

## COMMON ELEMENT CONDOMINIUM TOWNHOMES

The following documentation is being provided by **SEAN MASON HOMES (ESSA RD.) INC. ("Declarant")** with respect to the proposed common elements condominium to be known as Simcoe Common Elements Condominium Plan No. \_\_\_\_\_ in accordance with the *Condominium Act 1998*, S.O. 1998, C.19, and the regulations thereunder as amended ("**Act**").

**Disclosure Statement (including Table of Contents).**

**Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description.**

**The proposed Declaration.**

**The proposed By-laws.**

**The proposed Rules.**

**The proposed Condominium Management Agreement.**

**The preliminary Draft Plan of Condominium.**

**Draft Reference Plan 51M\_\_\_\_\_**

The Disclosure Statement contains important information about the proposed Condominium project as required by Section 72 of the Act. As the type and amount of disclosure required by the 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. Purchasers are therefore advised to read all of the documents enclosed (and not simply the Disclosure Statement itself) in their entirety and to review same with their legal and financial advisors.

**Issued: the 22<sup>nd</sup> day of October, 2014**

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

**Declarant's name:**

SEAN MASON HOMES (ESSA RD.) INC.

**Declarant's municipal address:**

401 Essa Road, Barrie, Ontario L4N 9C8

**Brief legal description of the property/proposed property:**

A parcel of land comprising part of Part of Park Lot 24, Registered Plan 67, City of Barrie, County of Simcoe being P.I.N. 58914-0002 (LT) & P.I.N. 58914-0003(LT)

**Mailing address of the property/proposed property:**

401 Essa Road, Barrie, Ontario L4N 9C8

**Municipal address of the property/proposed property:**

The municipal address of the property has not been finalized by the City of Barrie.

**Condominium Corporation:**

Simcoe Common Elements Condominium Plan No. \_\_\_\_\_ (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 a proposed common interest; and

“**property**” includes proposed property.

This Disclosure Statement deals with significant matters, including the following:

	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.		Refer to:  Declaration: Recital B, page 1  Disclosure Statement: Paragraph 2.1, page 6
2.	The property or part of the property is or may be subject to the <i>Ontario New Home Warranties Plan Act</i> .	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to:  Disclosure Statement: Article 6.00, Section 6.1, page 10
3.	Not applicable	N/A	Refer to:  Not applicable
4.	A building on the property has been converted from a previous use.	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to:  Disclosure Statement: Article 5.00, Section 5.1, page 10
5.	Part of the common elements may be used for commercial or other purposes not ancillary to residential purposes.	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to:  Disclosure Statement: Article 18.00, Section 18.1 page 16.
6.	A provision exists with respect to pets on the property.	Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>	Refer to:  Rules regarding clean-up of pets
7.	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 <input checked="" type="checkbox"/> <input type="checkbox"/>	Refer to:  Disclosure Statement: Article 4.00, pages 6-10 (both inclusive)  Declaration: Articles 3.00 and 4.00, pages 4-7 (both inclusive)
8.	The declarant intends to lease a portion of the common interests.	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to:  Disclosure Statement: Article 9.00, section 9.1, page 10
9.	Not Applicable	N/A	Not applicable
10.	Not Applicable	N/A	Not applicable
11.	Not Applicable	N/A	Not applicable
12.	There is an existing or proposed by-law establishing	Yes No	Refer to:

	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
	what constitutes a standard unit.	<input type="checkbox"/> <input checked="" type="checkbox"/>	There are no units in this condominium.
13.	Part or the whole of the common elements are subject to a lease or licence.	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to:  Disclosure Statement: Article 9.00, section 9.1, page 10
14.	Parking for owners is allowed:  (a) Not applicable  (b) on the common elements;  (c) on a part of the common elements of which an owner has exclusive use.          There are restrictions on parking.	Yes No  N/A  Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>    Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>    Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>	Refer to:    Disclosure Statement: Article 4.00, Section 4.3, page 7  Declaration: Article 3.00, Section 3.5, page 6  Rules  Disclosure Statement: Article 4.00, Section 4.3, page 7  Declaration: Article 3.00, Section 3.5, page 6  Rules  Disclosure Statement: Article 4.00, Section 4.3, page 7  Declaration: Article 3.00, Section 3.5, page 6  Rules
15.	Visitors must pay for parking.    There is visitor parking on the property.  Visitor parking is available in the following location: common element visitor parking areas	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>  Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>	Refer to: Disclosure Statement: Article 4.00, Section 4.3, page 7  Disclosure Statement: Article 4.00, Section 4.3, page 7  Declaration: Article 3.00, Section 3.5, page 6  Rules
16.	The declarant may provide major assets and property, even though it is not required to do so.	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to:  Disclosure Statement: Article 19.00, Section 19.1, page 16

	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
17.	The corporation is required:  (a) to purchase units or assets;  (b) to acquire services;  (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  <input type="checkbox"/> <input checked="" type="checkbox"/>  Yes No  <input checked="" type="checkbox"/> <input type="checkbox"/>  Yes No  <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to:  Disclosure Statement: Article 20.00, Section 20.1 page 16  Refer to:  Disclosure Statement: Article 11.00, Sections 11.1 and 11.2, pages 11-13 (both inclusive)  Refer to:  Disclosure Statement: Article 20.00, Section 20.1, page 16
18.	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  <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to:  Disclosure Statement: Article 21.00, Section 21.1, page 16
19.	Not Applicable	N/A	Not Applicable
20.	Under clause 143 (a) of the <i>Condominium Act, 1998</i> , 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.		
21.	The declaration contains a list of the buildings, structures, facilities and services to be included in the common elements.		Refer to:  Schedule "H" to the Declaration
22. to 27.	Not Applicable	N/A	N/A

The purchaser's rights under the *Condominium Act, 1998* to rescind an agreement of purchase and sale are set out at Article 15 and Article 16 of the Disclosure Statement.

This disclosure statement is made this 22<sup>nd</sup> day of October, 2014.

## **DISCLOSURE STATEMENT**

(under Section 72(3) of the *Condominium Act, 1998*, S.O. 1998, c.19 (the “Act”))

### **ARTICLE 1.00 - DATE OF DISCLOSURE STATEMENT**

#### **1.1 Date**

This Disclosure Statement is made the 22<sup>nd</sup>, day of October, 2014.

### **ARTICLE 2.00 - TYPE OF CORPORATION**

#### **2.1 Type**

The condominium project being developed by the Declarant is a freehold condominium corporation that is a common elements condominium corporation.

### **ARTICLE 3.00 - NAME AND MUNICIPAL ADDRESS OF DECLARANT**

#### **3.1 Name of Declarant**

The name of the declarant is **Sean Mason Homes (Essa Rd.) Inc.** (the “Declarant”).

#### **3.2 Municipal Address of Declarant**

The municipal address of the Declarant is: 401 Essa Road, Barrie, Ontario, L4N 9C8

#### **3.3 Municipal and Mailing Address of Condominium**

The name, mailing address and municipal address of the Condominium are as follows.

SIMCOE COMMON ELEMENTS CONDOMINIUM CORPORATION NO. \_\_\_\_\_:

The address for service and the mailing address for the Condominium will be that of the Manager (as that term is defined herein), being:

c/o     Sean Mason Homes (Essa Rd.) Inc.  
         401 Essa Road  
         Barrie, Ontario  
         L4N 9C8

The municipal address of the Condominium has not been finalized.

### **ARTICLE 4.00 - GENERAL DESCRIPTION OF THE PROPERTY**

#### **4.1 Legal Description of the Property**

The Condominium (the “Corporation” or the “Condominium”) is to be located on the property legally described as Part of Park Lot 24, Registered Plan 67, City of Barrie, in the Land Titles Division of the Simcoe County Registry Office (No. 51) (the “Property”). The Property is located on the northwest corner of Essa Road and east of Ferndale Drive.

