

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 Engineering Site Plan

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 3rd day of December, 2015

**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 Lot 5, Concession 13 Innisfil Part 1 on Plan 51R14693 (PIN 58914-0019) and part of a road allowance between lots 5 and 6 Concession 13 Plan 67 Innisfil as in R0555669 (PIN 58981-0009), all in the City of Barrie

Mailing address of the property/proposed property:

The mailing address of the property is 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 11
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 11
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 7.1 page 11 and 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 6-11 (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 11
9.	Not Applicable	N/A	Not applicable
10.	Not Applicable	N/A	Not applicable
11.	Not Applicable	N/A	Not applicable

	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
12.	There is an existing or proposed by-law establishing what constitutes a standard unit.	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Refer to: 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 11
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 8 Declaration: Article 3.00, Section 3.5, page 6 Rules Disclosure Statement: Article 4.00, Section 4.3, page 8 Declaration: Article 3.00, Section 3.5, page 6 Rules Disclosure Statement: Article 4.00, Section 4.3, page 8 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 8 Disclosure Statement: Article 4.00, Section 4.3, page 8 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

	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
			19.00, Section 19.1, page 17
17.	The corporation is required: (a) to purchase units or assets; (b) to acquire services (Management); (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 17 Refer to: Disclosure Statement: Article 11.00, Sections 11.1 and 11.2, pages 11-14 (both inclusive) Refer to: Disclosure Statement: Article 20.00, Section 20.1, page 17
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 checked="" type="checkbox"/> <input type="checkbox"/>	Refer to: Disclosure Statement: Article 21.00, Section 21.1, page 17
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 3rd day of December, 2015.

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 3rd, day of December, 2015.

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 yet been finalized by the City of Barrie.

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 Lot 5, Concession 13 Innisfil being Part 1 on Plan 51R14693 (PIN 58914-0019) and part of a road allowance between lots 5 and 6 Concession 13 Plan 67 Innisfil as in R0555669 (PIN 58981-0009), all in the City of Barrie (the “Property”).

The Declarant reserves the right to add additional lands to the Property.

4.2 Description of the Project

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”). It is presently anticipated that the Project will consist of the following:

- (a) The common elements condominium corporation (the "**Condominium**") being marketed under this Disclosure Statement which 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 the engineering site plan (the "**Site Plan**") 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 forty-five (45) residential townhouse dwellings (the "**Dwellings**") and which are designated single family townhouses and will remain of freehold tenure ("**Condominium 2**"). These Potls will be comprised of a block or a part of a block on a registered plan of subdivision, to be composed of forty-five (45) residential dwelling lots which will be severable. The Site Plan 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 located on the lands to the east of the Property municipally known as 369-379 Essa Road in the City of Barrie, and which shall be comprised of approximately fifty-seven (57) Potls ("**Condominium 1**"). There is no warranty, either express or implied that Condominium 1 shall be constructed as proposed in this Disclosure Statement, however Condominium 1 is currently under construction.
- (c) It is intended that Condominium 1 and Condominium 2 will be registered as separate and distinct condominiums; provided that the Declarant reserves the right to combine Condominium 1 and Condominium 2 (collectively, the "**Two Condominiums**") into one condominium. 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.
- (d) Notwithstanding 4.2(c), the Declarant intends that the Two Condominiums will be operated and managed in a manner of cooperation. Accordingly, it is intended that the Two Condominiums shall enter into an agreement (the "**Cost Sharing Agreement**") to govern the operation, maintenance and repair of the Common Elements and the Condominium 1 common elements, for each of the Two Condominiums (the "**Shared Common Elements**"). At the time of preparation of this Disclosure Statement, the nature and final location of the Cost Sharing Agreement has not yet been finalized and will be dependent upon final construction of the Two Condominiums, however it is anticipated that such Shared Common Elements shall include, but not be limited to private laneways, parks, underground service connections, street lights and landscaped areas. Purchasers are advised that even once finalized, the Cost Sharing Agreement may be subsequently amended before, during and after the registration of the Corporation in order to deal with contingencies that arise during construction, to meet requirements of governmental authorities or insurance underwriters, to redefine and/or re-describe rights and easements that could not be precisely defined or described prior to construction, or such other matters that were not foreseen at the time the Cost Sharing Agreement was originally contemplated. No such amendments to the Cost Sharing Agreement will be construed as a material change for the purposes of this Disclosure Statement.
- (e) Pursuant to the terms of the Cost Sharing Agreement, each of the Parties shall be responsible for their proportionate share of the costs associated with the operation, maintenance and repair of the Shared Common Elements (the "**Shared Costs**"). The Shared Costs shall be shared between the Two Condominiums on an equitable basis as further prescribed in the Cost Sharing Agreement [Note: or

based on the relative number of residential dwellings in each of the Two Condominiums.] The projected costs arising under the Cost Sharing Agreement which will be borne by the Corporation are contained in the draft Budget Statement attached hereto.

The Cost Sharing Agreement may address some or all the following matters:

- (A) allocate the Shared Costs among the Two Condominiums, establish payment obligations and procedures with respect to Shared Costs and establish procedures for the preparation of annual budgets relating to such costs;
- (B) establish a reserve fund or funds for the major repair and/or replacement of the Shared Costs;
- (C) identify events of default and appropriate remedies and establish procedures for resolving disputes;
- (D) establish a procedure for appointing a committee or committees to administer the terms of the Cost Sharing Agreement; and
- (E) create any required utility, drainage, support, pedestrian or vehicular easements that may be required among the Parties.

If the Two Condominiums are combined pursuant to Section 4.2(c), the Cost Sharing Agreement shall not be required.

4.3 Parking

- (a) Parking of vehicles is not permitted on any portion of the entrance way or roadways located within the Condominium;
- (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 four (4) parking spaces for visitors to the Dwellings, including one handicapped parking space 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 (which will be part of the Shared Common Elements and will be restricted to the owners and occupants of the Potls in the Two Condominiums, 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 Engineering Site Plan and Other Plans

This Disclosure Statement contains a copy of the draft engineering site plan showing the proposed location of the common elements. The draft engineering 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 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 Property;
 - (vi) No trailer of any kind and no truck larger than one quarter ton size will be kept on the 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 Property;
 - (x) No air conditioning or other cooling equipment shall be installed or equipped on externals windows or entrances;
 - (xi) No owner shall permit automobile oil changes to be performed on vehicles on the Property;
 - (xii) No owner shall remove, tamper or damage the external photocells which may be installed on the 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;
 - (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 Property; and

(xix) No furniture shall be permitted in any front yards fronting on to Essa Road.

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 owns the adjacent lands to the east of the property legally described as Part Parklot 24 on Lot 6 Concession 13 Plan 67 Innisfil as in RO945358 and secondly Part Parklot 24 on Lot 6 Concession 13 Plan 67 Innisfil as in RO555669, in the City of Barrie being all of PIN 58914-0018.

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.
- (m) The Simcoe County District School Board requires that the following notice or warning clause be included in all agreements of purchase and sale, and in all leases or offers to lease, that are entered into by the Vendor with any purchaser(s) or lessee(s) of the Dwelling, and all subsequent leases/occupancy agreements with respect thereto that are hereafter entered into by any owner(s) in connection with any sale or lease of any dwelling unit in this development:

"That students from this development attending facilities operated by the Simcoe County District School Board may be transported and accommodated in temporary facilities outside the neighbourhood school's area."
- (n) The Simcoe Muskoka Catholic District School Board requires that the following notice or warning clause be included in all agreements of purchase and sale, and in all leases or offers to lease, that are entered into by the Vendor with any purchaser(s) or lessee(s) of the Dwelling, and all subsequent leases/occupancy agreements, that are hereafter entered into by any owner(s) in connection with any sale or lease of any dwelling unit in this development:

"That students from this development attending facilities operated by the Simcoe Muskoka Catholic District School Board may be transported and accommodated in temporary facilities outside the neighbourhood school's area."

