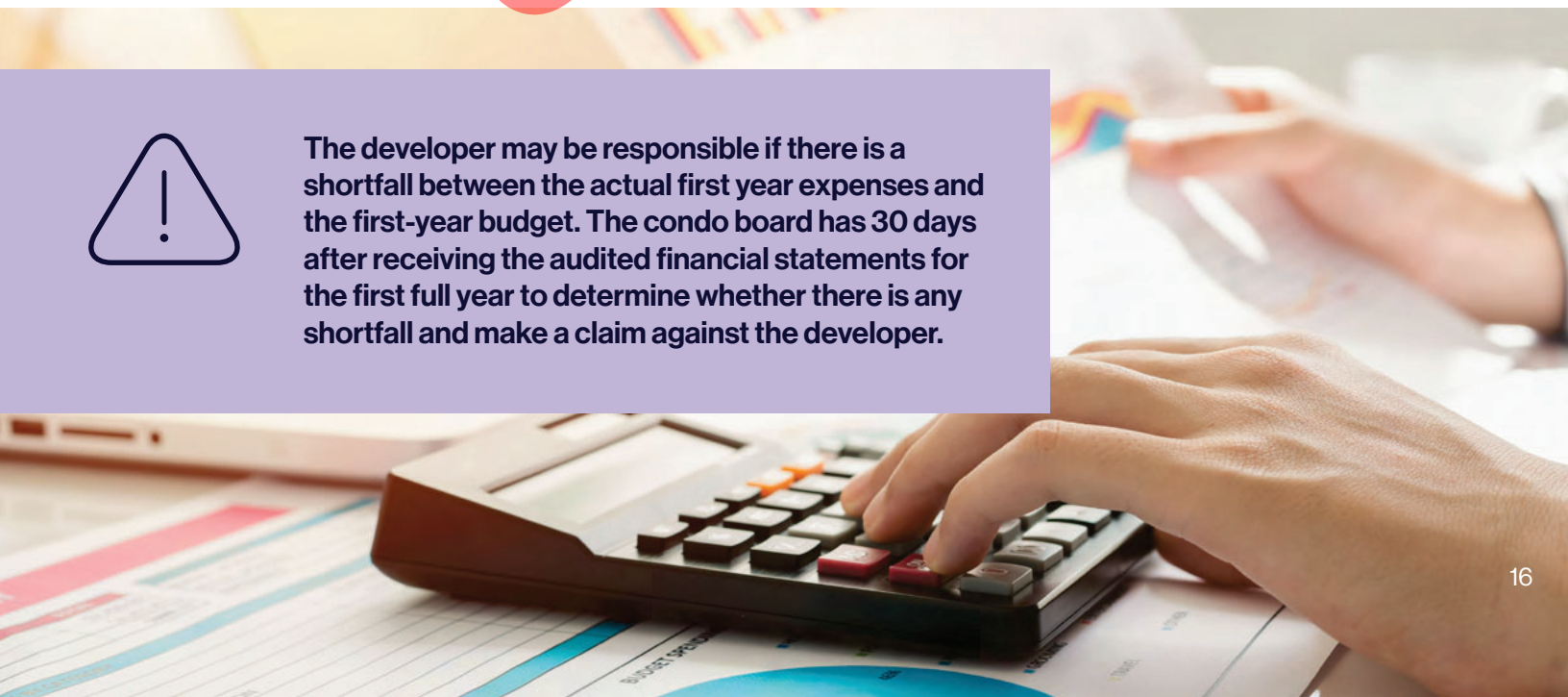
See sections 72 (5), 72 (6) and 75 of the Condo Act for more information about first-year budget requirements.

The developer must prepare the first-year budget and include it in the Disclosure Statement. It must cover the one-year period from the date of registration of the declaration and description and must include:

- The projected expenses for operation of the condo corporation, such as snow removal, landscaping and other maintenance costs of the common areas and amenities
- The particulars of the type, frequency and level of services to be provided
- The projected costs of the performance audit
- The projected monthly common expenses contribution for each unit
- The projected cost of the first reserve fund study
- The costs of preparing the condo corporation's audited financial statements

SAMPLE

The developer may be responsible if there is a shortfall between the actual first year expenses and the first-year budget. The condo board has 30 days after receiving the audited financial statements for the first full year to determine whether there is any shortfall and make a claim against the developer.



3.8 Buying a Resale Condo

Individuals can buy an existing condo unit from a current owner rather than a developer, but it is important to consult a lawyer and do research on the unit and the condo corporation before making this decision. Resale condo units are typically sold by real estate agents on behalf of condo owners instead of developers. A useful checklist for resale condo buyers can be found in Appendix B. The checklist will provide important questions that should be considered before and during the buying process.

3.9 Leasing a Condo Unit and Disclosure to Condo Corporation

There are special considerations to keep in mind if a buyer chooses to lease out their condo unit.

Unit owners are responsible for ensuring that tenants abide by the condo corporation's governing documents as outlined in section 119 (2) of the Condo Act.

Certain rights and responsibilities of landlords and tenants who rent residential properties are governed by the Residential Tenancies Act, 2006.

The unit owner must provide the tenant with a copy of the governing documents within 10 days of entering into or renewing a lease. The owner must also notify the condo corporation that the unit is leased and provide the condo corporation with a summary or a copy of the lease within those 10 days.

Owners may also use the Summary of Lease or Renewal form available on the CAO's website and send it to the condo corporation. This form must be used if the owner does not provide the tenant's name, the unit owner's address and a copy of the lease to the condo corporation.

Owners must also be aware of restrictions that the condo corporation's governing documents may have in relation to leasing units. For example, the governing documents may impose minimum terms for unit leases to prevent short-term rentals.

Additionally, buyers and owners are encouraged to speak with a financial professional to understand any tax implications that may come with leasing their condo unit.



SAMPLE

4. MOVING INTO A PRE-CONSTRUCTION CONDO UNIT

4.1 Interim Occupancy

Developers will often require that buyers take occupancy of their units before the declaration has been registered and the ownership of the unit transferred to the buyer. Buyers cannot make mortgage payments during this "interim occupancy" period.

Developers will share the interim occupancy start date with the buyer and despite being able to live in the unit during this time, the buyer does not yet legally own the unit. Additionally, the condominium is typically still under construction during this period, meaning that some or all of the amenities may not be ready for use.



During interim occupancy a buyer is not required to pay the balance of the purchase price as the developer is not ready to close the sale. However, buyers will be required to pay the developer an interim occupancy fee for the period between taking occupancy and the closing or unit transfer date, whether they choose to move into the unit or not. Requirements related to interim occupancy fees are set out under section 80 of the Condo Act.

SAMPLE

The interim occupancy fee cannot be more than the total of:

- The amount of the monthly interest on the unpaid balance of the purchase price (which is the sale price minus any deposits paid before occupancy)
- The estimated monthly municipal taxes for the unit
- The projected monthly common expenses fees for the unit based on the Disclosure Statement



Interim occupancy fees can be thousands of dollars a month for the entire interim occupancy period which can last for an extended period of time.



See section 80 (4) of the Condo Act and section 19 (1) of Ontario Regulation 48/01 for more on interim occupancy fees and interest.

SAMPLE

5. CREATING THE CONDO CORPORATION

5.1 Condo Registration Process

Condo corporations are created when the developer registers the declaration and the description with the Land Registry Office. Registration requirements may vary by the type of condo corporation being registered.

The declaration and description are legal documents that contain mandatory information about the condo corporation and the property. Buyers should carefully review the declaration that the developer provides in the Disclosure Statement. Buyers are encouraged to review the Disclosure Statement with their lawyer.

The declaration contains information such as:

- The percentage of common interest in the common elements allocated to each unit
- The percentage of the common expenses that each unit will pay
- The boundaries of the units
- Which parts of the building will be exclusive-use common elements, such as balconies
- Any restrictions on the sale or lease of the unit or use of the amenities
- The responsibilities of owners and the condo corporation to repair and maintain the units and common elements

Once a condo is registered, an initial return must be filed within 90 days with the CAO. Buyers of resale condos can check out the CAO's Condo Registry to find out important information about their condominium.

The description defines the units, the common elements and the boundaries between them. The description contains information such as:

- The condominium's legal boundaries
- Diagrams showing each unit's shape and dimensions
- Delineation of each unit's boundaries and what is considered the common elements

The Condo Act requires developers to take all reasonable steps to finish construction and register the condo without delay.

SAMPLE

5.2 Developer-controlled Board

The developer must appoint at least three individuals to make up the condo corporation's first board of directors within 10 days of registering the condominium. These directors are responsible for carrying out all typical board duties, such as establishing by-laws and rules, until the developer no longer owns a majority of the units in the condo corporation.

Once the developer ceases to own a majority of the units in the corporation, the developer-controlled board is required to call and hold an owners' meeting to elect a new board within 42 days. During this meeting, the developer turns over the condominium documents. This is known as the turn-over meeting.

5.3 Turn-over Meeting

This is the meeting where a new owner-controlled board is elected by the owners, and the developer turns over important documents related to the operations of the condominium.



See section 43 of the Condo Act for more details about the turn-over meeting.

The Condo Act sets out the requirement for the documents to be handed over to the new elected board at the turn-over meeting and then within 30 days after the turn-over meeting. Some of the documents that must be provided at the turn-over meeting include:

- The condo corporation's minute book, containing minutes of meetings from the time of registration to the turn-over date
- The condo corporation's declaration, by-laws, and rules
- Any agreements that have been entered into on the condo corporation's behalf

Additional information that must be turned over by the developer within 30 days of the turn-over meeting include:

- All financial records of the condo corporation relating to the operation of the condo corporation from the date of registration to the turn-over date
- A copy of any reserve fund studies conducted by the turn-over date, except the one conducted within the first year of registration
- A copy of the most recent Disclosure Statement
- All as built or other drawings, operating manuals and warranties for the building structure and systems

The developer must turn over the audited financial statements within 60 days of the turn-over meeting.

Developers may be liable to legal action and fines if they do not comply with the turn-over delivery requirements.

SAMPLE

6. TARION AND THE ONTARIO NEW HOME WARRANTIES PLAN ACT

6.1 What is Tarion?

Tarion is an independent not-for-profit consumer protection organization established by the Ontario government to administer the province's new home warranty program. Tarion ensures that buyers of new homes receive the warranty coverage they are entitled to from developers under the Ontario New Home Warranties Plan Act.

The warranty coverage protects buyers both before and after they have taken interim occupancy of the unit. Before taking interim occupancy of the unit, the warranty coverage offered includes deposit protection, unauthorized substitutions , delayed occupancy and closing, which starts once the buyer signs an Agreement of Purchase and Sale. The warranty coverage also protects against construction defects once the buyer takes possession of the unit and enters the interim occupancy period.