#### **4.2 Description of the Project**

Presently, it is the Declarant's intention to construct a common element condominium development upon the Property, as such term is defined at Section 4.1 (the “Project”). The Declarant proposes to register each of the two (2) phases within the Project as two (2) separate and distinct condominiums. It is presently anticipated that the two (2) phases will consist of the following:

- (a) The common elements condominium corporation (the "**Condominium**") being marketed under this Disclosure Statement shall be comprised of, *inter alia*, private roads, underground service connections, landscaped areas, street lights, visitor parking areas and those items noted in Schedule "H" to the Declaration;

Accompanying this Disclosure Statement is a reduced copy of a draft plan of Condominium (the "**Draft Plan of Condominium**") showing the proposed location of the Condominium and which lays out the present lands owned by the Declarant upon which the proposed Condominium is to be constructed and the 'parcels of tied land', as such term is defined in the Act (the "**Potls**"), which will each have an undivided interest in the Condominium. It is anticipated that upon each Potl shall be situate one of **fifty-seven (57)** residential townhouse dwellings (the "**Dwellings**") and which are designated single family townhouses and will remain of freehold tenure. These Potls will be comprised of part of one (1) block on a registered plan of subdivision, to be composed of **fifty-seven (57)** residential dwelling lots which will be severable. The draft plan of condominium may, however, be altered and/or revised to comply with the decisions and/or approvals from the City of Barrie (the "**City**") and other governmental authorities or other changes required by the Declarant.

- (b) A common elements condominium corporation to be comprised of approximately 60 Potls (the "**Phase 2 Condominium**"). The Phase 2 Condominium shall be situated nearby and to the west of the Property. There is no warranty, either express or implied that the Phase 2 Condominium shall be constructed. If the Phase 2 Condominium is not constructed as described herein, same shall not be construed as a material change for the purposes of this Disclosure Statement.
- (c) The Declarant reserves the right to combine the Condominium and the Phase 2 Condominium (collectively, the "**Condominiums**"). In the event the Condominiums are combined and registered as one common elements condominium, the percentage contribution to the common expenses and percentage of the common interest for each parcel of tied land in the combined Condominiums, as applicable, will be revised accordingly and a revised budget would be prepared reflecting the combining of such Condominiums.

#### **4.3 Parking**

- (a) Parking of vehicles is not permitted on any portion of the entrance way or roadways located within the Condominium nor on aprons of Blocks 3-7;
- (b) Visitors to the Dwellings shall park their vehicles only upon the designated visitor parking areas located within the Condominium. The visitor parking areas shall contain a total of ten (10) parking spaces for visitors to the Dwellings, including two (2) handicapped parking space(s) in accordance with City by-laws and requirements.
- (c) The Declarant reserves the right to change the location, dimensions and number of the designated parking spaces in its sole and absolute discretion.

#### **4.4 Access to and from the Condominium**

Vehicular and pedestrian access to and from the Condominium will be from Essa Road via a private laneway and will be restricted to the owners and occupants of the Potls, the Declarant and other persons authorized by the Declarant, Corporation and Owners and/or occupants and visitors of the Potls.

#### **4.5 Municipal Restrictions**

There are no municipal restrictions that are registered at the time of the preparation of this Disclosure Statement.

#### **4.6 Proposed Types and Number of Buildings and Units**

There are no units or buildings within the Condominium.



#### **4.7 Recreational and Other Amenities**

Currently, no recreational or other amenities are contemplated.