- (o) LID areas function differently from conventional servicing methods and purchaser expectations may or may not differ from typical development standards.
- (p) Purchasers are advised that there is no furniture permitted on front yards for units fronting onto Essa Road.
- (q) The Potl located between the Development and Condominium 1 is a public, central park and will be open to the public in perpetuity by easement and may be used by persons not living at the Development.
- (r) The entrance to the Land and certain other portions of the common elements of the Condominium, including, but not limited to the private laneways, visitor parking, underground service connections, parks and street lighting may be shared with Condominium 1 and may be subject to certain easements and shared costs as between the proposed Condominium and Condominium 1.

THIS DECLARATION (hereinafter called the "**Declaration**") is made and executed pursuant to the provisions of the *Condominium Act*, 1998, S.O. 1998, C.19, and the regulations made thereunder, as amended from time to time (all of which are hereinafter collectively referred to as the "**Act**"), by:

Sean Mason Homes (Essa Rd.) Inc.
a corporation incorporated under the laws of the province of Ontario
(hereinafter collectively called the "**Declarant**")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Barrie, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "**Description**") for registration in accordance with the Act and which lands are sometimes referred to as the "**Lands**" or the "**Property**";
- B. The Declarant intends that the Lands shall be governed by the Act and the registration of this Declaration and the description will create a freehold common elements condominium corporation; and
- C. The common elements of the corporation are intended for the use and enjoyment of the owners.

NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:

ARTICLE 1.00 - INTRODUCTORY

1.1 Definitions

The following terms used herein have the meanings set out below, unless the context otherwise requires:

- (a) "**Board**" shall mean the board of directors of the Corporation.
- (b) "**By-Laws**" means the by-laws of the Corporation enacted from time to time.
- (c) "**City**" means the City of Barrie;
- (d) "**Common Elements**" means all the Property;
- (e) "**Condominium**" shall mean all the Property and shall be composed of, *inter alia*, private roads, underground service connections, small children's playground, fence, landscaped area, street lights, visitor parking areas and those items noted in Schedule "H" herein;
- (f) "**Corporation**" shall mean the Condominium created upon the registration of this Declaration.
- (g) "**Declaration**" means this declaration and all amendments thereto and all schedules referred to herein.
- (h) "**Dwelling**" means the dwellings situate upon each of the Potls.
- (i) "**LID Infrastructure**" means such low impact development (LID) infrastructure situated, erected and/or installed on the Common Elements.
- (j) "**Manager**" means the Manager appointed by the Corporation to manage the day to day affairs of the Corporation.
- (k) "**Owner**" means the Owner or Owners of a common interest in the Common Elements and who owns, pursuant to the Act, a freehold estate(s) in a Potl, but does not include a mortgagee of a Potl unless in possession.

- (l) **"Potl"** or **"Potls"** means the parcel or parcel(s) of tied land to which a common interest is attached as described in Schedule "D" to this declaration. These Potls will be designated as a block or a part of a block on a plan of subdivision. There shall be forty-five (45) Potls which shall have a common interest in the Condominium upon the passage of a part lot control exemption bylaw.
- (m) **"Rules"** means the Rules passed by the Board.

Other terms used herein shall have ascribed to them the definitions contained in the Act, as amended from time to time.

1.2 Act Governs the Property

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

1.3 Common Elements Condominium

The registration of this Declaration and the Description will create a freehold condominium that constitutes a common elements condominium corporation.

1.4 Division of Potls

A Potl may not be divided into two (2) or more Potls unless an amendment is registered to the Declaration that takes into account the division of a Potl.

1.5 Consent of Encumbrancers

The consent of all persons having registered mortgages against the land or interests appurtenant to the land described in Schedule "A" is contained in Schedule "B" attached hereto.

1.6 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 in Schedule "D" attached hereto and shall contribute to the Common Expenses in the proportion set forth opposite each Potl in Schedule "D" attached hereto. The total of the proportions of the common interests and proportionate contribution to Common Expenses shall each be one hundred (100%) percent.

1.7 Address for Service and Mailing Address of Corporation

The address for service and the mailing address for the Corporation shall be that of the Manager, being:

c/o Around the Lakes Property Management Ltd.
110 Main Street East, Unit 4
Huntsville, Ontario
P1H 1K6

or such other address as the Corporation may by resolution of the Board determine and the mailing address of the Corporation shall be as set out above.

1.8 Architect/Engineer Certificates

The certificate(s) of the architect and/or engineer(s) that all buildings and structures that the Declaration and description show are included in the Common Elements and have been constructed in accordance with the regulations is/are contained in Schedule "G" attached hereto.

1.9 Statements of Conditions

- (a) As a condition to the draft plan of subdivision approval, the City requires the Declarant to acknowledge that the City will not agree, at any time, to own or be

liable for the operation and maintenance of any of the privately owned Common Elements driveways or any other private facilities or services. The Declarant shall agree that it will be the responsibility of the Condominium to ensure the safe and proper operation and maintenance of all of the Common Elements and facilities.

- (b) As conditions to the condominium approval, the City requires that future owners acknowledge the following:
- (i) "All owners and future tenants/purchasers acknowledge and agree that snow removal and the ownership and maintenance of private driveways shall remain the sole responsibility of the condominium corporation and the City of Barrie will not own, operate or maintain any common element facilities including private roads and services and will retain no future liability within private driveways with the exception of water and sewer within the City easement."
 - (ii) "All owners and future tenants/purchasers acknowledge and agree to maintain the private driveway as unobstructed at all times to ensure safe operations within this development."
 - (iii) "All owners and future tenants/purchasers acknowledge and agree that in the event of insufficient on-site snow storage, contracting for private snow removal from the site, shall remain the sole responsibility of the condominium corporation."
 - (iv) "All owners and future tenants/purchasers acknowledge and agree that the maintenance of the common element areas within shall remain the sole responsibility of the condominium corporation."
 - (v) "All owners and future tenants/purchasers acknowledge and agree that outdoor storage of refuse materials, recycling materials, refuse containers and recycling containers within all common element condominium areas and outside the Unit, including on the patio and deck, is strictly prohibited and that enforcement of these outdoor storage restrictions shall remain the sole responsibility of the condominium corporation."
 - (vi) "All owners and future tenants/purchasers acknowledge and agree that parking within all common element condominium areas is strictly prohibited and that enforcement of these restrictions shall remain the sole responsibility of the condominium corporation."

ARTICLE 2.00 - COMMON EXPENSES

2.1 Specifications of Common Expenses

Common Expenses mean the expenses of the performance of the objects and duties of the Corporation and without limiting the generality of the foregoing, shall include those expenses set out in Schedule "E" attached hereto.

2.2 Payment of Common Expenses

Each Owner shall pay to the Corporation his/her proportionate share of the common expenses and the assessment and collection of contributions toward common expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any By-laws or Rules in force from time to time by any Owner, or by members of his/her family and/or their respective tenants, invitees or licensees shall be borne and paid for by such Owner and may be recovered by the Corporation against such Owner in the same manner as Common Expenses.

2.3 Reserve Fund

The Corporation shall establish and maintain one or more reserve funds and shall collect from the Owners as part of their contribution towards the Common Expenses, amounts

that are reasonably expected to provide sufficient funds for major repairs and replacements of Common Elements and assets of the Corporation, in accordance with the provisions of the Act.

No part of any reserve fund shall be used except for the purpose for which such fund was established. The reserve fund shall constitute an asset of the Corporation and shall not be distributed to any Owner except on termination of the Corporation in accordance with the Act.

2.4 Status Certificate

The Corporation shall provide a status certificate to any requesting party who has paid (in advance) the applicable fees charged by the Corporation for providing same in accordance with the provisions of the Act, together with all accompanying documentation and information prescribed by the Act. The Corporation shall forthwith provide the Declarant (and/or any purchaser, transferee or mortgagee of a Potl from the Declarant) with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant (or by any such purchaser, transferee, or mortgagee) in connection with the Declarant's sale, transfer or mortgage of any Potls, all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

ARTICLE 3.00 - COMMON ELEMENTS

3.1 Use of Common Elements

Subject to the provisions of the Act, this Declaration, the By-laws and any Rules, each Owner has the full use, occupancy and enjoyment of the whole or any parts of the Condominium, except as herein otherwise provided.