Tarion administers this warranty coverage in the form of one-year, two-year, and seven-year warranties, which are available once the buyer has taken interim occupancy of the unit. Buyers of pre-construction units are generally entitled to all three of these warranty coverage periods, which are connected to the unit and are transferable to subsequent owners. The items that are eligible for coverage under the warranty varies according to these time periods. To make a claim, an owner should first verify that the item is covered for the specific time period that has passed since the interim occupancy date. Questions regarding warranty coverage should be directed to Tarion.



Coverage Before Interim Occupancy

- Deposit protection
- Unauthorized substitutions
- Delayed occupancy and closing



Coverage After Interim Occupancy

- Warranty for construction defects
- 1-year, 2-year and 7-year coverage



SAMPLE

6.2 The Unit Warranty

All new residential condo units in Ontario must be enrolled by the developer in the Ontario New Home Warranty Program, administered by Tarion.

If a new condo unit is purchased and there are warranted defects in work or materials, buyers should first contact the developer for resolution and may also report the defects to Tarion. If the developer does not resolve the warranty claims, Tarion may provide warranty assistance if the defect is covered by the warranty.

Please review the Tarion Warranty Information Sheet and visit Tarion's website for more information on new home warranty coverage.

6.3 The Common Elements Warranty

Common elements are also eligible for warranty coverage under the Ontario New Home Warranties Plan Act. If there are defects in the common elements, the condo corporation generally will address the issue with the developer rather than any unit owner. A condo corporation must appoint an engineer or architect to conduct a performance audit of the common elements within six to ten months of the registration of the condominium. After the performance audit, the report needs to be submitted to Tarion before the end of the eleventh month following registration. Submitting the report to Tarion will form the basis for review of any identified deficiencies with the common elements. Failure to send this report to Tarion may cause a condo corporation to jeopardize any common element deficiency claim that is submitted.

6.4 Pre-delivery Inspection

The pre-delivery inspection (PDI) of the condo unit takes place before the buyer takes interim occupancy of the unit. The PDI will be conducted with the developer or an agent for the developer and will involve a walkthrough of the unit. This is an opportunity for the developer to explain how to operate the unit's systems, such as ventilation, plumbing and heating. It also allows the buyer to identify and have the developer document any items that are damaged, missing, incomplete or not working properly in the unit during the PDI.

Once the PDI has finished , the developer must then provide the buyer with a copy of the completed PDI form.

The PDI form is a record of the state of the home before a buyer moves in, so it is important to keep a copy in a safe place. The developer then has an opportunity to correct any deficiencies or issues noted in the PDI form. If a damaged or missing item is noticed that was not noted on the PDI form upon possession, it should be documented (e.g., photo) and reported immediately to the developer. This will help establish a record of the condition at the time of possession. Any items that are not corrected by the date the purchaser takes interim occupancy of the unit would need to be listed on the Initial Form submitted to Tarion, which lists any unresolved warranty items identified during the PDI as well as any new items that have arisen since taking occupancy of the unit. More information on these forms and the warranty process can be found on Tarion's website.

SAMPLE

7. INTRODUCTION TO CONDO LIVING

7.1 The Unit and the Common Elements

Once the condo corporation has been registered and the title of the property has been transferred to the buyer, they are officially an owner. As an owner in a condo corporation, the individual owns their individual unit and collectively shares with all other unit owners the ownership of the common elements.

Common elements may include parking garages, elevators, lobbies, landscaped areas and much more. These typically include structural elements like the walls between the units, exterior doors, plumbing and electrical wiring that runs between units.

7.2 Exclusive Use Common Elements

Certain common elements may be for the exclusive use of a particular condo unit. These are called exclusive use common elements. Condo owners often think that their balcony, patio or terrace is part of their unit boundary, but legally it may be an exclusive use common element of the corporation.

Every condo corporation is unique in how it distinguishes between units and common elements. Refer to the declaration and description for more details.

7.3 Shared Facilities and Services

A condo corporation may share the use of a facility such as a recreational centre, party room, green space, parking lot, driveway or entrance servicing another condo corporation or other neighbouring landowner. The parties involved usually enter into a shared facilities agreement or mutual use agreement that defines how these facilities or services are to be used, repaired, the cost obligations to each party and other responsibilities.

Every shared facilities agreement is different, and condo buyers are advised to review the terms of any shared facilities agreement that their condo corporation has entered into carefully:

- If buying a pre-construction condominium unit, please review the Disclosure Statement that is provided with the purchase agreement. This should include a summary of all the agreements to be entered into by the developer before the turn-over meeting, including any shared facilities agreements
- If buying a resale condominium unit, it is suggested that a status certificate is requested and reviewed from the desired condo corporation. If the condo corporation is party to a shared facilities agreement, they must provide a copy with the status certificate

SAMPLE

8. CONDO CORPORATION GOVERNING DOCUMENTS

Ontario condo corporations have the following governing documents:

1. Declaration

2. By-laws

3. Rules

These governing documents together with the Condo Act outline how the condominium is intended to operate and what owners and residents are allowed to do. The Condo Act and these governing documents must not contradict each other but in the event that they do, the Condo Act will govern, followed by the declaration, the by-laws, and the rules.

All owners, residents, employees of the condo corporation, guests and others must comply with the governing documents and the Condo Act.



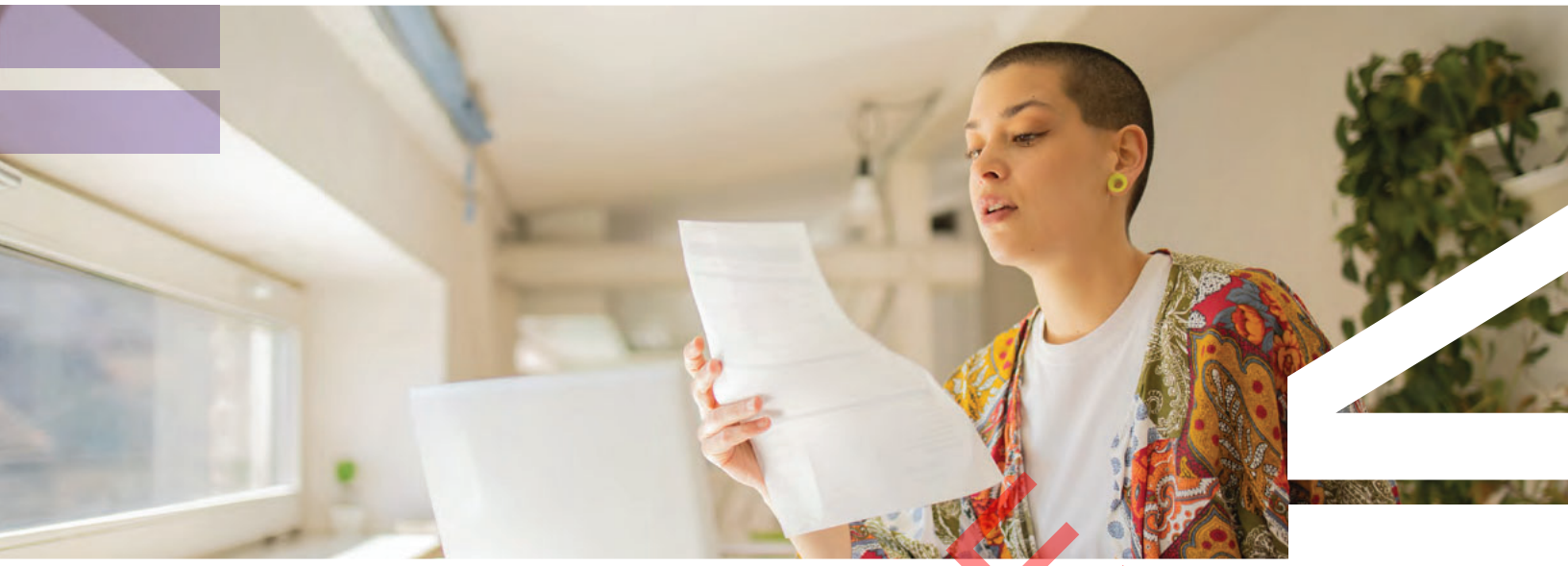
Avoid future issues by reading the governing documents before purchasing a unit, to learn about restrictions and other matters.

The declaration, along with the description, are the two legal documents that are prepared by the developer and registered to create a condo corporation. The declaration includes the following information:

- The proportion and percentage of the common interest allocated to each condo unit
- The percentage of the common expenses that each unit will pay
- The boundaries of the units and common elements
- Which parts of the building are exclusive use common elements, such as balconies
- Any restrictions on the use of units or common elements, including exclusive use common elements
- The division of responsibility between owners and the condo corporation to repair and maintain the units and common elements

To learn more about the declaration visit our website.

SAMPLE



By-laws specify how the corporation will be governed and must be registered with the Land Registry Office. These can be considered to be the condo corporation's administrative guide. They generally focus on governance of the property and how the board carries out their duties, including:

- How directors are elected
- Number of directors on the board
- Quorum thresholds
- Board meeting procedures
- Duties of the board of directors
- How common expenses are collected
- When and how the condo corporation can borrow money

To learn more about by-laws visit our website.

Rules address the day-to-day operation of the condominium. These typically define how the units and common elements can be used as well as the standards of behaviour within the community.

Rules can only:

- Promote the safety, security or welfare of the owners and of the property
- Prevent unreasonable interference with the use and enjoyment of units and the common elements or assets, if any, of the condo corporation

Examples may include:

- Restricting smoking, vaping or growing cannabis
- Setting out hours of operation of facilities
- Restricting short-term rentals
- Setting rules for use of a party room or other amenity

To learn more about rules visit our website.

SAMPLE

9. CONDO GOVERNANCE

9.1 Owner Participation in Condo Governance

Living in a condo unit means that the owner is part of a community that is governed by a set of governing documents, and a board of directors who make decisions in the best interests of all unit owners.

Condo owners are strongly encouraged to get involved in their community by participating in owners' meetings, reviewing financial statements and reading notices and updates from the board of directors or condo manager.

Attending meetings is one of the ways that owners can participate in the governance of the property. Actively participating allows owners to be engaged and have some influence over the governance of the property.

If an owner would like to be more involved in the decisions of the corporation, such as the annual budget or which contractors or companies are hired, they may wish to run for a director position on the board.

SAMPLE



9.2 Board of Directors and Board Responsibilities

The board of directors of a condo corporation is an elected group of individuals who typically volunteer their time and are responsible for managing the affairs of the corporation. They should support a positive, healthy condo community and have a legal duty to ensure that the condo corporation and its assets are properly managed and maintained.

The board's responsibilities include:



Setting the annual budget



Tendering, awarding, and deciding on contracts



Hiring professionals when necessary, such as lawyers and engineers



Hiring and overseeing condo managers, if applicable



Sending legally required notices and generally keeping owners informed



Proposing changes to the governing documents

SAMPLE

A condo board is usually made up of owners in the condo corporation but can include non-owners depending on the corporation's by-laws. Directors usually serve three-year terms but their terms may be shorter depending on a condo corporation's by-laws. Directors must seek re-election if they want to continue as a director after their term expires.

9.3 Duties of Directors and Required Disclosure

Condo board directors are responsible under section 37 (1) of the Condo Act for managing the affairs of the corporation and carrying out their duties with a standard of care defined under the Condo Act.