#### **4.8 Utilities and Services**

- (a) Refuse Collection and Recycling. The City will not provide individualized refuse collection to the Units. Occupants and Owners of Units shall transport their refuse and/or recyclables to the curb/sidewalk on Essa Road on garbage collection day and the City will collect such refuse, and/or recyclables in accordance with the City's collection policies or as per a private condominium contract.
- (b) Mail Delivery. It is anticipated that mail delivery will be from a designated Community Mailbox, accordingly, residents of Dwellings will not receive mail delivery on a door-to-door basis.
- (c) Metering of Utilities. Each Potl owner shall receive and be responsible for, payment of the invoice with respect to the consumption of utilities for his/her Potl.
- (d) Condominium Utilities. Any utilities provided to the Condominium are bulk-metered and the cost of same is included in the common expenses attributable to each of the Potls. Hydro, gas and water services to the Potls are separately metered and the responsibility of each Potl Owner.

#### **4.9 Marketing**

Until all Dwellings are sold and transferred by the Declarant, the Declarant shall be entitled to (i) erect, maintain, replace and remove signs for marketing, sales and rental purposes and upon any part of the common elements and in such locations as the Declarant determines, in its sole, absolute and arbitrary discretion, and the Declarant shall not under any circumstances be charged for the use of the space so occupied, nor for any utility services supplied thereto, nor shall the Corporation (nor anyone else acting on behalf of the Corporation) prevent or interfere with the provision of utility and/or telephone service to the said marketing, sales, rental, construction or customer service offices/spaces of the Declarant.

#### **4.10 Alterations/Changes**

The Declarant shall have the right in its sole, absolute and arbitrary discretion, to change the size, dimensions, configuration or design of the Condominium. In the event of such alteration or changes, the proposed condominium will be amended accordingly. These alterations shall not be considered material changes to the Disclosure Statement. The Declarant reserves the right to not proceed with the development of all or any portion of the Condominium.

#### **4.11 Draft Condominium Plan and Other Plans**

This Disclosure Statement contains a copy of the draft condominium plan showing the proposed location of the common elements. The draft condominium plan or drawings that may be delivered or shown to purchasers to illustrate the proposed location of the Potls have been provided to indicate approximate locations only and may not be relied upon for actual location of the Potls or other details which may be noted on such plans. These plans are intended to give purchasers an overview of the Condominium only. Such plans may be altered and/or revised to comply with the final site plan and other approvals of the City and other appropriate governmental authorities or due to the objectives of the Declarant.

#### **4.12 Easements**

- (a) The Property may be subject to and entitled to various easements and/or rights of way pertaining to, *inter alia*, adjoining and/or neighbouring land owners and Unit occupants for, *inter alia*, the installation and maintenance of utilities, construction



and to permit ingress and egress to those properties, as will be disclosed by registered title or as set out in Schedule "A" to the Declaration.

- (b) Both the Declarant and the Corporation shall be obligated to act in a prudent and reasonable manner, in exercising their rights to any easement granted or provided for under the Declaration, so as to minimize undue interference occasioned to any other party burdened by such easement, including, but not limited to, the temporary interruption and loss of services occasioned thereby. The current proposed easements are to the extent possible more particularly described in Schedule "A" to the Declaration. Please review Schedule "A" to the Declaration and the registered title documents for a more detailed description of the easements anticipated to affect this project. The Declarant reserves the right to relocate the existing easements and to create new easements for the purpose of constructing, maintaining, operating, repairing, replacing and inspecting or gaining any required access to any servicing systems which are essential to the construction of the Condominium.

The easements are stated in this Disclosure Statement in a general nature, as the specific locations for the easements and reference plans have not yet been finally determined.