However, save and except as expressly provided or contemplated in this Declaration to the contrary, no condition shall be permitted to exist, and no activity shall be carried on, within any Potl or upon any portion of the Condominium that:

- (a) will result in a contravention of any term or provision set out in the Act, this Declaration, the By-laws and Rules of the Corporation;
- (b) is likely to damage the property of the Corporation, injure any person, or impair the structural integrity of any Potl or the Common Elements;
- (c) will unreasonably interfere with the use and enjoyment by the other Owners of the Common Elements and/or their respective Potls;
- (d) may result in the cancellation (or threatened cancellation) of any policy of insurance obtained or maintained by the Corporation, or that may significantly increase any applicable insurance premium(s) with respect thereto, or any deductible portion in respect of such policy;
- (e) is likely to damage or harm LID Infrastructure;
- (f) will adversely impact the adjacent environmentally protected lands vegetation preservation zone located along the north west limit of the lands including, without limitation, the erection of accessory structures or alteration of municipally approved grading plans for the Condominium; or
- (g) will permit placement of garbage receptacles or bins external to the buildings constructed on the Potls in contravention of municipal requirements for the approval of the Condominium.

No one shall, by any conduct or activity undertaken in or upon any part of the Common Elements, impede, hinder or obstruct any right, privilege, easement or benefit given to any party, person or other entity pursuant to this Declaration, any By-law and/or the Rules.

3.2 Exclusive Use Common Elements

- (a) The Exclusive Use Common Elements means those portions of the Common Elements that the adjacent Owners have exclusive use of and shall be in accordance with Schedule "F" attached hereto.

3.3 Modifications of Common Elements, Assets and Services

- (a) General Prohibition

No Owner shall make any change or alteration to the Common Elements whatsoever, including any installation(s) thereon, nor alter, decorate, renovate, maintain or repair any part of the Common Elements (except for maintaining those parts of the Common Elements which he or she has a duty to maintain in accordance with the provisions of this Declaration) without obtaining the prior written approval of the Board and having entered into an agreement with the Corporation in accordance with Section 98 of the Act.

- (b) Non-Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may make a non-substantial addition, alteration, or improvement to the Common Elements, a non-substantial change in the assets of the Corporation or a non-substantial change in a service that the Corporation provides to the Owners in accordance with Subsections 97(2) and (3) of the Act.

- (c) Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may, by a vote of Owners who own at least sixty-six and two thirds (66 2/3%) percent of the Potls make a substantial addition, alteration or improvement to the Common Elements, a substantial change in the assets of the Corporation or a substantial change in a service the Corporation provides to the Owners in accordance with Subsections 97 (4), (5) and (6) of the Act.

- (d) Notwithstanding anything herein:

- (i) the alteration of the surface elevation of the lands comprising the Condominium, including the road and/or the visitor parking area shall not be permitted;
- (ii) the alteration or removal of any hydrants, any street lighting and/or other exterior lighting within the Condominium shall not be permitted;
- (iii) the alteration of LID Infrastructure;
- (iv) except in accordance with good horticultural practice or in the case of death or disease, alteration or removal of any vegetation within the Condominium shall not be permitted;
- (v) except for the purposes of repair or replacement, the alteration or removal of any fencing within the Condominium as approved by the City shall not be permitted.

3.4 Declarant Rights

Notwithstanding anything provided in this Declaration to the contrary, and notwithstanding any Rules or By-laws of the Corporation hereafter passed or enacted to the contrary, it is expressly stipulated and declared that:

- (a) the Declarant and its authorized agents, representatives and/or invitees shall have free and uninterrupted access to and egress from the Common Elements, for the purposes of implementing, operating and/or administering the Declarant's marketing, sale, construction and/or customer-service program(s) with respect to any unsold Potls from time to time;

- (b) the Declarant and its authorized agents or representatives shall be entitled to erect and maintain signs and displays for marketing/sale purposes or one or more offices for marketing, sales, construction and/or customer-service purposes, upon any portion of the Common Elements, and within or outside any unsold Potls, at such locations and having such dimensions as the Declarant may determine in its sole and unfettered discretion, all without any charge to the Declarant for the use of the space(s) so occupied, nor for any utility services (or any other usual or customary services) supplied thereto or consumed thereby, nor shall the Corporation (or any one else acting on behalf of the Corporation) prevent or interfere with the provision of utility services (or any other usual or customary services) to the Declarant's marketing/sales/construction/customer-service office(s); and
- (c) the Corporation shall ensure that no actions or steps are taken by anyone which would prohibit, limit or restrict the access and egress of the Declarant and its authorized agents, representative and/or invitees over the Common Elements,

until such time as all of the Potls have been transferred by the Declarant.

3.5 Parking

- (a) Parking of vehicles is not permitted on any portion of the entrance way or roadways located within the Condominium;
- (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 four (4) parking spaces for visitors to the Dwellings including one (1) handicapped parking space.
- (c) The Declarant reserves the right to change the location, dimensions and number of the designated parking spaces in its sole and absolute discretion.

3.6 Creation of Potls

The forty-five (45) Potls described in 1.1(n) are comprised of a block or part of a block (the "**Block**") on a plan of subdivision (the "**Plan**") to be comprised of forty-five (45) lots (the "**Lots**") upon the passage of a part-lot exemption bylaw to be registered on title to the Potls. The owners of said Lots shall, by virtue of also being owners of Potls, be entitled to use the visitor parking, private roads and landscaped area, located upon the Condominium for themselves, their tenants, guests and invitees.

ARTICLE 4.00- MAINTENANCE AND REPAIRS

4.1 Responsibility of Owner for Damage

Each Owner shall be responsible for all damage to the Condominium, which is caused by the negligence or wilful misconduct of the Owner, his or her tenants, licensees or invitees, save and except for any such damage for which the cost of repairing same may be recovered under any policy of insurance held by the Corporation;

4.2 Repair and Maintenance by Corporation

- (a) The Corporation shall maintain and repair the Condominium at its own expense and such maintenance and repair shall include and not be limited to, the maintenance and repair of the private roads, sidewalks, underground service connections, landscaped areas, visitor parking spaces, street lights, children's playground and those items noted in Schedule "H" herein;
- (b) The Corporation shall also maintain and repair all services (including without limitation, LID Infrastructure, water mains, storm and sanitary sewers, as applicable) which service more than one Potl, whether located within the Condominium or wholly or partly within a Potl and the Corporation and its designated agents shall have full access to a Potl to carry out its obligation pursuant to this paragraph.

- (c) The Corporation shall be responsible for the snow clearing and landscaping of the Condominium, as appropriate, and at those times of the year designated by the Board at its sole reasonable discretion.
- (d) The Corporation shall have no obligation to maintain any of the lands within a Potl, any municipal property abutting the Potl, or any exclusive use areas abutting the Potl.

4.3 Maintenance by Unit Owner

- (a) Each Potl Owner shall be responsible for snow clearing of their driveway and any sidewalk or path directly adjacent to their Dwelling.
- (b) The maintenance of photocells located on the Potl shall be the sole responsibility of each Potl Owner.
- (c) Each Owner shall maintain all landscaping on the Potl in accordance with the standards determined from time to time by the Corporation acting reasonably.

ARTICLE 5.00 – INDEMNIFICATION

5.1 Indemnification

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 an act or omission of such Owner, his family, guests, visitors or tenants to or with respect to the Common Elements, 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. All payments to be made by an Owner pursuant to this Article shall be deemed to be additional contributions toward Common Expenses payable by such Owner and shall be recoverable as such.

ARTICLE 6.00 – INSURANCE

6.1 Insurance

The Corporation shall obtain and maintain to the extent obtainable, at reasonable cost, the following insurance, in one or more policies:

- (a) Policy Provisions

Every policy of insurance shall insure the interests of the Corporation (with all mortgagee endorsements subject to the provisions of the Act, this Declaration and the Insurance Trust Agreement, if applicable) and shall contain the following provisions:

- (i) waivers of subrogation against the Corporation, its directors, officers, manager, agents, employees and servants and against the Owners, and the Owners' respective residents, tenants, invitees or licensees, except for damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused by any one of the above;
- (ii) such policy or policies of insurance shall not be terminated or substantially modified without at least sixty (60) days prior written notice to the Corporation;
- (iii) waivers of the insurer's obligation to repair, rebuild or replace the damaged property in the event that after damage the government of the Property is terminated pursuant to the Act;
- (iv) waivers of any defence based on co-insurance (other than a stated amount co-insurance clause); and

- (v) waivers of any defence based on any invalidity arising from the conduct or act or omission of or breach of a statutory condition by any insured person.
- (b) Public Liability Insurance: 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 TWO MILLION (\$2,000,000.00) DOLLARS per occurrence and without right of subrogation as against the Corporation, its directors, officers, manager, agents, employees and servants, and as against the Owners and any member of the household or guests of any Owner or occupant of a Potl.