They must:



Act honestly and in good faith



Use the same care, effort and skill that a reasonable person would use in comparable circumstances

A condo corporation may also have a by-law about a code of ethics dealing with conflicts of interest, confidentiality and standards of behaviour at board meetings.

Board members must also meet disclosure requirements before and during their term. This includes mandatory disclosure requirements under the Condo Act and any requirements in a condo corporation's by-laws.



See section 29 of the Condo Act and section 11.6 of Ontario Regulation 48/01 for more information on candidate disclosure requirements.

These disclosure requirements only apply to owner-elected boards and do not apply to the first board appointed by the developer.

Find out more about ongoing director disclosure by reading the CAO Guide on Governing Condos.

9.4 Election Process

Except for the first board of directors (developer appointed board), directors are elected by owners at a turn-over meeting, Annual General Meeting, an owner-requisitioned meeting or a meeting called specifically for elections. Exceptions exist for instances where a director can be appointed to the board by existing directors to fill a vacancy until the next election.

9.5 Requirements for Being a Director

Director candidates must be individuals who are:

- At least 18 years old
- Not bankrupt
- Not found incapable by any court
- Not found incapable of managing property under certain legislation
- In compliance with the required disclosure obligations

If a candidate fails to meet any of the mandatory criteria, they cannot be elected as a director.

SAMPLE

9.6 Director Training Requirements

All condo board directors must complete CAO mandatory director training within six months of being elected or appointed unless they have completed the training within the previous 7 years.

Directors who do not complete the training within the required time are immediately disqualified from the board and are no longer allowed to participate in any decision-making or governance of the condo corporation.

The CAO's training is available to anyone and provides useful information regarding condo living and condo governance.

> Director training is free on our website.



9.7 Disqualification of a Director

A director is immediately disqualified from the position if they:

- Become bankrupt
- Have been found incapable of managing property under certain legislation
- Have been found incapable by any court
- Have a certificate of lien registered against their unit that is not discharged within 90 days of registration
- Have not completed mandatory director training within the required time
- Have not met the mandatory disclosure obligations

Condo corporations may have additional qualifications and disqualifications for both candidates and directors set out in the corporation's by-laws. Make sure to always check the condo's governing documents.

SAMPLE





SAMPLE

9.8 Board Meetings, Owners' Meetings and Quorum

Condo corporations hold owners' meetings and board meetings. The Condo Act requires that a minimum number of participants, known as a quorum, be present at either type of meeting for business related to the condo corporation to be conducted and for voting to take place. Without quorum, voting cannot take place, however discussion on relevant business can still occur.

The majority of directors must be present to meet quorum at a board meeting. For most owners' meetings, owners representing at least 25 per cent of the voting units must be present or have provided a proxy for quorum to be met.

For certain owners' meetings, if quorum is not reached in the first two attempts to hold the meeting, the quorum requirement is reduced to 15 per cent on the third and any subsequent attempts to hold the meeting.

These meetings include annual general meetings, turn-over meetings, any meeting to appoint a new auditor, and any meeting to elect directors. However, condo corporation by-laws can require quorum to be 25 per cent regardless of how many attempts were previously made to hold the meeting.

Owners generally cannot attend board meetings but can and should attend owners' meetings personally or through a proxy.

Here are the most typical condo meetings:

Annual General Meetings are where the board reports on the financial health of the condo corporation to owners, conducts elections for any board vacancies and where owners can discuss other relevant corporation business.

Here is a typical AGM agenda:



- Approval of the previous AGM's minutes
- Review of year-end audited financial reports
- Appointment of the corporation's auditor for the next fiscal year
- Board of directors' report on important topics
- Major upcoming repairs or renovations
- By-law or rule changes
- Election of directors

SAMPLE

Owner-Requisitioned Meetings are meetings that the board is required to call at the request of owners representing at least 15 per cent of the entitled voting units. All owners can attend.

Some examples of why owners may request these meetings are:

- Voting on a proposed rule change
- Discussing an emerging issue like repairs, security, nuisances
- Removing a board director before the expiration of that director's term



Read more in section 46 of the Condo Act or on the CAO's website

Board Meetings are used by board members to manage the affairs of the condo corporation. Owners are not usually entitled to attend unless invited as a guest. The board must have quorum to conduct any condo related business. Quorum for board meetings is the majority of condo board directors, regardless of any current vacancies on the board. For example, if there are three positions on the board, two board members would need to attend the meeting for quorum to be met.

9.9 Voting by Proxy, Electronically or In Person

Condo owners that do not attend owners' meetings can appoint an individual to attend and potentially vote on their behalf. This individual is called a proxy. Proxies may be used whether the meeting is held in-person, electronically or in a hybrid format.

The proxy does not have to be an owner in the condo corporation. Owners can appoint one proxy per condo unit by completing a proxy form and giving it to the proxy. If there is more than one owner of a unit, the proxy represents all owners of the unit.

Owners should speak to their proxy before the meeting and make sure that they follow their condo's specific processes such as submitting a copy of the completed proxy form to the condo corporation before the meeting.



Instructions are available on the CAO website about how to use a proxy form and how a proxy can vote.

In addition to traditional in-person voting, telephonic or electronic voting can be used for the purposes of conducting a vote at an owners' meeting, unless a condo corporation's by-laws restrict or set out other requirements for using these methods. The board of directors will decide in accordance with the by-laws which methods will be used to conduct the owners' meeting.

If the owners' meeting is conducted using an electronic or telephonic platform, there is a requirement that the meeting must allow for owners or proxies entitled to attend to be able to reasonably participate in the meeting.

To learn more about these requirements, please refer to the CAO Guide to Virtual Owners' Meeting.

9.10 Meeting Notices

A condo corporation must follow notice requirements set out in the Condo Act to make owners aware of upcoming owners' meetings. Condo corporations must send a Preliminary Notice of Meeting to owners at least 20 days before a Notice of Meeting must be sent. The Preliminary Notice states the purpose of the meeting and may invite individuals interested in becoming candidates for director positions to notify the board in writing.

A Notice of Meeting must then be sent to owners in writing at least 15 days before the meeting. It must include the date, time, place and the meeting agenda, among other things. Voting cannot occur on items not disclosed in the Notice of Meeting, except for routine procedural items.

If an owner uses an email address to communicate with the condo corporation for any reason, that email address may be used by the corporation to deliver notices to the owner in the future. If an owner wants to update the email address on file or wishes to stop receiving electronic notices all together, they must notify the condo corporation in writing.

SAMPLE



Read more about meeting notices

SAMPLE

9.11 Condo Management Services

Condo corporations may decide to procure condo management services to assist in the day-to-day operations. Condo management services may only be provided by licensed condo managers and management providers under the Condominium Management Services Act, 2015 (CMSA). Condo managers act on behalf of the condo corporation and report to the board of directors.

A condo manager's responsibilities may include:

- Creating and maintaining records for the condo corporation
- Responding to owner complaints
- Coordinating the maintenance and repair of the property
- Hiring and monitoring the performance of contractors or service providers
- Preparing draft annual budgets and monitoring the reserve fund
- Issuing meeting notices
- Organizing board meetings and overseeing administration of owners' meetings

Find out the licensing status of a condo manager or management provider by searching the CMRAO's Public Registry.

SAMPLE



10. INFORMATION CERTIFICATES AND RECORDS

Information Certificates help ensure that condo owners receive important updates about the state of the corporation throughout the year. There are three types:

10.1 Periodic Information Certificate (PIC)

- Sent to all owners within 60 days of the end of the first quarter and 60 days of the end of the third quarter of the corporation's fiscal year
- Includes key information about the condo's board, finances, insurance, reserve fund, legal proceedings and other matters

10.2 Information Certificate Update (ICU)

- Sent to owners if there are key changes before the next scheduled PIC (such as changes in the directors or officers of the condo corporation)
- To be distributed within 30 days of the change

10.3 New Owner Information Certificate (NOIC)

- Sent to new owners within 30 days of them providing written notice to the condo corporation stating their name and their condo unit number
- A NOIC covers the most recent PIC and any subsequent ICUs

10.4 Records Requirements and Process to Request or Examine Records

Condo owners can access certain records so they can learn more about how the condo corporation is managed. Condo corporations must keep these records for the time period required under the Condo Act.

If owners want records, they must request records using a Request for Records form. In their request, owners can also specify if they want to examine the records or request copies and whether they would like electronic or paper copies. Condo corporations must respond within 30 days of receiving a request using the Board Response to Request for Records form.



The records that a condo corporation must keep can be found under section 55 (1) of the Condo Act and 13.1(1) of Ontario Regulation 48/01. The amount of time that these records need to be kept for can be found under section 13.1 (2)-(6) of Ontario Regulation 48/01 of the Condo Act.

SAMPLE

Read more about records, including the process of requesting them and their different retention periods on the CAO's webpage on Corporate Records.

Owners can request access to the following records:



The condo corporation's declaration, by-laws and rules



The financial records of the condo corporation



The minutes from past owners' meetings and board meetings



A copy of the returns or notices of change that the condo corporation has filed with the CAO



All lists, items, records and other documents from the condo corporation's turn-over meeting



A list of the names, unit numbers, and service addresses of the owners of each unit in the condo corporation



All reserve fund studies and plans for future funding



All agreements entered into by the condo corporation or on its behalf



All instruments appointing a proxy or ballots for a meeting of owners that are submitted at the meeting



Other records as specified under the condo corporation's by-laws or the Condo Act and its regulations

SAMPLE

11. CONDO FINANCES

11.1 Reserve Fund

A reserve fund is an account that condo corporations must have which can only be used for major repairs and replacements of common elements and assets of the corporation. Condo corporations must complete periodic reserve fund studies to determine how much money needs to be in the reserve fund. Studies are completed by reserve fund specialists, such as engineers, who complete the study and recommend an estimated amount needed to pay for future planned major repairs or replacements. After the first reserve fund study, condo corporations must complete a reserve fund study at least every 3 years.

Condo buyers and owners should be aware of the corporation's funding plan for the reserve fund. For a pre-construction condo unit, developers must contribute a specified amount to the reserve fund. The proposed amount can be found in the first-year budget included with the Disclosure Statement.

Read more about reserve funds

If purchasing a resale condo unit, requesting a status certificate will disclose the amount in a condo corporation's reserve fund and any plan for future funding. The Notice of Future Funding of the Reserve Fund is a mandatory form that must be used by the condo board to share information about the proposed plan for future funding.

This notice must be sent to owners within 15 days of the board proposing a funding plan.

This notice will contain information regarding reserve fund contribution amounts including:

- A summary of the most recent reserve fund study that was completed
- A summary of the proposed plan for future funding of the reserve fund
- Statements indicating differences between the plan for future funding and the reserve fund study, if any

When the board's proposed reserve fund contribution amounts differ from the recommended amount by the professional, there will be a statement indicating any reasons for this difference in contributions where the board's plan differs from the recommended amount of funding in the reserve fund.