#### **4.13 Restrictive Covenants**

- (a) The property shall be subject to the following restrictive covenants:
- (i) No Owner shall allow the landscaping on front yards, rear yards, side yards, patios, decks, aprons and walkways to go unmaintained;
  - (ii) No widening of any driveway shall be permitted;
  - (iii) No changes to exterior colour of the Dwelling, including decks, patios and balconies, shall be made without Vendor's consent;
  - (iv) No fence shall be erected upon the Real Property without consent of the Vendor including any privacy fences on decks and all existing fences shall be maintained;
  - (v) No television antenna, satellite dish, a.m. radio antenna or other antenna will be erected on the Real Property;
  - (vi) No trailer of any kind and no truck larger than one quarter ton size will be kept on the Real Property;
  - (vii) No trash, recycling, garbage or other waste shall be kept on the land, including the patio, deck, or driveway;
  - (viii) The land, including the patio, deck or driveway shall not be used as outdoor storage areas;
  - (ix) No salt shall be used externally on the Real Property;
  - (x) No air conditioning or other cooling equipment shall be installed or equipped on external windows or entrances;
  - (xi) No owner shall permit automobile oil changes to be performed on vehicles on the Real Property;
  - (xii) No owner shall remove, tamper or damage the external photocells which may be installed on the Real Property or allow bulbs to be in poor condition;
  - (xiii) No owner shall allow snow to accumulate on any patios, sidewalks, paths or walkways adjacent to their Unit,
  - (xiv) No owner shall tamper or alter any Low Impact Development storm water infrastructures;
  - (xv) No owner shall enclose patios nor modify any rails or screens between Units;

- (xvi) No trash, recycling, garbage or other waste shall be disposed of except in accordance with the regulations, restrictions and requirements of the City of Barrie or any other governmental authority, as amended from time to time; and
- (xvii) No barbeques shall be placed or installed directly adjacent to the vinyl exterior or vinyl railings.
- (xviii) No umbrella other than a black, red, white or tan coloured umbrella shall be permitted on the Real Property.

**ARTICLE 5.00- NO CONVERSION OF RENTED RESIDENTIAL PREMISES**

**5.1 No Conversion**

No buildings or units will be constructed on the Property and accordingly there shall be no buildings or units on the Property that have been converted from a previous use. The Declarant has not made application pursuant to subsection 9(4) of the Act for approval in respect of a property that includes a building or related group of buildings containing one or more premises that is used as a rented residential premises or that has been used as a rented residential premises and is vacant.

**ARTICLE 6.00 - ONTARIO NEW HOME WARRANTIES PLAN ACT ("TARION ACT")**

**6.1 Application of Tarion Act**

The Condominium is not subject to the Tarion Act.

**6.2 Enrolment**

As the Condominium is not subject to the Tarion Act, the declarant does not intend to enrol the common elements pursuant to the Tarion Act.

**ARTICLE 7.00 - NON-RESIDENTIAL USE**

**7.1 Uses Not Ancillary to Residential**

There are no uses not ancillary to residential use.

**ARTICLE 8.00 - BLOCKS OF POTLS AND COMMON INTERESTS MARKETING TO INVESTORS**

**8.1 Blocks of Potls and Common Interests Marketed to Investors**

The Declarant reserves the right to market Potls (and the common interests attaching thereto) in blocks to investors. No restriction has been placed on the number of Potls to be marketed in blocks to investors or the number of Potls that may be purchased by an individual, corporation, or other entity.

**ARTICLE 9.00 - PORTION OF COMMON INTERESTS DECLARANT INTENDS TO LEASE**

**9.1 Leasing**

The Declarant does not presently intend to lease any common interests.

**ARTICLE 10.00 - DECLARATION, BY-LAWS AND RULES**

**10.1 Copies**

Accompanying this Disclosure Statement is a copy of the proposed Declaration, By-laws, and Rules.