6.2 General Provisions

- (a) The Corporation, its Board and its officers shall have the exclusive right, on behalf of itself 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.
- (b) 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. This subparagraph 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;
- (c) A certificate or memorandum of all insurance policies, and endorsements thereto, 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 any Potl. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner and to each mortgagee noted on the Record of the Corporation who have requested same. The master policy for any insurance coverage shall be kept by the Corporation in its offices, available for inspection by any Owner or mortgagee on reasonable notice to the Corporation;
- (d) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the Corporation. No insured shall be entitled to direct that the loss shall be payable in any manner other than as provided in the Declaration and the Act;
- (e) Where insurance proceeds are received by the Corporation or any other person, they shall be held in trust and applied, utilized and distributed in accordance with the Act; and
- (f) Prior to obtaining any new policy or policies of insurance and at such other time as the Board may deem advisable and in any event, at least every three (3) years, the Board shall obtain an appraisal from an independent qualified appraiser of the full replacement cost of the assets for the purpose of determining the amount of insurance to be effected and the cost of such appraisal shall be a Common Expense.

6.3 By the Owner

It is acknowledged that the foregoing insurance is the only insurance required to be obtained and maintained by the Corporation and that the following insurance must be obtained and maintained by each Owner at such Owner's own risk:

- (a) Insurance on the Owner's Potl and all buildings constructed thereon. Every such policy of insurance shall contain waiver of subrogation against the Corporation, its manager, agents, employees and servants and against the other Owners and any members of their household or guests except for any damage arising from arson, fraud, vehicle impact, vandalism or malicious mischief caused or contributed by any of the aforementioned parties.

- (b) Public liability insurance covering any liability of any Owner or any resident, tenant, invitee or licensee of such Owner, to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation.
- (c) Insurance covering the deductible on the Corporation's main policy for which an owner may be responsible.

6.4 Indemnity Insurance for Directors and Officers of the Corporation

The Corporation shall obtain and maintain insurance for the benefit of all of the directors and officers of the Corporation, if such insurance is reasonably available, in order to indemnify them against the matters described in the Act, including any liability, cost, charge or expense incurred by them in the execution of their respective duties (hereinafter collectively referred to as the "**Liabilities**"), provided however that such insurance shall not indemnify any of the directors or officers against any of the Liabilities respectively incurred by them as a result of a breach of their duty to act honestly and in good faith, or in contravention of the provisions of the Act.

ARTICLE 7.00 - DUTIES OF THE CORPORATION

7.1 Duties of the Corporation

In addition to any other duties or obligations of the Corporation set out elsewhere in this Declaration or specified in the By-laws, the Corporation shall have the following duties, which are not intended to be exhaustive, namely:

- (a) To ensure that no actions or steps are taken by or on behalf of the Corporation, or by any Potl owner or their respective tenants or invitees which would prohibit, restrict, limit, hinder or interfere with the Declarant's ability to utilize portions of the Common Elements for its marketing/sale/construction programs;
- (b) 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, in accordance with the provisions of Section 44 of the Act and Section 12 of O.Reg.48/01 (hereinafter referred to as 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 and representatives to accompany (and confer with) the consultant(s) retained to carry out the Performance Audit for the Corporation (hereinafter referred to as 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 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 (and bringing all matters requiring rectification to the immediate attention of the Declarant, so that same may be promptly dealt with), and affording the Declarant the opportunity to verify, clarify and/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 concomitant submission of the Performance Auditor's report to the Board;

- (c) To take all reasonable steps to collect from each Potl owner his or her proportionate share of the common expenses and to maintain and enforce the Corporation's lien arising pursuant to the Act, against each Potl in respect of which the owner has defaulted in the payment of common expenses;
- (d) To grant, immediately after registration of this Declaration, if required, an easement in perpetuity in favour of utility suppliers or cable television operators, over, under, upon, across and through the Common Elements, for the purposes of facilitating the construction, installation, operation, maintenance and/or repair of utility or cable television lines or equipment (and all necessary appurtenances thereto) in order to facilitate the supply of utilities including, without limitation, telephone, internet and cable television services to the Corporation and each of the Potls, as applicable, and if so requested by the grantees of such easements, to enter into (and abide by the terms and provisions of) an agreement with the utility and/or cable television suppliers pertaining to the provision of their services to the Corporation and the Potls and for such purposes shall enact such by-laws or resolutions as may be required to sanction the foregoing;
- (e) To grant, immediately after registration of this Declaration, if required, a conservation easement in perpetuity in favour of Lake Simcoe Regional Conservation Authority ("**LSRCA**") over a portion or portions of the Common Elements for the purpose of environmental stewardship;
- (f) To enter into, abide by and comply with the terms and provisions of any outstanding subdivision, condominium, site plan, development or similar agreements (as well enter into a formal assumption agreement with the City or any other governmental authority relating thereto, if so required by the City or other governmental authority (collectively, the "**Municipal Agreements**");
- (g) To take all reasonable steps to ensure the safe and proper operation and maintenance of all of the Common Elements and other facilities;
- (h) To abide by lighting policy of public light on private lands;
- (i) To enforce the restrictive covenants registered against title to the Potls;
- (j) To enter into, abide by and comply with the terms and provisions of any contracts or agreements entered into with suppliers of the services set out in Schedule "E" including but not limited to snow removal and private pick up and waste removal for Potl owners;
- (k) To enter into an agreement with the Declarant immediately after the registration of this Declaration (hereinafter referred to as the "**License Agreement**"), if so required by the Declarant or the City or other governmental authority pursuant to which the Corporation shall formally grant the Declarant a license to enter upon the Common Elements for the purposes of complying with all of the terms and provisions of the Municipal Agreements, which license shall automatically expire upon the completion and fulfilment of all obligations of the Declarant thereunder (but in no event later than 21 years following the registration of this Declaration, in order to obviate any contravention of the subdivision control and part-lot control provisions of the *Planning Act*, R.S.O. 1990, as amended) and which license shall be duly authorized by a By-law; and
- (l) To enter into a cost sharing agreement with the proposed condominium located at 369-379 Essa Road, Barrie Ontario located immediately to the east of the Property, for the maintenance, operation and repair of any shared facilities as between the two condominiums, and to grant such mutual easements or right of ways as necessary;
- (m) To take all actions reasonably necessary as may be required to fulfil any of the Corporation's duties and obligations pursuant to this Declaration.

ARTICLE 8.00 - GENERAL MATTERS AND ADMINISTRATION

8.1 Rights of Entry

The Corporation or any insurer of the Property or any part thereof, their respective agents, or any person authorized by the Board, shall be entitled to enter over any part of the Common Elements for the purpose of making inspections, adjusting losses, making repairs, correcting any condition which violates the provisions of any insurance policy or policies, remedying any condition which might result in damage to the Property or carrying out any duty imposed upon the Corporation.

8.2 Potls Subject to Declaration, By-Laws, and Easement Agreements

All present and future Owners, tenants and residents of Potls, their families, guests, invitees or tenants shall be subject to and shall comply with the provisions of this Declaration, the By-Laws, Rules and any other agreements, including, easement and cost sharing agreements.

The acceptance of a Transfer/Deed of Land or the entering into a lease or the entering into occupancy of any Potl shall constitute an agreement that the provisions of this Declaration, the By-Laws, and the Rules, as they may be amended from time to time, are accepted and ratified by such Owner, tenant or resident, and all of such provisions shall be deemed and taken 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 deed or transfer or lease or occupancy agreement.

8.3 Invalidity

Each of the provisions of this Declaration shall be deemed independent and severable and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed 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 provision had never been included herein.