SAMPLE

11.2 Common Expenses

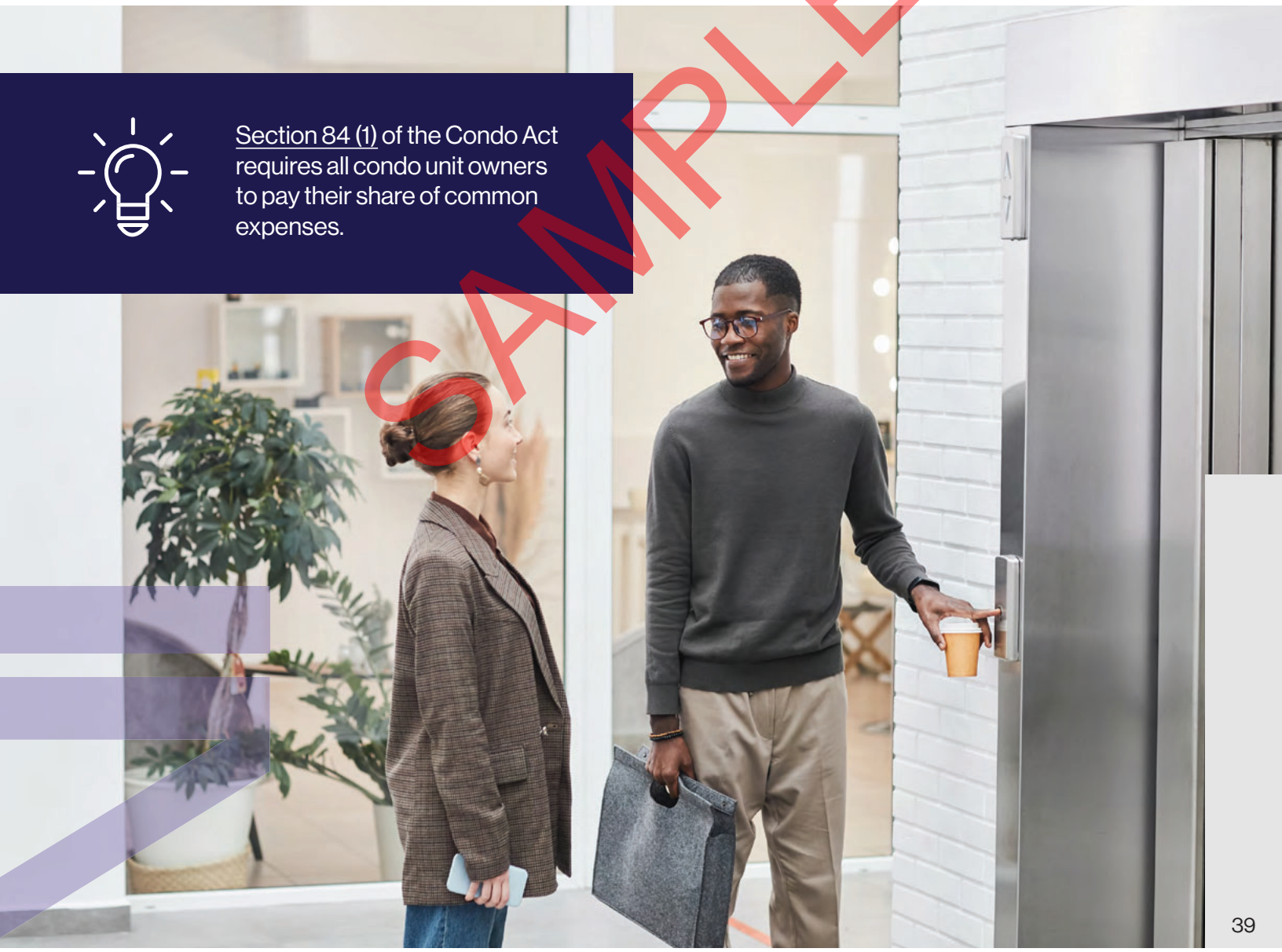
Condo fees (also known as common expenses or maintenance fees) are used for contributions to the reserve fund and operating expenses such as maintaining the common elements. Each owner's share is set out in the condo's declaration.

Owners must pay their share of common expense fees even if they have made a legal claim against the corporation or do not use certain common elements, such as the amenities.

They pay for important goods and services such as:

- Cleaning, garbage, snow removal, landscaping, and security
- Building maintenance (such as elevator repairs)
- Condo management services, legal services
- Insurance
- Where applicable, shared facilities costs

Section 84 (1) of the Condo Act requires all condo unit owners to pay their share of common expenses.



SAMPLE

11.3 How are Common Expenses Calculated?

The condo corporation's declaration will state the proportion of the contribution to the common expenses that each unit is required to pay, expressed as a percentage. This percentage may vary (e.g., depending on the size of the unit). Generally, the amount of the contribution can be calculated by multiplying the condo corporation's annual budget by the owner's proportion(s).

Note: To identify their total common expenses payable, an owner may need to include all of their units in their calculation. This can include parking spaces or storage lockers in addition to the residential unit.

Calculation Example:

- Your corporation has a budget of $1,000 per month
- The declaration states that your unit must contribute 5 per cent in fees
- Therefore, each month, you must pay $1000 x 0.05 = **$50**

The condo board's yearly budget sets out the various annual expenses that are to be paid by owners and the amount each owner needs to contribute. The annual budget will typically increase each year as the needs of the condo corporation change, which would also lead to an increase in the common expenses paid by owners.

Section 56 (1) of the Condo Act also permits condo corporations to pass by-laws governing the assessment and collection of condo fees.

11.4 Liens

A lien under the Condo Act is a legal claim registered against a unit that can be used to secure payment of an amount owed by that unit owner to the condominium for common expenses arrears, special assessments, or other permitted charges.



Section 85 and section 86 of the Condo Act apply to liens

A lien arises on the unit if an owner does not pay their common expenses fees (including any increases and special assessments) on time, which is called a default. The lien is for the unpaid amount, plus interest and all reasonable legal costs and expenses incurred by the condo corporation in its attempt to collect the arrears.

The condo corporation has three months from when the default occurred to register a certificate of lien against the unit, otherwise the lien will expire. At least 10 days' notice must be provided to the unit owner before a lien can be registered on title to that owner's unit.

Condominium liens have priority over most other secured and unsecured debt related to the unit, including mortgages. This is subject to some exceptions.

SAMPLE

11.5 Special Assessments

A special assessment is an extra fee added to an owner's regular condo fees. Condo corporations typically use this money to cover unexpected costs that were not planned for in the yearly budget like fixing emergency damage from flooding or paying for legal costs.

Under section 84 of the Condo Act, owners are required to pay their unit's share of the common expenses, which may include special assessment fees. The portion of the special assessment is calculated using the same percentage used to calculate an owner's regular contribution to the common expenses.

11.6 Chargebacks

A condo corporation's governing documents and the Condo Act may allow or require the corporation to charge back certain costs to an owner if the corporation has incurred costs because of something the owner has done or failed to do. This ensures that other unit owners don't have to pay for costs that an owner is responsible for.

For example, if an owner fails to repair a part of the condo property that is their responsibility, the condo corporation must complete the repair and charge the cost back to the owner by adding it to their condo fees. Condo corporations typically have provisions in their declaration that require owners to repay the condo corporation for certain costs in addition to those allowed by the Condo Act.

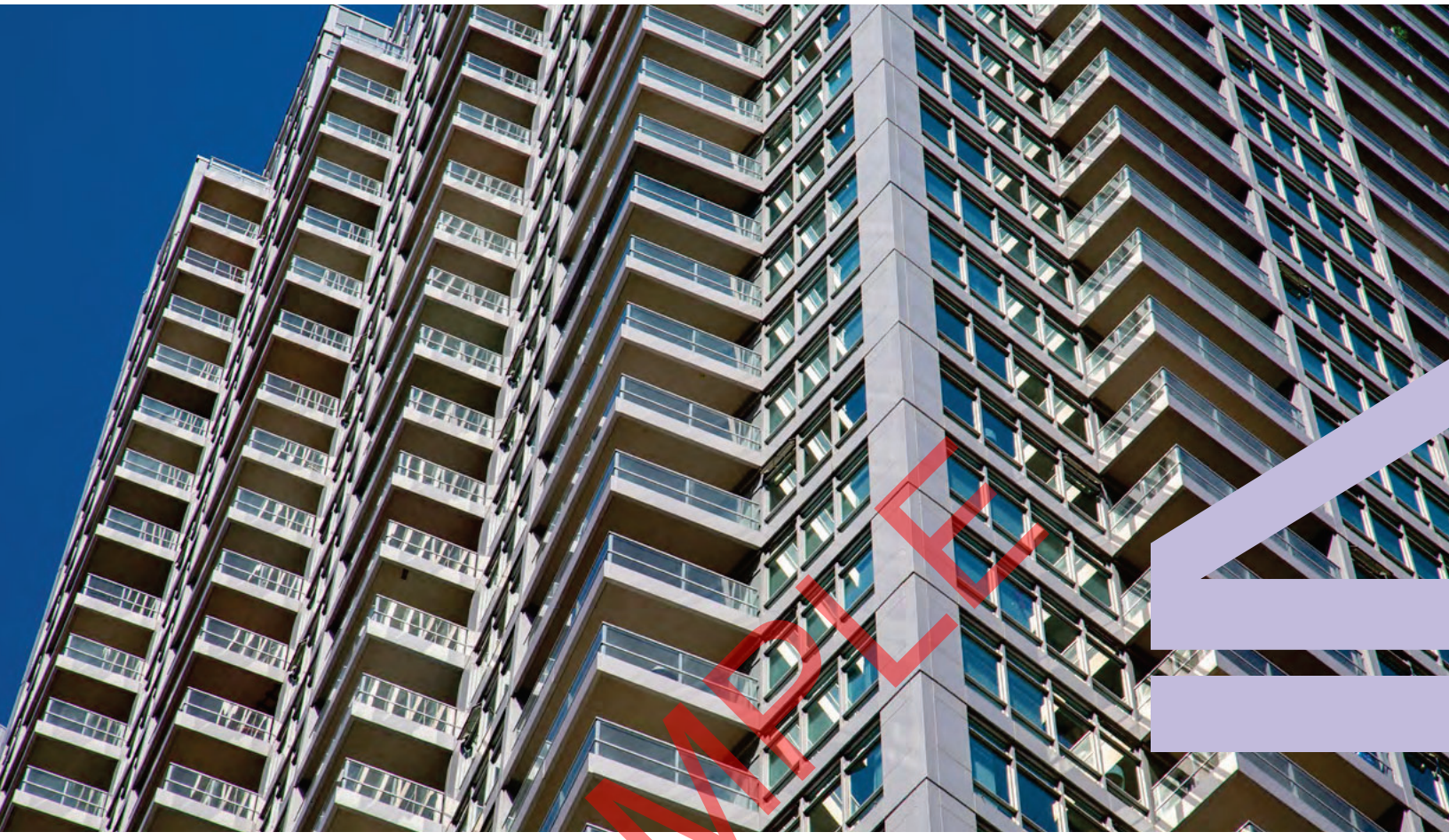
If an owner does not pay the chargeback, it would be considered a default in the payment of condo fees, which could result in a lien being placed against the unit.