**ARTICLE 11.00 - BRIEF DESCRIPTION OF SIGNIFICANT FEATURES OF VARIOUS AGREEMENTS SUBJECT TO TERMINATION**

**11.1 Proposed Management Agreement (Section 111 of the Act)**

- (a) The Corporation will enter into a management agreement (the “**Management Agreement**”) with such manager as may be selected by the Declarant (the “**Manager**”) pursuant to which the Manager is to be the sole and exclusive representative and managing agent of such Corporation subject to overall control of such Corporation, for a period of three (3) months from the date of registration of the Declaration, after which three (3) month period the board of directors of the Corporation (the “**Board**”) shall manage the affairs of the Corporation. The Manager may be an entity related or affiliated with the Declarant. The duties of the Manager are fully set out in the Management Agreement and do not include the duties of the directors and officers of the Corporation as set forth in the by-laws unless specifically stated otherwise in the Management Agreement. The Manager is entitled to act in the name of the Corporation in order to carryout the Corporation’s duties under the Declaration, the Act and the By-laws. The Manager will collect and expend the common expenses and supply monthly statements and annual budgets.
- (b) The Corporation is to pay the Manager for its managerial services the sum as set out in the Budget during the term of the Management Agreement. The Management Agreement may be terminated by the Corporation pursuant to the provisions of Section 111 of the Act.
- (c) The duties of the Manager include enforcing the terms of the Declaration, By-laws and Rules; advising the Board as to any additional by-laws or rules which should be established to assist in the operation of the Condominium, collecting and receiving monies payable by the owners and depositing same into the appropriate trust accounts, utilizing such funds to make payments of accounts including insurance, repairs and maintenance, attempting to collect delinquent accounts, keeping accurate accounts and records of financial transactions involved in the management of the Condominium.
- (d) The Manager may engage a parent or subsidiary corporation or person affiliated to perform any work or services for the Corporation subject to the restrictions set out in the Management Agreement. Upon registration of the Declaration, the Manager shall provide the Board with an estimated budget for the following year.
- (e) 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 actual terms and provisions of the Management Agreement.

**11.2 Other Agreements**

Each of the following agreements may be terminated by the applicable Corporation pursuant to the provisions of Section 112 of the Act:

- (a) Reserve Fund Study

The Condominium is obliged to establish and maintain one or more reserve funds to cover the costs of the major repair and replacement of the common elements and assets of the Condominium. In turn, the Condominium is obliged to retain an independent and qualified consultant to conduct a reserve fund study, for and on behalf of the Condominium, within the first year following registration, in accordance with the provisions of Section 94(4) of the Act. The reserve fund study will confirm, amongst other things, the adequacy of the reserve fund, and the annual appropriation necessary to cover the anticipated repair and replacement costs of the common elements and other assets of the Condominium, based on

their respective life expectancy. The reserve fund study must be updated on a periodic basis, at the times and in the manner prescribed by the Act. Pending the Condominium's receipt of the first reserve fund study and its implementation of a proposed funding plan with respect thereto (if same is necessary), the total amount of the contributions to the reserve fund shall in no case be less than 10% of the budgeted amount required for contributions to the common expenses, exclusive of the reserve fund.

The proposed first year budget statement makes specific reference to the estimated cost of retaining a qualified consultant to conduct the reserve fund study, for and on behalf of the Condominium. This estimate has been based on a price figure negotiated by the Declarant with a duly qualified and independent third party consultant, to undertake the reserve fund study on behalf of the Condominium immediately after the Condominium has been created. In the event that the non-declarant board of directors terminates the contract entered into and chooses to retain an alternate consultant to undertake the reserve fund study, or to prepare a second reserve fund study at a cost or figure higher than the negotiated price or additional cost in the case of a second study, then with respect to the Declarant's accountability for any deficiency in the first year budget arising pursuant to Section 75 of the Act, it is the Declarant's stated position that it shall only be responsible for the amount of the negotiated price, insofar as the cost of the reserve fund study is concerned, and that any expenditure in excess of said amount shall be the sole responsibility of the Condominium. Purchasers are hereby advised to carefully review the first year budget statement enclosed herewith for further details.