8.4 Waiver

The failure to take action to enforce any provision contained in the Act, this Declaration, the By-Laws or any other Rules of the Corporation, 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 provisions.

8.5 Notice

Except as hereinbefore set forth, any notice, direction or other instrument required or permitted may be given if served personally by delivering same to the party to be served or to any officer of the party to be served, or may be given by ordinary mail, postage prepaid, addressed to the Corporation at its address for service herein, to each Owner at his respective Potl or at such other address as is given by the Owner to the Corporation for the purpose of notice, and to each mortgagee who has notified its interest to the Corporation at such address as is given by each mortgagee to the Corporation for the purpose of notice; and if mailed as aforesaid, the same shall be deemed to have been received and to be effective on the first business day following the day on which it was mailed. Any Owner or mortgagee may change its address for service by notice given to the Corporation in the manner aforesaid.

8.6 Construction of Declaration

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

8.7 Headings

The headings in the body of this Declaration form no part of the Declaration, but are inserted for convenience of reference only.

DATED this day of , 20 ,

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

SEAN MASON HOMES (ESSA RD.) INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:
We have the authority to bind the Corporation.

SCHEDULE "A"

DESCRIPTION OF THE LANDS

(NOTE: Description will be revised at a later date)

Part of Lot 5, Concession 13 Innisfil being Part 1 on Plan 51R14693 (PIN 58914-0019) and part of a road allowance between lots 5 and 6 Concession 13 Plan 67 Innisfil as in R0555669 (PIN 58981-0009), all in the City of Barrie and County of Simcoe

1. Subject to an Easement – Storm Sewer and Storm Drainage for Overland Flow

Subject to an easement in favour of the Corporation of the City of Barrie as in Instrument number _____ over all of Block 1, Plan 51M-_____, City of Barrie, County of Simcoe;

2. Subject to an Easement - Installation, Replacement, and Servicing for all Underground Utility Infrastructure

Subject to an easement in favour of Simcoe Common Elements Condominium Corporation No. _____ as in Instrument number _____ over all of Block 1 Plan 51M-_____, City of Barrie, County of Simcoe;

3. Subject to an Easement in favour of PowerStream Inc.

Subject to an easement in favour of Barrie Hydro Distribution Inc. as in Instrument number _____ over all of Block 1, Plan 51M-_____, City of Barrie, County of Simcoe;

4. Subject to an Easement in favour of Bell Canada

Subject to an Easement in favour of Bell Canada as in Instrument number _____ over all of Block 1, Plan 51M-_____, City of Barrie, County of Simcoe;

5. Subject to an Easement in favour of Rogers Cable

Subject to an Easement in favour of Rogers Cable Communications Inc. as in Instrument number _____ over all of Block 1, Plan 51M-_____, City of Barrie, County of Simcoe;

6. Subject to an Easement in favour of Enbridge Gas

Subject to an Easement in favour of Enbridge Gas. as in Instrument number _____ over all of Block 1, Plan 51M-_____, City of Barrie, County of Simcoe;

7. It is intended that the Corporation shall grant a mutual right of way or easement in favour of the proposed condominium to be located at 369-379 Essa Road, Barrie Ontario located immediately to the east of the Property, for the maintenance, operation and repair of any shared facilities as between the two condominiums, and to grant such mutual easements or right of ways as necessary.

In my opinion, based on the parcel register and the plans and documents recorded in them, the legal description is correct, the easements described will exist in law upon the registration of the Declaration and Description and the Declarant is the registered owner of the property and appurtenant easements.

ROBINS APPLEBY LLP,
Barristers and Solicitors
and duly authorized representatives of

_____ Per: _____
Dated Leor Margulies

NOTE: The Declarant, at his sole discretion, may create, enter into or transfer easements for the servicing and benefit of this Corporation and the adjacent lands and components. The Declarant may, at his sole discretion, transfer portions of the lands for road or lane widening's, 0.3 metre reserve or other purposes, as he deems necessary or advantageous to the development of the site. The final property limits and the easements pertaining to the Common Elements shall be more precisely described in the final Description and Declaration submitted for condominium registration.

SCHEDULE "B"

CONSENT

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

1. The undersigned has a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act, 1998* registered on February 14, 2013 as Instrument Number SC1040825 in the Land Titles Division of Simcoe, Registry Office (No. 51).
2. The undersigned consents to the registration of this Declaration, pursuant to the Act, against the land or the interests appurtenant to the land, as the land and the interests are described in the description.
3. The undersigned postpones the mortgage and the interests under it to the Declaration and the easements described in Schedule "A" to the Declaration.
4. The undersigned is entitled by law to grant this consent and postponement.

DATED this _____ day of _____, 20__.

[LENDER]

Per: _____
Name: _____
Title: A.S.O.

Per: _____
Name: _____
Title: A.S.O.

I/We have the authority to bind the Bank.

SCHEDULE "B"

**CONSENT TO ATTACHMENT OF A COMMON INTEREST
PARCEL OF TIED LAND**

(under clause 140(c) of the Condominium Act, 1998)

1. THE undersigned has a mortgage registered on February 14, 2014 as Number SC1040825 in the Land Titles Division of Simcoe Registry Office (No. 51) 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. THE undersigned acknowledges that, upon the registration of this 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. THE undersigned consents 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.
4. THE undersigned is entitled by law to grant this consent and postponement.

DATED this _____ day of _____, 20__ .

[LENDER]

Per: _____
Name:
Title: A.S.O.

Per: _____
Name:
Title: A.S.O.

I/We have the authority to bind the Bank.

SCHEDULE “C”

BOUNDARIES OF UNITS

NOT APPLICABLE, THERE ARE NO UNITS IN THE CONDOMINIUM

SCHEDULE “D”
**Proportion of Common Interests and Proportion of Contribution to the
Common Expenses as expressed in Percentages**

(The common elements are intended for the use and enjoyment
of the owners of the parcels of tied land)

All forty-five (45) Potls to be allotted a 2.222 (1/45th) percentage interest in the common
elements and are to make a 2.222 percentage contribution to common expenses.

PARCEL OF TIED LAND (POTL)	PERCENTAGE
TOTAL	100.00000

In my opinion, each parcel of tied land described in this Schedule “D” will, upon the registration
of the declaration and description, be capable of being individually conveyed, or otherwise dealt
with, without contravening Section 50 of the *Planning Act*.

ROBINS APPLEBY LLP
Barristers and Solicitors
and duly authorized representatives of
SEAN MASON HOMES (ESSA RD.) INC.

Dated_____

Per: _____
Leor Margulies

SCHEDULE "E"

COMMON EXPENSES

Common expenses, without limiting the definition ascribed thereto, shall include the following:

1. All sums of money levied against, charged to or paid by the Corporation on account of, *inter alia*:

- waste disposal, as applicable;
- maintenance materials, tools and supplies;
- insurance premiums;
- landscaping work, including without limitation grass cutting and tree pruning, of portions of the Common Elements, as appropriate;
- water, hydro and all applicable utilities, unless separately metered;
- snow clearing or removal;
- sweeping and sanding of all hard paved surfaces;
- adherence to LID maintenance schedule and reporting to City of Barrie and LSRCA;
- installation and removal of fabric canopy on parkette once per year;
- the payment of realty taxes (including local improvement charges) levied against the Property rights held by the Corporation and which are the responsibility of the Corporation; and

2. Remuneration payable by the Corporation to any employees or independent contractors deemed necessary for the proper operation and maintenance of the Property.

3. The cost of any repairs, maintenance or replacement of the Common Elements and the assets of the Corporation.

4. The cost of machinery and equipment used in and about the Common Elements, including that machinery and equipment used in the repairs, maintenance or replacement of the Common Elements and the assets of the Corporation.

5. The cost of engineering, appraisal, legal, accounting, auditing and secretarial or other professional or administrative services required by the Corporation in the performance of its objects, duties and powers.