SAMPLE



For more information about chargebacks, see the CAO website.





SAMPLE

11.7 Condo Corporation Insurance

Condo corporations are required by the Condo Act, and the governing documents, to secure insurance against:

- Damage to units and common elements caused by fire, smoke, lightning, windstorm, hail or other major perils specified in the Condo Act and the condo corporation's declaration and by-laws. Corporations are only responsible for the components of the units that fall under the standard unit definition, which can be found in either the schedule provided by the developer or the corporation's by-laws
- Liability resulting from being the occupier of the common elements
- Liability from the ownership and use of boilers, machinery, pressure vessels and motor vehicles
- Personal liability for directors and officers of the corporation while carrying out their duties, if it is reasonably available or required by the by-laws

Read more about insurance for condo corporations and owners on our website.

11.8 Condo Owner Insurance

The condo corporation's insurance will not cover damage to units beyond the standard unit definition, so owners are strongly encouraged and may be required by the governing documents to obtain their own insurance. Condo owners should review their governing documents to understand their insurance obligations. Owners will typically have insurance policies for the following:

- **Improvements:** Insurance to cover upgrades or improvements to the unit that are not covered by the standard unit definition
- **Unit Contents:** Insurance to cover any personal property, furniture, electronics, household goods, and clothing in the unit or exclusive use common area
- **Third Party Liability:** Liability insurance in the event that the owner causes damage to other units or if someone gets injured in the owner's unit. This is important to have because the corporation's liability insurance only covers the common elements and does not cover the units
- **Deductible and Loss Assessment:** In the event that the owner is required to pay the condo corporation's deductible or repair damage to the common elements and other units
- **Additional Living Expense:** If the owner needs to be moved from their unit until damage is repaired. (Condo corporations are not required to have this type of coverage)
- **Locker/Parking Space/Storage:** Insurance over lockers, parking spaces, and storage

SAMPLE

11.9 Deductibles

Deductibles are payments that insurance policy holders must make before insurance companies release funds to cover claims. Depending on the policy, deductibles can range from a few hundred dollars to tens of thousands. The condo corporation's deductible is considered a common expense which is payable by all owners.

However, an individual owner may sometimes be required to pay for the corporation's deductible, such as if they, their tenants or guests cause damage or are negligent. Make sure to read and understand the corporation's insurance policies and any requirements in the governing documents regarding owners' insurance responsibilities. Owners should speak to an insurance broker to determine whether they should purchase a policy that covers their corporation's deductible as well.

12. REPAIR AND MAINTENANCE OBLIGATIONS

Condo corporations are generally responsible for repairing damage to the common elements and standard unit elements. This obligation to repair does not include any improvements made to units.

Unit owners are generally responsible for maintaining their units including upkeep and repair after normal wear and tear, unless the declaration states otherwise.

Condo corporations are generally responsible for maintaining the common elements such as parking areas, gardens, hallways, elevators, and other amenities, unless the declaration states otherwise.

When it comes to repair and maintenance responsibilities, it is important to review the:

1. **Declaration:** The declaration also clarifies repair and maintenance responsibilities, especially in unclear areas such as plumbing, electrical or areas behind drywall, which should be reviewed with the description to determine whether the area is the unit owner's or the condo corporation's responsibility to repair. It may change the default obligations for maintenance and repair after damage as set out under the Condo Act.

2. **Standard unit definition:** The corporation's by-laws or schedule provided by the developer includes a standard unit definition which details the components of a unit that are the responsibility of the condo corporation to repair and insure. Items that are not included in the standard unit definition are the responsibility of the unit owner.

SAMPLE



See sections 89, 90 and 91 of the Condo Act to learn more about division of responsibilities for repairs and maintenance.

Section 91 of the Condo Act allows condo corporations to alter these repair and maintenance obligations in their declaration by stating that:

- Owners are responsible for repairing their units after damage
- Owners are required to maintain the common elements or parts of them
- Owners are responsible for maintaining and repairing their exclusive use common elements after damage
- The corporation is required to maintain the units or any part of them

If questions around responsibility arise, owners should refer to the condo corporation's declaration.

12.1 Making Changes to the Unit

A condo corporation's declaration, by-laws and rules may contain provisions about making modifications to the unit that might require notification to and approval by the board; restrictions on design, decor, or materials; and restrictions on days or times when renovations are permitted. Owners should make sure to review the governing documents before making changes to the unit. If unsure about whether these changes can be made, please speak with the board, condo manager, or a lawyer.

12.2 Changes to Common Elements by Owners

Changes to the common elements (e.g., exterior walls) by owners generally will require board approval. Section 98 of the Condo Act states that an agreement (often referred to as a section 98 agreement) must be entered into between the condo corporation and the owner where an owner wishes to make changes to common elements that the board is willing to permit. This agreement specifies, for example:

- The allocation of cost of the proposed modification between the unit owner and the condo corporation
- The respective duties and responsibilities of the unit owner and condo corporation for repair after damage, maintenance, and insurance of the modification and any associated costs

The board may approve a proposed modification, and there will be no requirement to provide notice to other owners if the modification is to an exclusive use common element, and the board is satisfied that the modification will not:

- Have an adverse effect on units owned by other owners
- Give rise to any expense to the corporation
- Negatively impact the appearance of buildings on the property
- Affect the structural integrity of buildings
- Contravene the declaration or any prescribed requirements

SAMPLE

12.3 Electric Vehicle Charging Systems

As electric vehicles are becoming more widely used, Electric Vehicle (EV) Charging Systems have grown to be a more integral part of condo living. In 2018, the province established requirements for installing EV Charging Systems in condo buildings that owners and corporations must follow, which can be found under Ontario Regulation 48/01 of the Condo Act.

EV Charging Systems can be installed by the condo corporation or by individual owners. Unit owners should speak to the board or condo managers before taking any steps to install an EV Charging System or associated wiring. Different steps must be followed depending on which installation approach is taken.

If a buyer or owner has or plans on buying an electric vehicle, they should become familiar with the different installation requirements for having a charger installed. Also, buyers may wish to review the Disclosure Statement for a pre-construction condo unit or ask the board or a legal representative to find out if there is or will be existing infrastructure that can be used. For more information, please refer to the CAO Guide on Electric Vehicle Charging Systems.

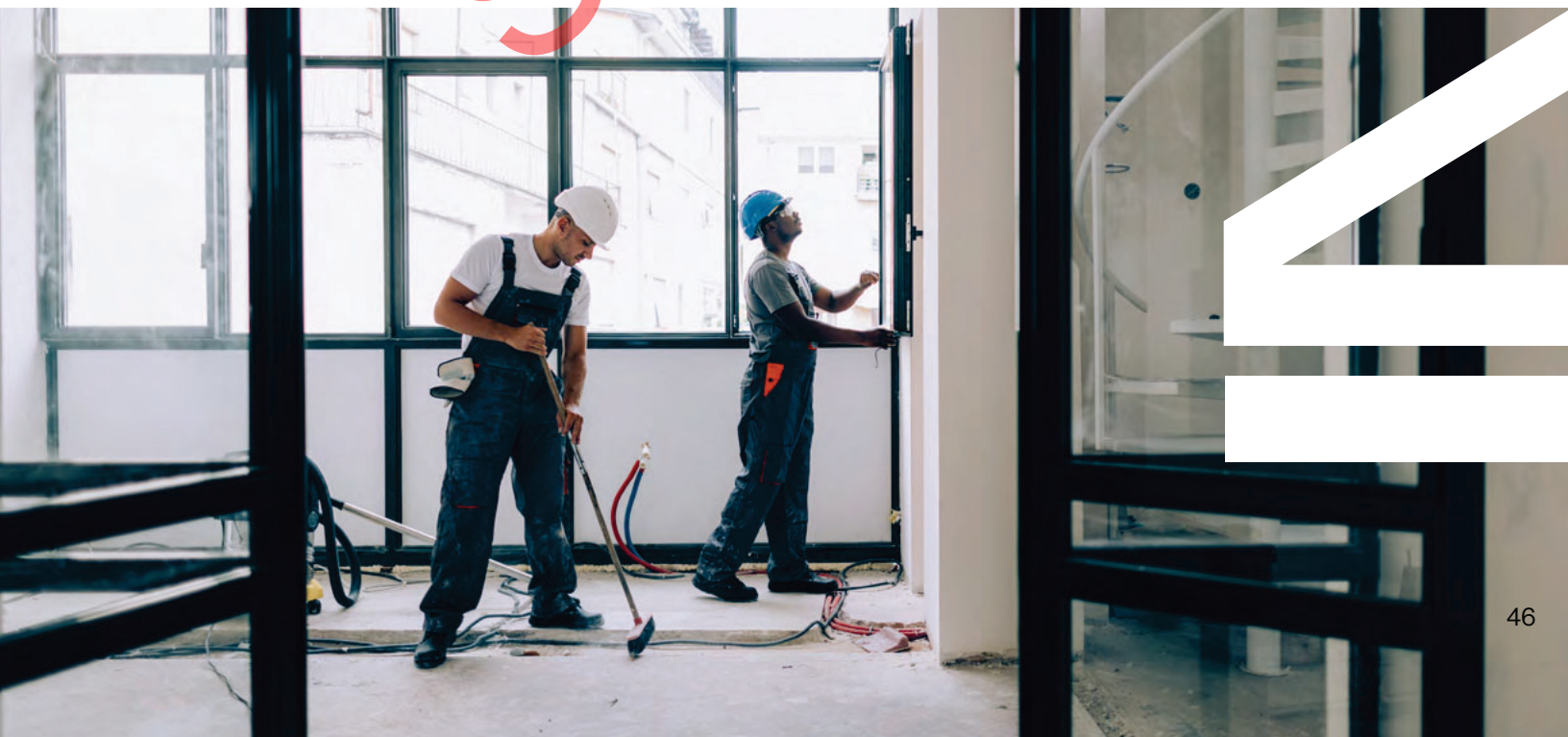
12.4 Right of Entry

Condo corporations or their authorized representatives have the right to enter units after providing reasonable notice to owners to perform various duties, including:

- Repairing and maintaining common elements
- Performing routine inspections on equipment such as smoke alarms
- Ensuring compliance with the Condo Act and the condo corporation's declaration, by-laws and rules

The condo corporation also has the right to enter units in case of an emergency, such as a fire or water leak, without notice. If planning to lease the unit, owners should inform any tenants about this right to enter.

SAMPLE



13. ISSUES AND DISPUTE RESOLUTION

13.1 Raising an Issue with the Condominium Board

Occasionally issues can arise with condo living and there are steps that can be taken to resolve them. Before raising any issues, it is important to review the governing documents to see what restrictions or permissions are set out and what mechanisms may already exist to resolve issues. The following steps can then be considered:

1. **Writing a Letter to the Board**
   Request formal consideration of a concern in writing if there is a condo-related issue that an owner wishes to raise. Provide as much detail as possible about this issue in the letter or email.