(b) Financial Audit

The Condominium is obliged to retain the services of a qualified and independent chartered accountant or auditor, in order to have audited financial statements prepared as of the last day of the month in which the turnover meeting is scheduled to be held. Said financial statements are obliged to be delivered by the Declarant to the board within 60 days after the turnover meeting, in accordance with Section 43(7) of the Act, but all such financial statements are to be prepared at the expense of the Condominium. In addition, the Condominium's auditor must prepare a set of annual audited 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 Act.

The proposed first year budget statement makes specific reference to the estimated cost of retaining a qualified accountant to prepare and conduct all requisite financial statements and audits required or prescribed by the Act during the first year of the Condominium's operation. This estimate has been based on a price figure negotiated by the Declarant with a duly qualified and independent third party accountant, to undertake the financial statements and audits on behalf of the Condominium, after the Condominium has been created. In the event that the board of directors chooses to retain an alternate accountant or auditor to prepare and conduct all requisite financial statements and audits during the first year, at a cost or figure higher than the negotiated price, then with respect to the Declarant's accountability for any deficiency in the first year budget arising pursuant to Section 75 of the Act, it is the Declarant's stated position that it shall only be responsible for the amount of the negotiated price, insofar as the cost of the financial statements and audits are concerned, and that any expenditure in excess of said amount shall be the sole responsibility of the Condominium. Purchasers are hereby advised to carefully review the first year budget statement enclosed herewith for further details.

(c) Miscellaneous Contracts

The Board of the Condominium will enter into such contracts as may be necessary or required for the provision of services to the Condominium including,

without limitation, hydro, water, gas, landscaping, snow removal, pest control, and maintenance, garbage pick up and disposal, provision of supplies, cleaning services, insurance, accounting services, and other such matters as may be required for the orderly operation of the business of the Corporation.

It is anticipated that the Declarant Board will enter into an agreement with an energy service provider to supply and install energy and utility monitoring and profiling equipment in and to the Condominium.

### **11.3 Proposed Insurance Trust Agreement (Section 114 of the Act)**

The Declarant does not intend to cause the Corporation to enter into an insurance trust agreement following registration.

## **ARTICLE 12.00 - AMALGAMATION**

### **12.1 Statement Regarding 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.

## **ARTICLE 13.00 - BUDGET STATEMENT**

### **13.1 Budget Statement**

A Budget Statement for the one year period immediately following registration of the Declaration and the Description of the Condominium is included with this Disclosure Statement.

## **ARTICLE 14.00 - FEES OR CHARGES TO BE PAID TO THE DECLARANT**

### **14.1 Fees**

There are no fees or charges that the Condominium is required or intended to pay to the Declarant. There are no fees or charges that the Condominium is required or intended to pay to any other person or persons, except as expressly provided or contemplated in the proposed first year budget statement of the Condominium. Therefore, please refer to the first year budget statement for all projected or anticipated expenses of the Condominium, and the corresponding services being provided.

## **ARTICLE 15.00 - RESCISSION RIGHTS (SECTION 73 OF THE ACT)**

### **15.1 Rescission Rights**

The following is a copy of Section 73 of the Act which sets out the rescission rights available to a purchaser of a unit or common interest in the Condominium:

- "73(1) A purchaser who receives a disclosure statement 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.
- (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 later of,
  - (a) the date that the purchaser receives the disclosure statement; and



- (b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.
- (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."

**ARTICLE 16.00 - RESCISSION RIGHTS UPON MATERIAL CHANGE (SECTION 74 OF THE ACT)**

**16.1 Rescission Rights**

The following is a copy of Section 74 of the Act which sets out what constitutes a "material change" and the rescission rights available to a purchaser of a unit or a common interest in the Condominium in the event of a material change:

- "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.
- (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 turnover meeting has been held under section 43;
    - (c) a change in the portion of the 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 for 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.
- (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.

- (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.
- (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.
- (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 declarant, as the case may be, has made an application for the determination.
- (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.
- (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 under subsection (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.
- (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)."