6. The cost of maintaining fidelity bonds as provided for by the By-Laws.

7. The cost of borrowing money for the purpose of carrying out the objects and duties of the Corporation.

8. Contributions to the reserve fund.

SCHEDULE "F"

EXCLUSIVE USE COMMON ELEMENTS

[NOTE: TO BE DETERMINED UPON COMPLETION OF DRAFT PLAN OF CONDOMINIUM]

Subject to the provisions of the Act, the Declaration, the By-laws and Rules of the Corporation and the right of entry of the Corporation thereto and thereon, for the purposes of facilitating any requisite maintenance and/or repair work, or to give access to the utility and service areas appurtenant thereto:

- a) The owners of POTLs are entitled to the exclusive use and possession of the terrace area designated on Part 2, Sheet 1 of the Description containing the number of said unit with the prefix “T”.

The assignment of the Exclusive Use of the Common Elements is as follows:

POTL	T

Note: Notwithstanding the foregoing, any fixture, outlet, sign, apparatus or structure located within the limit of the Exclusive Use Portions of the Common Elements shall not form part thereof.

SCHEDULE “G”

**CERTIFICATE OF ARCHITECT OR ENGINEER
(SCHEDULE G TO DECLARATION FOR A COMMON ELEMENTS CONDOMINIUM CORPORATION)**

(under clause 8(1)(e) or (h) 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 licence, 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.

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

OR

The following 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 , 20

.....
(signature)

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

SCHEDULE “H”

Items that are included in the common elements of the Condominium:

Buildings and Structures that are included in the Common Elements:

There are no Buildings and Structures that are included in the Common Elements save and except for the parkette canopy, plaza, and all underground infrastructure of which the low impact development infrastructure is a part.

Facilities and Services that are included in the Common Elements:

1. Storm, sanitary and watermain services – below grade conduits servicing the Parcels of Tied Land;
2. Hydro services – below grade wiring servicing the Parcels of Tied Land;
3. Visitor Parking Spaces – asphalt paved parking areas for a four(4) vehicles;
4. Internal Road – asphalt paved internal road leading to Parcels of Tied Land and to Visitor Parking Spaces;
5. Utility pedestals, street lights and transformer boxes;
6. Various landscaped areas including side yards adjacent to Potls;
7. Dog park; and
8. Sidewalks.

SCHEDULE “I”

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

(under clause 139(1) of the *Condominium Act*, 1998)

1. Sean Mason Homes (Essa Rd.) Inc. is the owner of the freehold estate in all of the lands described in Schedule "D" to the Declaration (known as the “Parcels”).
2. Sean Mason Homes (Essa Rd.) Inc. consents to the registration of the attached declaration to create a common elements condominium corporation (known as the “Corporation”) on ----- as more particularly set out in Schedule “A” to this Declaration.
3. Sean Mason Homes (Essa Rd.) Inc. acknowledges 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. Sean Mason Homes (Essa Rd.) Inc. consents 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__.

SEAN MASON HOMES (ESSA RD.) INC.

Per: _____

Name:

Title:

I/We have the authority to bind the Corporation.

SCHEDULE "J"

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

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

Take Notice that:

1. The attached declaration and the description create 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 parcels of land:

●
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__.

SEAN MASON HOMES (ESSA RD.) INC.

Per: _____
Name:
Title:

I/We have the authority to bind the Corporation.

MANAGEMENT AGREEMENT

THIS AGREEMENT made in duplicate on the ____ day of _____.

B E T W E E N :

SIMCOE COMMON ELEMENTS CONDOMINIUM CORPORATION NO. _____

(hereinafter called the "Corporation")

OF THE FIRST PART

- and -

AROUND THE LAKES PROPERTY MANAGEMENT LIMITED

(hereinafter called the "Manager")

OF THE SECOND PART

IN CONSIDERATION of the mutual covenants herein contained, the parties hereby agree as follows:

1. The terms used herein shall have ascribed to them the definitions contained in the Condominium Act, 1998 (Ontario) as amended, hereinafter called the "Act" and the regulations made thereunder.
2. The Corporation hereby appoints the Manager and the Manager hereby accepts appointment as the exclusive Manager of the affairs, the Property and the assets of the Corporation in accordance with the terms and conditions of this Agreement.
3. The term of this Agreement shall be for a period of one year, commencing on the **1st day of _____, 2014** and thereafter shall continue in full force and effect from year to year unless terminated in accordance with paragraph 14.

4. The Manager fully accepts that its function is to assist the Board of Directors in the operation and administration of the Corporation, the Property and assets of the Corporation and accepts the relationship of trust and confidence set between itself, the Board and the Owners by virtue of entering into this Agreement.
5. The Manager agrees to furnish efficient business administration and supervision and to perform its responsibilities in the best manner consistent with effective management procedures and in the most expeditious and economical manner, in the best interests of the Corporation. The Manager shall conduct its duties consistent with the requirements of the Act, the Agreement and with Federal, Provincial and Municipal laws and regulations.
6. All contracts of the Corporation shall be executed by an authorized signing officer(s) of the Corporation unless there is an emergency or unless the Manager is specifically directed by a resolution of the Board to execute contracts on behalf of the Corporation.
7. The Manager, in the performance of its duties hereunder, shall:
 - (a) enforce the terms of the declaration, by-laws and rules, and any amendments thereto which presently exist or which may hereafter be made and notified to the Manager in writing;
 - (b) forthwith communicate to all owners the text and import of any further bylaws or rules and regulations;
 - (c) advise and consult with the Board with respect to any further by-laws, rules and regulations which in the opinion of the Manager ought to be established to further the harmonious and satisfactory operation of the property for the common benefit of the owners;
 - (d) prepare and keep current the Corporation records from information supplied by the Board;

- (e) collect and receive all monies payable by the owners under the declaration and bylaws, and deposit the same in a separate bank account in the name of the Corporation, or as the Board shall direct; all such monies and bank account(s) shall thereafter be maintained by the Manager and be used to:
 - (i) make payments of all accounts properly incurred by or on behalf of the Corporation;
 - (ii) arrange and pay for insurance in accordance with the provisions of the Act, declaration and by-laws in amounts directed by the Board;
 - (iii) ensure the proper repair and maintenance of those parts of the property which require repair and maintenance by the Corporation in accordance with the provisions of the declaration and bylaws and without limiting the generality of the foregoing, such repair and maintenance shall include the keeping of the common elements in a neat and tidy condition and maintaining such staff as may be required at all times to promptly and efficiently carry out the foregoing;
 - (iv) where the cost of performing work of services and/or goods or materials to be furnished to the Corporation exceeds the sum of five hundred dollars (\$500.00), obtain and submit at least two (2) written tenders, unless the Board is satisfied with one tender, for presentation to the Board of Directors and obtain the approval of the Board prior of entering into a contract.
 - (v) to effect emergency repairs involving manifest danger to persons or property, or immediately necessary for the preservation and safety of the property or for the safety of persons or required to avoid suspension of any necessary service to the property, and to this end the Corporation hereby authorizes the Manager its servants, agents or employees to enter any unit with or without the consent of the unit owner(s) to effect any such

emergency repairs which, in the Manager's sole and absolute discretion, are immediately necessary for the preservation of the property;

- (vi) generally, for the performance of the duties and obligations in respect of which the monies are paid;
- (f) make reasonable efforts to collect delinquent accounts, including those amounts payable by the owners under the declaration and by-laws, and to refer such delinquent accounts to a solicitor for collection, if necessary;
- (g) keep accurate accounts and records of the financial transactions involved in the management of the Property and render to the Board monthly statements of income and expenditure with respect thereto;
- (h) upon reasonable notice and during normal business hours, make available for examination by the Corporation or any owner or mortgagee, the accounts and records referred to in paragraph 7(g) above;
- (i) conduct complete walk through inspections of the common elements for the purpose of identifying maintenance or repair needs and submit to the Board periodical reports with recommendations;
- (j) arrange and pay for (from Corporation funds) the appraisal and insurance required by the Corporation in accordance with the provisions of the Act, the Declaration and By Laws, and to co-ordinate the resolution of insurance claims on behalf of the Corporation. The amounts of such insurance shall be as directed by the Board of Directors;
- (k) arrange, at the expense of the Corporation, to have prepared a Reserve Fund Study and/or Updates to the Study, setting out the amounts that, calculated on the basis of expected replacement costs of common elements and assets of the Corporation, are reasonably expected to provide sufficient funds for major repair and replacement of common elements and assets of the Corporation, in accordance with Section 93 of the Act.