> Visit the CAO's Solving Common Issues page for more information on common issues associated with condo living



2. **Reaching out on a Condo Corporation's Virtual or Social Platform (If Applicable)**
   If a condo corporation has an official virtual or social platform and allows owners to send or post messages, the owner could reach out to the condo corporation through that platform. Owners must ensure their message meets the guidelines of the platform, and no private information is shared publicly.

3. **Raising an Issue at the AGM**
   An AGM provides an opportunity to bring up issues regarding the condo corporation and condo business to the board and other owners. As a unit owner, any topic that is relevant to the business of the condo corporation can be raised when new business is discussed at the AGM. Personal grievances like unit specific billing or single unit repairs should not be raised at an AGM.

SAMPLE

4 Requisitioning an Owners' Meeting

If the statutory requirements are met, an owner may requisition, also known as request, an owners' meeting to discuss certain issues such as:

- The removal and replacement of a director before the expiry of that director's term
- A proposed new rule or change or repeal of an existing rule
- The discussion of any emerging issue or board decision that impacts the condo community

> Use our smart form to requisition a meeting



5 Seek Legal Advice

If a particular issue cannot be resolved through any of the above options, an owner may wish to consider seeking legal advice from a lawyer or paralegal familiar with condo law. Names of lawyers or paralegals may be obtained from the Law Society of Ontario Referral Service. They may provide a free consultation of up to 30 minutes. Owners can also visit our Legal Resources webpage for more information.

SAMPLE



13.2 Mediation, Arbitration and Compliance Orders

Condo corporations may have provisions in their declaration or by-laws establishing a procedure for resolving certain disputes and compliance. Section 132 of the Condo Act also requires that certain disputes (outside the CAT's jurisdiction) between an owner and the condo corporation must be sent to mediation or arbitration first in an attempt to resolve the dispute.

13.3 Condominium Management Regulatory Authority of Ontario

The CMRAO is a not-for-profit corporation that is responsible for regulating condo managers and condo management provider businesses and for administering the CMSA.

The CMRAO:

- Ensures that condo managers and condo management companies are licensed, meet education standards and comply with a code of ethics, among other requirements
- Maintains a registry of licensed condo managers and condo management providers
- Promotes awareness of the condo management regulatory system and enforces compliance with the CMSA

13.4 Handling Complaints about Condo Managers

If an owner believes that their condo manager or management service provider is in violation of the CMSA, including the Code of Ethics, they can submit a complaint to the CMRAO. If the registrar of the CMRAO receives a complaint about a licensee, they may:

- Attempt to mediate or resolve the complaint
- Give the licensee a written warning
- Require the licensee take further educational courses
- Refer the matter to the discipline committee
- Propose to suspend, revoke or add conditions to a licence
- Propose to refuse to renew a licence
- Take further action as appropriate under the CMSA



SAMPLE

13.5 Formal Compliance Mechanisms

1. **Responsibility to Comply with the Condo Act**
All condo corporations, owners, directors, officers, employees, mortgagees, developers and occupants are required to comply with the Condo Act and the condo corporation's governing documents.

   Condo corporations must ensure that owners, residents (e.g., tenants), agents and employees of a condo corporation comply with the Condo Act and the condo corporation's governing documents.

   It is up to each owner to make sure that any occupants or visitors comply with the Condo Act and the condo corporation's governing documents.

2. **Superior Court of Justice**
Certain compliance disputes may be resolved through an application to the Superior Court of Justice, including if the mediation and arbitration process has failed to solve the issue. Condo corporations, owners, occupants of a proposed unit, and developers can all make an application for compliance with any part of the Condo Act, declaration, by-laws or rules. More information on this can be found in section 134 of the Condo Act. However, owners are encouraged to consult a lawyer or paralegal if considering any legal action.

3. **Offences Under the Condo Act**
The CAO is empowered to pursue compliance against condo corporations who fail to meet certain responsibilities under the Condo Act by issuing Registrar's Certificates, Compliance Orders, and pursuing offences under the Provincial Offences Act.

   Under the Condo Act, condo corporations must file returns and notices of change and pay assessment fees to the CAO. Section 136.2 states that it is a provincial offence for a corporation to fail to meet these obligations to the CAO.

   Section 136.1 and section 137 of the Condo Act set out further provincial offences for other provisions of the Condo Act.

   Anyone who is considering commencing a proceeding with the Provincial Offences Court regarding an offence under section 136.1, section 136.2, or section 137 of the Condo Act is encouraged to consult a lawyer or paralegal.

SAMPLE

14. THE CONDOMINIUM AUTHORITY OF ONTARIO

The Condominium Authority of Ontario (CAO) is a not-for-profit organization mandated to support condo living and enhance consumer protection for condo communities. It plays a vital role in Ontario's condo ecosystem by providing cost-effective, accessible and digital resources in English and French within the three pillars of our mandate.

INFORMATION

- Helpful condo living tips and tools
- Condo forms and templates
- Condo returns
- Searchable Condo Registry

EDUCATION

- Free mandatory director training on key topics like governance, finance and more
- Best practice guides

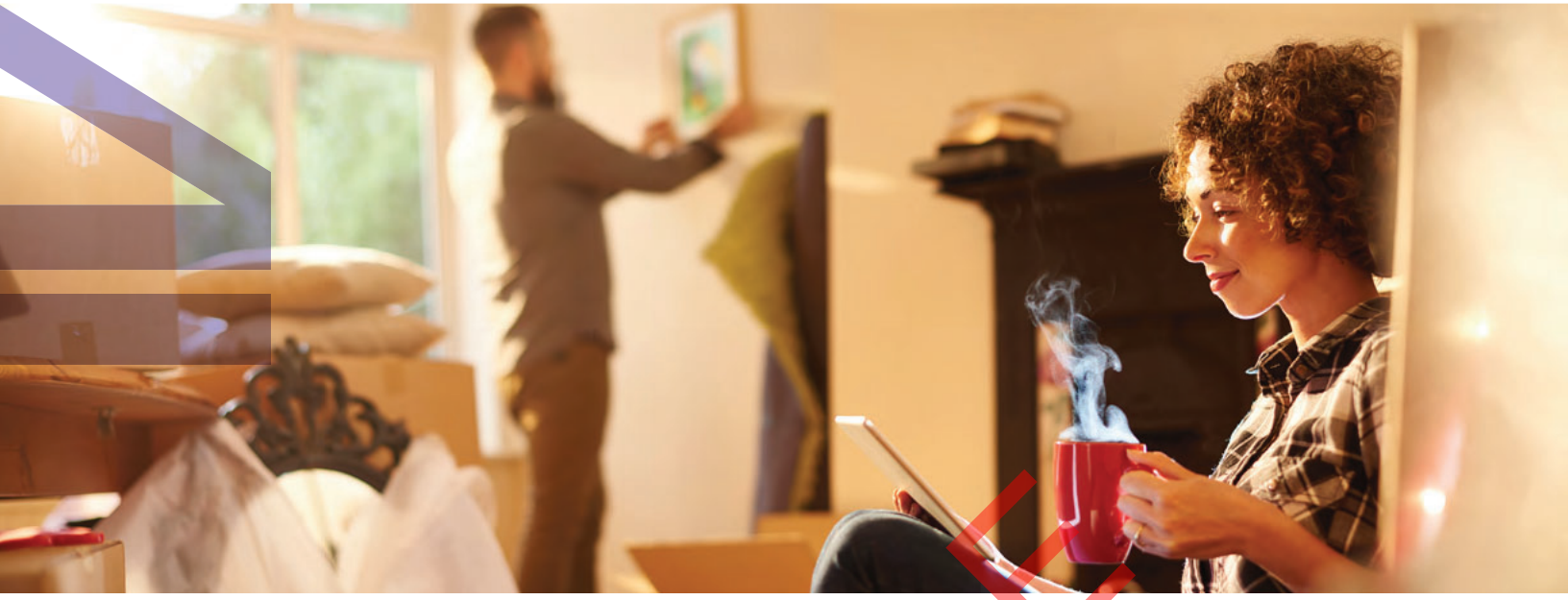
DISPUTE RESOLUTION

Integrated online dispute resolution through:

- Guided steps to help resolve common issues early
- Condominium Authority Tribunal

SAMPLE





14.1 Role of the CAO

The CAO is dedicated to supporting harmonious condo living and has developed many helpful resources that are available on our website for use by all condo communities across Ontario. This includes numerous additional guides, a Condo Calendar Tool, Condo Forms and guided steps and sample letter templates for common issues.

The CAO is responsible for designing and administering the mandatory director training program for all condo board directors in Ontario. The training is available free of charge, accessible online at all times and can be taken by anyone at their own pace. It contains useful information that everyone should know when buying or living in a condo unit.

The CAO is mandated to provide an online dispute resolution service through the Condominium Authority Tribunal (CAT), which adjudicates certain condo disputes. The CAT is dedicated to helping condo owners and corporations resolve disputes conveniently, quickly and affordably. For more details about the CAT, its jurisdiction and the online process, owners can read more here on our website.

The CAO is also mandated to protect condo consumers and support condo corporations by ensuring that they comply with their legal obligations under the Condo Act. The CAO uses several strategies including proactive advance reminders, escalating notices and legislative measures, such as Registrar's Certificates and Compliance Orders to help condo corporations understand and comply with these obligations. Condo buyers, owners and the general public can find out if a corporation has outstanding compliance issues by searching the CAO's Condo Registry.

In addition, condo buyers, owners and residents can get support by speaking with one of CAO's highly skilled information services team members or by emailing a question using the Contact Us page on the CAO's website. The CAO encourages everyone to continuously visit the website and use the helpful resources to assist you in navigating your condo living journey.

SAMPLE

14.2 The Condominium Authority Tribunal

Certain disputes may be resolved through an application to the Condominium Authority Tribunal (CAT). The CAT can hear issues related to certain condo nuisances, governing document issues, records and more. Refer to our tribunal webpage for more information.

The Tribunal's process begins when an applicant files a case through the Tribunal's online system. The CAO's Information and Tribunal Analysts review each case when it is filed to identify any potential issues with the application and will advise the applicant how they can be resolved. Once the Tribunal accepts the case, the other parties must join through the Tribunal's online system. Once they do, it will proceed through the Tribunal's three-stage dispute resolution process:

Stage 1 – Negotiation



The applicant files the case and must pay an initial $25 fee.

Negotiation begins as soon as all of the parties join the case.

Important Note: If a respondent does not join the case, the case may proceed directly to Stage 3 – Adjudication. You should join the case as soon as possible after receiving a notice if you are a respondent or intervenor. An order may be made without your participation if you do not join.

Stage 2 – Mediation



If the parties cannot resolve the issues in Stage 1, the applicant can decide when to move to Stage 2 – Mediation. The applicant pays the $50 fee and a Tribunal Member is assigned to the case as a Mediator.