**ARTICLE 17.00 - INTEREST ON DEPOSITS****17.1 Interest**

Pursuant to Subsection 82(8) of the Act, the Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest the Declarant is required to pay to the purchaser under Section 82 of the Act.

**ARTICLE 18.00 - USE OF COMMON ELEMENTS****18.1 No Commercial Purposes**

The common elements of the Condominium are not intended to be used for commercial purposes or other purposes not ancillary to residential purposes. The Potls are designated for use pursuant to a City zoning by-law. Please refer to the zoning by-law for specific uses and restrictions with respect to the Potls.

**ARTICLE 19.00 - MAJOR ASSETS TO BE PROVIDED BY DECLARANT****19.1 No Major Assets**

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

**ARTICLE 20.00 - ASSETS OR SERVICES THE CORPORATION MUST PURCHASE FROM THE DECLARANT****20.1 No Acquisitions**

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.

**ARTICLE 21.00 - ADJACENT LANDS****21.1 Adjacent Lands**

The Declarant does not own any lands which are adjacent to the Property.

**ARTICLE 22.00- MISCELLANEOUS MATTERS****22.1 Approval and Conditions of Approval Authority**

- (a) The Condominium is currently or may be the subject of development and planning approval applications to be considered by the City and other applicable governmental authorities, which applications may include without limitation, applications for minor variances, draft condominium approval, site plan approval, draft plan approval and severances (the "**Applications**").
- (b) It is anticipated that in connection with the Applications, that certain requirements may be imposed upon the Declarant by various governmental authorities and utilities. These requirements (the "**Requirements**") often relate to warning provisions to be given to purchasers such as warnings relating to noise levels, maintenance and protection of existing trees, maintenance of municipal fencing, garbage storage and pickup, school transportation and similar matters. Accordingly, purchasers acknowledge and agree that:
  - (i) on either the Closing Date (as such terms are defined under the agreements of purchase and sale entered into by purchasers of Potls) purchasers shall

execute any and all documents required by the Declarant acknowledging, *inter alia*, that purchasers are aware of the Requirements; and

- (ii) if the Declarant is required to incorporate the Requirements into the final Condominium Documents, purchasers shall accept same, without in any way affecting their purchase transaction.

## **22.2 Notice Provisions**

- (a) Purchasers are advised that the Dwelling will be located in close proximity to other dwelling units in the Development and may result in occasionally cause noise and inconvenience to residential occupants and visitors.
- (b) Purchasers are advised that large trucks or vehicles may not be parked on driveways and Purchasers may experience issues parking such vehicles in garages due to size of garages and/or a tight turning radius on certain lots.
- (c) Purchasers are advised that sidewalk snow clearing and driveway window clearing will not be carried out by the City.
- (d) Purchasers are advised that they are responsible for snow clearing of any sidewalk or path directly adjacent to their Dwelling.
- (e) Purchasers are advised that garbage pick-up and disposal will not be carried out by the City.
- (f) Purchasers are advised that any modification to the driveway or to the adjacent landscaping located within the City's Right-of-Way is subject to approval by the City.
- (g) Purchasers are advised that there is a City by-law that prohibits the use of the public boulevard for a required parking. Parking is also not allowed on roads/lanes or aprons less than 5.5 metres in length or in non-designated spaces.
- (h) Purchasers are advised that they may not receive a street tree in front of their Dwelling.
- (i) Purchasers are advised that mail delivery will be from a designated Community Mailbox, accordingly, residents of Dwellings will not receive mail delivery on a door-to-door basis.
- (j) Purchasers are advised that visitor parking shall only be permitted for visitors.
- (k) Purchasers are advised that the maintenance and replacement of any decorative fencing shall be the sole responsibility of each Potl owner.
- (l) Purchasers are advised that no umbrella other than a black, red, white or tan coloured umbrella shall be permitted on the POTL or Condominium.

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