8. The duties of the Manager shall not include the duties of the officers of the Corporation set forth in the by-laws, except as specifically otherwise provided in this agreement.
9. Prior to the beginning of each fiscal year of the Corporation during the term of this agreement, the Manager shall furnish to the Board in writing an estimated budget for the following year setting forth by categories the Manager's best estimate of all expenses of the operation of the property for the coming year including, without limiting the generality of the foregoing, insurance premiums, water, gas and electric rates, and costs of all repairs, maintenance and supervision of the property. The Manager will at all times hold itself available for consultation with the Board for the purpose of establishing or revising the common expenses to be paid by the owners under the provisions of the declaration and by-laws.
10. The Manager will at all times keep the Board and all owners advised of the telephone number or numbers at which an agent of the Manager may be reached at any time during normal business hours in respect of any infraction of the declaration, by-laws or rules, or at any time during the day or night in respect of any emergency at the property and the Manager will make arrangements to deal promptly with such infractions and immediately with any emergency arising in connection with the maintenance and operation of the property. The Manager shall deal in the first instance with minor emergencies and infractions and shall forthwith report to the Board any major emergency or any persistent, flagrant or serious violation of the declaration, by-laws or rules. It is understood and agreed by the parties that the Manager shall determine in its discretion whether or not an emergency exists and whether or not the emergency is of a minor or major nature.
11. At the request of the Board, the Manager will schedule, arrange for facilities and prepare all Notices for all annual or special meetings of the owners. At the expense of the Corporation, copy, distribute or post all notices, other information and announcements to Owners or residents and attend all meetings of the Board & Owners unless otherwise directed by the Board.
12. Upon receipt of a written request for a Status Certificate of a unit, and receipt of the fee prescribed by regulation under the Act, where a resolution of the Board authorizes the

Manager to do so, the Manager shall prepare and execute, under the seal of the Corporation, such certificate within the time limit prescribed by the Act. The Manager be responsible for the accuracy and completeness of all information included, provided that the Manager shall not be held liable for any error or omission if the same results from the failure of the Board to communicate to the Manager pertinent information either with respect to the specific unit or with respect to the Corporation in general, which should be taken into account in the preparation of the Status Certificate. Save as aforesaid, and, notwithstanding the provisions in paragraph 13 (c), the Manager shall indemnify and save the Corporation harmless from any damages, demands, claims, costs, losses, actions, suits or obligations whatsoever arising out of any error or omission in the information contained in the Status Certificate of which the Manager had or ought to have had knowledge. The Manager is entitled to the fee prescribed by regulation pursuant to the Act for the preparation and issuance of Status Certificates and related documentation.

13. The Corporation shall:

- (a) pay the Manager, monthly, in advance, for its managerial services hereunder fees equal to the sum of **eleven dollars and fifty cents (\$11.50)** plus applicable harmonized taxes, per Potl per month during the first year of the term of the Agreement. It is understood and agreed that such remuneration does not include the cost of performing any services set forth in paragraph 7(e)(iii) hereof, which services shall be an additional charge to the Corporation;
- (b) reimburse the Manager for any out-of-pocket expenses incurred on behalf of the Corporation for specific services authorized by the Corporation, other than those services described in the agreement hereto;
- (c) the Corporation shall, during and after the termination of this Agreement, indemnify and save the Manager completely free and harmless from any and all claims, actions, obligations, liabilities, costs, expenses and fees arising out of damage or injury to person or property in or about or in any way connected with the Property or incurred by reason of carrying out the provisions of this Agreement or acting upon the directions of the Corporation, except in case of

default of the Manager in complying with the provisions of this Agreement or any negligence, fraud, illegal or dishonest act, or intentional harm on the part of the Manager, its employees or agents. The Manager shall, during and after the termination of this Agreement, indemnify and save the Corporation completely free and harmless from any and all claims, actions, obligations, liabilities, costs, expenses and fees arising out of the default of the Manager in complying with the provisions of this Agreement or any negligence, fraud, illegal or dishonest act or intentional harm caused by the Manager, its employees or agents.

14. The Corporation or the Manager may terminate this Agreement, without cause, by giving ninety (90) days' notice in writing to the other to such effect. Upon termination of this Agreement:
 - (a) all obligations of the Manager shall cease and the Corporation shall pay to the Manager any monies due to it up to the date of termination of this Agreement;
 - (b) all records and current accurate accounts shall be duly turned over to the Corporation, including without limitation, post-dated cheques, corporate seal, contracts, files, plans, architectural and engineering documents, manuals, correspondence and keys to the property.
 - (c) the Manager shall as soon as possible and within 60 days after termination of the Agreement, pay over any balance in the Corporation's bank account managed by the Manager remaining to the credit of the Corporation (less any amounts necessary to satisfy commitments properly made by the Manager to others prior to the date of the termination).
 - (d) the Corporation shall assume the obligations under any and all contracts which the Manager has properly made for the purpose of arranging the services to be provided pursuant to this Agreement.

15. All notices required or permitted to be given hereunder shall be sufficiently given:
- (a) to the President of the Corporation if signed by or on behalf of the party so giving notice hereunder and delivered, and, when there is no postal disruption, mailed by prepaid registered post to the Secretary of the Corporation at the address for service at such address as the Secretary of the Corporation may from time to time designate by written notice pursuant hereto;
 - (b) to the Manager if signed by or on behalf of the party so giving notice hereunder and delivered or, when there is no postal disruption, mailed by prepaid registered post to the Manager at 110 Main Street East, unit 4, Huntsville, Ontario, P1H 1K6 or at such other address as the Manager may from time to time designate by written notice pursuant hereto.
 - (c) All such notices mailed as aforesaid shall be deemed to have been received on the business day next following the date of such mailing.
16. The Corporation and the Manager shall make, do and execute or cause to be made, done, executed all such further and other things, acts, deeds, documents, covenants and assurances as may be necessary or reasonably required to carry out the intent and purpose of this Agreement fully and effectually.
17. This Agreement and every term, covenant and condition herein contained shall ensure to the benefit of and be binding upon the parties hereto, and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have attested by the hands of their respective Officers duly authorized in that behalf, this ____ day of _____, 2014.

SIMCOE COMMON ELEMENT CONDOMINIUM CORPORATION NO. __

Per: _____
Sean Mason, President

AROUND THE LAKES PROPERTY MANAGEMENT LIMITED

Per: _____
Gabriela Shand, President

Budget for Fiscal Year for 401 Essa Rd - 45 units

Revenue

Common Area Charges	\$ 42,708	79.09
Reserve Fund Contribution is 10% of Operating Fund	3,883	

Operating ExpensesContracts

Landscaping	5,000
Maintenance of "low impact" sustainability area	600
Management Fees @ \$11.5/unit/month+HST	6,521
Snow Removal	10,000
Waste Removal	11,160
Total Contracts	<u>33,281</u>

General & Administrative

Audit	2,500
Insurance	2,500
Office Exp. – postage, bank charges	545
Total General & Administrative	5,545

Total Expenses 38,826

Condo Fees would be \$95 per unit per month

RULES AND REGULATIONS

The following Rules made pursuant to the *Condominium Act, 1998*, S.O. 1998, C.19 shall be observed by all owners (collectively, the "**Owners**") of parcels of tied land ("**Potls**") with an interest in the Condominium, and all invitees and visitors to the Condominium.

Any losses, costs or damages incurred by the Corporation by reason of a breach of any Rules in force from time to time by any Owner (or his family, invitees, servants, agents or occupants of his Potl), shall be borne and/or paid for by such Owner and may be recovered by the Condominium Corporation (the "**Corporation**") against such Owner in the same manner as common expenses.

1. GENERAL

- (a) Use of the Common Elements shall be subject to the Rules which the Board may make to promote the safety, security and welfare of the Owners and of the Condominium or for the purpose of preventing unreasonable interference with the use and enjoyment of the Condominium; and
- (b) Rules as deemed necessary and altered from time to time by the Corporation shall be binding on all Owners. Owners shall take all reasonable steps to ensure that the occupants of their Potls, and their guests, visitors, servants or agents shall comply with the Rules.