Stage 3 – Adjudication



If the parties cannot resolve the issues in Stage 2, the Tribunal Mediator can allow the applicant move the case to Stage 3 – Adjudication. The applicant pays the $125 fee and a new Tribunal Member is assigned to conduct the hearing as an Adjudicator.

Review the CAO's Steps to Solve Issues pages here before filing an application with the Tribunal.

SAMPLE


SAMPLE

APPENDIX A: PRE-CONSTRUCTION CHECKLIST

How to use this Checklist

This checklist provides a series of questions that you as a buyer should ask yourself before and during the purchasing process of a pre-construction condo unit. You should strongly consider the factors below and how your answers to these questions might impact your decision about purchasing a condo unit and if condo living is meant for you. If you need an explanation or more information about what certain documents are, some hyperlinks have been provided to specific areas of this Guide. Alternatively, you can use the table of contents to find the information that you are looking for. To access a printer friendly version of this checklist to inform the purchase process, please visit the CAO's website.

SAMPLE

☑ Important Questions to Ask Yourself

☑ Is my developer licensed and do I have a warranty?

Making sure your developer is licensed and knowing about your warranty coverage is an important step that a buyer should consider:

- Anyone building or selling a new home in Ontario is required to hold a licence to do so with the HCRA
- Ensuring that you have warranty protection through Tarion for any deposits and payments (up to $20,000) made to developers. You must receive proof that the funds are in trust from your developer
- Ensuring that your new home is covered under warranties and protections by the developer through Tarion

You can use the Ontario Builder Directory on the HCRA's website to confirm whether the developer is licensed.

☑ Have I considered all the financial implications of purchasing the unit?

In addition to the purchase price, have you considered the additional costs of buying a condo unit?

- Closing costs (lawyer fees, land transfer tax, other administrative fees)
- The condo fees that you will be expected to pay which can be found in the first-year budget included in the Disclosure Statement.

Depending on your specific circumstances (first time home buyer) there may be certain incentives or financial options available to you. It is recommended to consult with a financial advisor, financial institution, or realtor before looking to purchase.

✓ Have I considered all the longer-term costs associated with owning a condo unit?

There are additional costs associated with owning a condo unit that you should be aware of, including:

- Increasing condo fees
- Potential special assessments
- Property taxes
- Interest and mortgage rates

✓ Do I have qualified professionals to help me?

Finding the right lawyer and real estate agent to assist you in buying a condo unit is important. When looking to find these professionals there are some factors to consider as a buyer:

- Make sure that these professionals understand your specific needs and timelines as a buyer
- Before choosing any professional, make sure you do your homework including looking at reviews and making sure they are licensed and are in good standing and have the experience you need for your purchase

✓ Have I reviewed the governing documents (declaration, by-laws, rules)?

All residents in the condo corporation must abide by the governing documents. Make sure to review these carefully before you buy to be sure that you agree with how this corporation regulates itself. For example, you want to ensure the condo allows your pet, if you have one.

✓ Does the condo corporation have the amenities I want?

What amenities currently exist or will be offered by the condo corporation? Remember you must pay all common expenses regardless of whether or not you use the amenities.

✓ Does the location of the condo corporation make sense for me?

Choosing a condo unit that suits your needs is an important aspect of deciding where you want to live. You should consider some of the following:

- How long will it take to commute to work?
- How accessible are stores, healthcare services, and other service providers?
- Which public schools are zoned to the condominium?
- What are or will be the transportation or infrastructure options (sidewalks, highways, public transportation) available?
- How will the daily activities in the neighbourhood impact your lifestyle, including any construction or revitalization projects?
- Where is the unit located in connection to community facilities like a gym or garbage and recycling area? Consider both convenience and potential noise for your lifestyle.

Additionally, location may impact the amount of noise that you experience. Choosing a condo unit in a densely built urban area may lead you to experience much more noise than a condo unit that is in a suburban or rural area.

SAMPLE

What kind of condo corporation do I want to live in?

There are various kinds of condo units that are available to purchase, including those that are townhouses and in low-rise buildings. It is important to consider the privacy that is offered by the unit, the communal aspect of living in close proximity and sharing common elements. Buyers should consider what kind of condo corporation is best suited for them.

Do I have adequate insurance coverage?

Speak with a licensed insurance agent or broker, explaining the needs that you have, the types of coverage you are interested in, and the cost of carrying these policies. Remember! You can talk to multiple insurance providers or bundle insurance policies together to try to reduce the cost.

Have I reviewed these three important documents in the agreement of purchase and sale?

- Pre-construction agreement of purchase and sale (also known as the purchase agreement)
  - Contains important information about you and your developer's rights and obligations, as well as important information about the unit and construction project
  - The agreement of purchase and sale must be provided with the HCRA Information Sheet, the Addendum to the Agreement of Purchase and Sale and the Tarion Warranty Information Sheet. The Disclosure Statement and CAO Condo Buyers' Guide can be provided separately or included with the other documents.
- Disclosure Statement – Contains information about the condo's governing documents, a summary of agreements the condo has or will enter into, a copy of the corporation's budget, and more
- CAO Condo Buyers' Guide – This Guide must be provided to you as a buyer of a pre-construction condo unit by the developer and your purchase agreement is not binding until you receive the Guide.
- Your 10-day cooling-off period starts when you receive all three of these documents

Have I reviewed any shared facilities agreements?

If your condo corporation is party to any shared facilities agreements, they are important to review because they may impact costs and how you interact with certain spaces in your condo community. These should be referenced in the Disclosure Statement you receive, if applicable.



SAMPLE

APPENDIX B: RESALE CONDO CHECKLIST

How to use this Checklist

This checklist provides a series of questions that you as a buyer should ask yourself before and during the purchasing process of a resale condo unit. You should strongly consider the factors below and how your answers to these questions might impact your decision about purchasing a condo unit and if condo living is meant for you. If you need an explanation or more information about what certain documents are, some hyperlinks have been provided to specific areas of this Guide. Alternatively, you can use the table of contents to find the information that you are looking for. To access a printer friendly version of this checklist to inform the purchase process, please visit the CAO's website.

☑ Important Questions to Ask Yourself

☑ Do I have qualified professionals to help me?

Finding the right lawyer and real estate agent to assist you in buying a condo unit is important. When looking to find these professionals there are some factors to consider as a buyer:

- Make sure that these professionals understand your specific needs and timelines as a buyer
- Before choosing any professional, make sure you do your homework including looking at reviews and making sure they are licensed and are in good standing and have the required experience

☑ Have I requested and reviewed a status certificate?

Condo corporations cannot charge more than $100 inclusive of taxes for these and must provide them within 10 days of payment. The status certificate will contain copies of the governing documents, budget for the current fiscal year, a statement on the most recent reserve fund study, information about condo fees, proof of insurance for each current policy, if any special assessments have or will be levied, if the corporation is party to any litigation and more. Status certificates reflect this information as of the day they are issued, so it can be important to make sure the status certificate you review is current.

SAMPLE

✓ Have I reviewed the corporation's legal proceedings?

In addition to reviewing the information regarding any outstanding judgements and legal proceedings contained in a status certificate, buyers are also encouraged to use resources such as:

- The CAT's Tribunal Decisions and Orders page
- Canadian Legal Information Institute (CanLII)

These resources can help buyers be more informed about the legal proceedings that a condo corporation has been engaged in. While these will not necessarily disclose all legal proceedings, they can provide insight into the types of disputes occurring in the condo corporation.

✓ Have I considered all the financial implications of purchasing the unit?

In addition to the purchase price, have you considered the additional costs of buying a condo unit?

- Closing costs (lawyer fees, land transfer tax, other administrative fees)
- The condo fees that you will be expected to pay can be found in the status certificate.

Depending on your specific circumstances (e.g., first time buyer) there may be certain incentives or financial options available to you. It is recommended to consult with a financial advisor, financial institution, or realtor before looking to purchase.

✓ Have I considered all the longer-term costs associated with owning a condo unit?

There are additional costs associated with owning a condo unit that you should be aware of, including:

- Increasing condo fees
- Potential special assessments
- Property taxes
- Interest and mortgage rates

✓ Have I reviewed the governing documents (declaration, by-laws and rules)?

All residents in the condo corporation must abide by the declaration, by-laws and rules. Make sure to review these before you buy to be sure that you agree with how this corporation regulates itself. For example, you want to ensure the condo allows your pet, if you have one.

✓ Does the condo corporation have the amenities I want?

What amenities currently exist or will be offered by the condo corporation? Are you planning on using some or all the amenities? Remember your common expenses fees will be used to pay for these spaces, even if you don't use them.

SAMPLE

✓ Does the location of the condo corporation make sense for me?

Choosing a condo unit that suits your needs is an important aspect of deciding where you want to live. You should consider some of the following:

- How long will it take to commute to work?
- How accessible are stores, healthcare services, and other service providers?
- Which public schools are zoned to the condominium?
- What are or will be the transportation or infrastructure options (sidewalks, highways, public transportation) available?
- How will the daily activities in the neighbourhood impact your lifestyle, including any construction or revitalization projects?
- Where is the unit located in connection to community facilities like a gym or garbage and recycling area? Consider both convenience and potential noise for your lifestyle.

Additionally, location may impact the amount of noise that you experience. Choosing a condo unit in a densely built urban area may lead you to experience much more noise than a condo unit that is in a sub-urban or rural area.

✓ What kind of condo corporation do I want to live in?

There are various kinds of condo units that are available to purchase, including those that are townhouses and in low-rise buildings. It is important to consider the privacy that is offered by the unit, the communal aspect of living in close proximity and sharing common elements. Buyers should consider what kind of condo corporation is best suited for them.

✓ Do I have adequate insurance coverage?

Speak with a licensed insurance agent or broker, explaining the needs that you have, the types of coverage you are interested in, and the cost of carrying these policies. Remember! You can talk to multiple insurance providers or bundle insurance policies together to try to reduce the cost.

✓ Does the condo corporation have a healthy reserve fund?

Condo corporations are required by law to keep a reserve fund, which they must use only to make major repairs and replacement to the common elements and assets like hallways, elevators, piping. Buyers should understand how the corporation plans to address those repairs and replacements and what the amount of funding in the reserve fund is. Condo owners are ultimately responsible for the corporation's financial and physical health and are advised to review the status certificate for this information.

SAMPLE

☑ Have I reviewed any shared facilities agreements?

If your condo corporation is party to any shared facilities agreements, they are important to review because they may impact costs and how you interact with certain spaces in your desired condo community. These should be included in the status certificate you receive, if applicable.

☑ Have I reviewed the repair and maintenance responsibilities?

Repair and maintenance responsibilities vary by condo corporation, as they depend on the Condo Act and the governing documents. The condo corporation is generally responsible for repairs and maintenance to the common elements as well as repairs to standard unit elements. Owners are generally responsible for maintaining their units including upkeep and repair after normal wear and tear.

However, the Condo Act allows condo corporations to alter these responsibilities in the declaration. Review your corporation's governing documents for clarification on the repair and maintenance responsibilities, including unit boundaries and standard unit definition.

☑ Do I still have coverage under the New Home Warranty Plan?

A re-sale condo unit that you purchase may still have warranty coverage. The longest statutory warranty coverage is for seven years, with a maximum coverage of $300,000. To find out if your home is still covered you can visit Tarion's website or contact them by calling (toll free) 1-877-982-7466 or emailing CustomerService@Tarion.com.

SAMPLE



GLOSSARY OF KEY TERMS

Addendum to the Agreement of Purchase and Sale: Must be attached to the purchase agreement. Contains the delayed occupancy warranty provided by the developer as well as an official Statement of Critical Dates outlining when the unit will be ready for occupancy along with conditions for extension of Critical Dates and early termination. The Addendum to the Agreement of Purchase and Sale prevails over the purchase agreement and any other attachments if inconsistencies are found.

Agreement of Purchase and Sale (Purchase Agreement): The Agreement of Purchase and Sale contains important information about your rights and obligations as a condo buyer, the builder's rights and obligations as the seller (as applicable), the unit, and the condo construction project.

Annual General Meeting (AGM): Annual owners' meeting where the board of directors presents to the owners on the financial health of the condo corporation and other business.

Board Meetings: Meetings attended by board members to manage the affairs of the condo corporation.

By-laws: By-laws are part of the condo corporation governing documents. By-laws govern how a condo corporation operates. By-laws can cover topics such as the size of your condo board, the process for electing directors, and the format of board meetings. By-laws must be consistent with the declaration and the Condo Act as well as reasonable.

Chargebacks: Charges that are added to the amount of a unit owner's common expense fees. This may happen, for example, due to a condo corporation handling an owner's maintenance obligations or where a condo corporation incurs certain court costs in a legal proceeding against an owner to enforce compliance.

Common Elements: All condo property except the units and assets.

Common Elements Condominium Corporation: A condo corporation that creates common elements but does not divide the land into units. Owners purchase land tied to part of a common element condo corporation in which they also have an ownership interest (such as a shared road, ski hill or golf course) and pay common expense fees.

Common Expenses: The amount of money that an owner contributes in the proportions specified in the declaration, also known as condo fees or maintenance fees. These go towards paying expenses (operating and reserve), including for, among other things, the maintenance and upkeep of the condo corporation's common elements.

SAMPLE

Common Terms for "Developer": For ease of reference, this Guide uses the term developer when referring to the legal obligations that declarants, vendors, and builders have during the pre-construction purchasing process.

Condo Corporation: A legal entity that comes into existence when a declaration and description are registered with the Land Registry Office. All units and common elements are part of a condominium corporation, and condominium corporations are governed by boards of directors on behalf of owners.

Condo Manager: An individual licensed by the Condominium Management Regulatory Authority of Ontario who is hired by a condo corporation to oversee a condo corporation's day-to-day operations. Condo managers are accountable to the board of directors of the condo corporation.

Condominium Act, 1998 (Condo Act): Condominium Act, 1998 is provincial legislation that governs aspects of condo ownership, living, governance and operations in Ontario.

Condominium Authority Tribunal (CAT): an online tribunal administered by the Condominium Authority of Ontario that is authorized to resolve certain disputes primarily between condo corporations and owners.

Condominium Management Services Act, 2015 (CMSA): The CMSA provides a framework for regulating condo managers and condo management providers and requires that they be licensed to provide condo management services in Ontario.

Cooling Off Period: 10-day period within which buyers of pre-construction condos have the right to rescind, or cancel, a purchase agreement they have signed, for any reason whatsoever. Begins on the later of the date the buyer received the Disclosure Statement, a copy of CAO Condo Buyers' Guide, and the copy of the Agreement of Purchase and Sale.

Declarant vs. Vendor vs. Builder: Declarants are individuals or business entities that own the land upon which the condo corporation will be constructed. The word vendor appears in the agreement of purchase and sale and is the person or company that will sell the condo unit that is being purchased. A builder will construct the unit and together with the vendor, provide the required warranties associated with the new home. **It is possible that the same individual or entity may be all three or both the vendor and builder**.

Declaration: Governing document that contains important information about the condo corporation, such as the percentage that the unit owner must contribute to the common expenses and a breakdown of the responsibilities for repairing and maintaining the units and common elements.

Delayed Occupancy: When a unit buyer is unable to take possession of the new residential unit by the firm or outside occupancy dates contained in the Addendum to Agreement of Purchase and Sale.

Description: The description defines the units and the common elements and specifies the boundaries between them.

Developer-Controlled Board: A condo corporation board including directors appointed by the declarant (the developer).

SAMPLE

Directors: The individuals who are appointed or elected to manage the affairs of the condo corporation. Directors are responsible for making important decisions and serve for terms of up to three years.

Director Training: Training program provided by the Condominium Authority of Ontario. All condo directors appointed, elected, or re-elected on or after November 1, 2017, are required to complete the training program within six months of their appointment, election, or re-election. Directors do not have to take the training if they have completed the program within the previous seven years.

Disclosure Statement: A document that your developer must provide when you purchase your unit from them or someone benefiting them, and which includes important information about your unit and the condo corporation (proposed or registered).

Exclusive Use Common Elements: Common elements that specific unit owners/occupiers have exclusive use of, such as a balcony connected directly to a single unit.

Governing Documents: A condo corporation's declaration, by-laws, and rules. These governing documents together with the Condo Act outline how the condominium is intended to operate and what owners and residents are allowed to do.

Information Certificates: Information Certificates help to ensure that owners receive ongoing information about their condo corporation throughout the year. There are three types: Periodic Information Certificates, Information Certificate Updates, and New Owner Information Certificates.

Information Certificate Update (ICU): Information certificates which include information on certain key changes before the next scheduled Periodic Information Certificate (such as changes in the directors or officers of the condo corporation). These are to be distributed within 30 days of the change.

Interim Occupancy: When a buyer takes occupancy of their unit before the condo corporation has been registered with the Land Registry Office and before ownership is transferred to the buyer. The duration of the interim occupancy is called the interim occupancy period, and during that period the buyer is required to pay occupancy fees. The buyer can move into the unit during this period but is not required to.

Interim Occupancy Fee: The amount that a buyer is required to pay the developer during the interim occupancy period.

New Owner Information Certificate (NOIC): Information certificates which are sent to new owners within 30 days after the new owner provides written notice stating their name and the unit that they own in the condo corporation.

Notices: Notices are documents containing information that an individual is entitled to receive as a unit owner. Notices will be delivered to you in either hardcopy or digitally.

Owners' Meetings: Meetings which all owners are invited to. Includes annual general meetings, owner-requisitioned meetings, turn-over meetings, and meetings called by the board regarding the transaction of any condo business.

SAMPLE

Owner-Requisitioned Meetings: Meetings requested by the owners to discuss/vote on a specific topic, such as the removal of a director or voting on a rule proposed by the board of directors.

Parcel of Tied Land (POTL): Property that is tied to a shared property interest in a common elements condo corporation. Purchasing a POTL means you are buying a share in a common elements condo.

Periodic Information Certificate (PIC): Information certificates which focus on the condo corporation's board, finances, insurance, reserve fund, legal proceedings, and other matters.

Phased Condominium Corporation: A condominium that is built and registered in phases. Once the construction is complete, it becomes a standard condominium.

Proxy: If an owner cannot attend an owners' meeting, they can appoint anyone to attend and act on their behalf at the meeting. This individual is known as a proxy and can attend and potentially vote at the meeting based on the instructions provided by the owner or other proxy giver.

Proxy Form: A legally required form that allows an individual known as a proxy to be appointed to attend a meeting on behalf of an owner or other proxy giver who cannot attend. The required proxy form can be found on the CAO's website.

Quorum (Board Meetings): The law requires that a majority of directors be present at a board meeting, regardless of any vacancy on the board. Without quorum, the board of directors cannot meet to conduct business of the condo corporation.

Quorum (Owners' Meetings): The law requires that a minimum number of owners be present at an owners' meeting either in person, by proxy, or electronically or telephonically. Without quorum, voting cannot take place, however discussion on relevant business is still permitted.

Records: The Condo Act requires all condo corporations keep adequate records. Current owners, purchasers and mortgagees are entitled to request access to, or copies of, their condominium corporation's records with some restrictions.

Reserve Fund: A fund condo corporations save and use to handle the larger financial burdens, for major repair or replacements of common elements and assets as needed.

Reserve Fund Study: Determines how much money needs to be in the reserve fund to ensure the major repairs/replacements can be paid for in the future. The reserve fund study must be prepared by a specialist, like an engineer. The board of directors approves the study, then informs owners of the results of the study.

Rules: Rules are part of the condo corporation's governing documents. Rules exist for the protection of those living in the condo corporation as well as the protection of the assets of the condo corporation itself, and to prevent unreasonable interference with the use and enjoyment of the units, common elements, and assets of the condo corporation. Rules must be consistent with the Condo Act and the declaration and by-laws of the condo corporation as well as be reasonable.

SAMPLE

Special Assessment: An extra one-time charge added on top of an owner's common expense fees.

Standard Condominium Corporation: The most common type of condo corporation in Ontario, where the condo corporation is made up of units and common elements.

Statement of Critical Dates: The Statement of Critical Dates can be found in the Addendum to Agreement of Purchase and Sale. The Statement contains the dates you can expect to take occupancy of your unit, as well as other important information.

Status Certificate: A document that anyone can request from a condo corporation and which contains important information about the unit and condo corporation.

Tarion Warranty Information Sheet: Must be attached to the purchase agreement. Outlines key information about the warranty buyers are entitled to if the unit has defects. It also includes information about Tarion, deposit protection, delayed occupancy coverage, warranty exclusions, construction performance guidelines, common elements warranties and pre-delivery inspections of the unit.

Turn-Over Date: This is the date when the turn-over meeting will be held by the developer-controlled board and important documents will begin to be transferred to the newly elected board of directors.

SAMPLE



Turn-Over Meeting: The meeting held by the developer-controlled board within 42 days of the developer ceasing to own a majority of the units. At this meeting, the owners will elect a new board and the developer-controlled board will turn over several items to the new owner- elected board.

Unit: A condo unit is the property owned by one or more owners. There are different types of units including residential, commercial, storage, parking spaces and others. The specific details and boundaries of a condo corporation's units can be found in a corporation's declaration and description.

Vacant Land Condominium Corporation: A type of condo corporation in which the units may be vacant lots at the time of purchase, and the condo corporation may resemble a subdivision. Common elements are often things such as roadways, sewer systems, and amenities such as parks or recreation facilities.

SAMPLE

CAO Contact

Message us through our website or call Monday-Friday 9:00 a.m. - 5:00 p.m.

CAO Local – 416-901-9356
CAO Toll Free – 844-880-5341

TTY (telephone device for the hearing impaired)

Bell Relay Service

This guide was last updated on **April 29, 2025**. Find the latest version at thecao.ca



Stay in the know!
TheCAO.ca/subscribe