2. QUIET ENJOYMENT

Owners and their families, guests, visitors, servants and agents shall not create nor permit the creation or continuation of any noise or nuisance which, in the opinion of the Board or the Condominium's property manager, may or does disturb the comfort or quiet enjoyment of the Condominium by other Owners or their respective families, guests, visitors and servants.

3. SECURITY

Residents are to immediately report any suspicious person(s) seen on the Condominium to the Condominium's property manager or its staff or to such individuals as may be designated by the Condominium.

4. SAFETY

- (a) No storage of any combustible or offensive goods, provisions or materials shall be permitted on the Condominium; and
- (b) No Owner or occupant of a Potl shall do, or permit anything to be done in respect to the Condominium which will in any way increase the risk of fire or the rate of fire insurance or obstruct or interfere with the rights of other Owners, or in any way injure or annoy them, or conflict with the laws relating to fire or with the regulations of the Fire Department or with any insurance policy carried by the Corporation or conflict with any statute or municipal by-law.

5. COMMON ELEMENTS

- (a) No one shall harm, mutilate, destroy, alter or litter the Condominium or any part thereof;
- (b) No sign, advertisement or notice shall be inscribed, painted, affixed or placed on any part of Condominium whatsoever, unless approved by the Board;
- (c) The Condominium shall not be obstructed by any of the Owners or occupants of a Potl;

- (d) Any physical damage to the Condominium caused by an Owner or occupant, his family, guests, visitors, servants, or agents shall be repaired by arrangement and under the direction of the Board at the cost and expense of such Owner and/or occupant;
- (e) No building or structure or tent shall be erected, placed, located, kept or maintained on the Condominium and no trailer, either with or without living, sleeping or eating accommodations shall be placed, located, kept or maintained on the Condominium;
- (f) Each pet owner must ensure that any defecation by such pet must be cleaned up immediately by the pet owner, so that the Condominium remains neat and clean at all times.
- (g) All dogs shall be kept on a leash while on the Condominium.
- (h) No mops, brooms, dusters, rugs or bedding shall be shaken or beaten onto the Condominium.

6. PARKING

- (a) For the purpose of these Rules, "motor vehicle" means a private passenger automobile, station wagon, compact van, or motorcycle as customarily understood.
- (b) Parking of motor vehicles by Owners is prohibited on the Condominium. Parking for visitors to the Condominium or to Potls is permitted on the parking spaces located within the designated visitor parking area of the Condominium.
- (c) No servicing or repairs shall be made to any motor vehicle, trailer, boat, snowmobile, or equipment of any kind on the Condominium.
- (d) No motor vehicle shall be driven on any part of the Condominium at a speed in excess of the posted speed.
- (e) No unlicensed motor vehicle, including mopeds and go-carts, shall be driven upon the Condominium and no person shall operate a motorized vehicle upon the Condominium without a proper operating licence.
- (f) No person shall park or use a motor vehicle in contravention of these Rules, otherwise such person shall be liable to be fined or to have his/her motor vehicle towed from the Condominium in which event neither the Corporation nor its agents shall be liable whatsoever for any damage, costs or expenses howsoever caused to such motor vehicle or to the owner thereof.

Condominium Act, 1998

CERTIFICATE IN RESPECT OF A BY-LAW
(under Subsection 56(9) of the *Condominium Act, 1998*)

Simcoe Common Elements Condominium Corporation No. ____ (known as the "**Corporation**")
certifies that:

- 1. The copy of By-law No. 1 attached as Schedule "A" is a true copy of the By-law.
- 2. The By-law was made in accordance with the *Condominium Act, 1998*.
- 3. The owners of a majority of the parcels of tied land of the Corporation have voted in favour of confirming the By-law.

DATED this _____ day of _____, 20____.

**SIMCOE COMMON ELEMENTS
CONDOMINIUM CORPORATION NO.**

Per:
Name:
Title:

I have the authority to bind the Corporation.

SCHEDULE "A"

**SIMCOE COMMON ELEMENTS CONDOMINIUM
CORPORATION NO.**

BY-LAW NO. ONE

BE IT ENACTED as a by-law of Simcoe Common Elements Condominium Corporation No. (hereinafter referred to as the "**Corporation**") as follows:

ARTICLE I - DEFINITIONS

- 1.1 In addition to those words, terms and/or phrases specifically defined in this by-law, the words, terms and/or phrases used herein which are defined in the *Condominium Act, 1998, S.O. 1998, C.19* as amended and the regulations made thereunder (hereinafter referred to as the "**Act**") and in the declaration of the Corporation (hereinafter referred to as the "**Declaration**") shall have ascribed to them the meanings set out in the Act or the Declaration, unless the context requires otherwise.

ARTICLE II - SEAL

- 2.1 The corporate seal of the Corporation shall be in the form impressed hereon. Notwithstanding that the Corporation has a seal, any document that would otherwise require a seal need not be executed under seal, provided the statement "I/We have the authority to bind the Corporation" is noted below the signature(s) of the person(s) duly authorized to sign the document and such a document has the same effect for all purposes as if executed under seal.

ARTICLE III - RECORDS

- 3.1 The Corporation shall keep and maintain all records required by section 55 of the Act, including the following records (hereinafter called the "**Records**"):
- (a) the financial records of the Corporation for at least six (6) years from the end of the last fiscal period to which they relate;
 - (b) a minute book containing the minutes of owners' meetings and the minutes of board meetings;
 - (c) a copy of the registered Declaration, registered by-laws and current rules;
 - (d) a copy of all applications made under section 109 of the Act to amend the Declaration, if applicable;
 - (e) the seal of the Corporation;
 - (f) copies of all agreements entered into by the Corporation or by the Declarant or the Declarant's representatives on behalf of the Corporation, including all management contracts, deeds, leases, licences, easements and any agreements entered into pursuant to Section 98 of the Act;
 - (g) copies of all policies of insurance and the related certificates or memoranda of insurance and all insurance trust agreements;
 - (h) bills of sale or transfers for all items that are assets of the Corporation but not part of the property;
 - (i) the names and addresses for service of each owner and mortgagee that the Corporation receives, in writing, from owners and mortgagees in accordance with subsection 47(1) of the Act;
 - (j) all written notices received by the Corporation from owners that the common interest appurtenant to their respective parcel of tied land have been leased together with the lessee's name, the owner's address, a copy of the lease or renewal or a summary of same, pursuant to subsection 83(1) of the Act;
 - (k) all written notices received by the Corporation from owners that a lease of the owner's common interest appurtenant to his/her parcel of tied land has terminated and has not been renewed pursuant to subsection 83(2) of the Act;
 - (l) all records that the Corporation has related to employees of the Corporation;

- (m) all existing warranties and guarantees for all equipment, fixtures and chattels included in the common elements;
- (n) the as-built specifications indicating all substantive changes, if any, from the original specifications;
- (o) all existing plans for underground site services, site grading, drainage and landscaping, and television, radio or other communication services;
- (p) all other existing plans and information that are relevant to the repair or maintenance of the property;
- (q) a table that the Declarant has delivered pursuant to clause 43(5)(g) of the Act setting out the responsibilities for repair after damage and maintenance, and indicating whether the Corporation or the owners are responsible;
- (r) all reserve fund studies and all plans to increase the reserve fund;
- (s) a copy of the most current disclosure statement delivered by the Declarant to a purchaser prior the turnover meeting;
- (t) a copy of the written performance audit report received by the Corporation;
- (u) a copy of any order appointing an inspector or administrator, if applicable, pursuant to section 130 or 131 of the Act, together with any report that the Corporation receives from an inspector in accordance with subsection 130(4) of the Act;
- (v) a copy of all status certificates issued within the previous ten (10) years;
- (w) a copy of all notices of meetings sent by or on behalf of the Corporation within the previous ten (10) years;
- (x) all proxies, for not more than ninety (90) days from the date of the meeting at which the proxies were utilized;
- (y) a copy of all notices of lien issued by the Corporation to delinquent owners pursuant to subsection 85(4) of the Act, in respect of which the corresponding certificates of lien have not been discharged or vacated by court order;
- (z) all records relating to actual or pending litigation (or insurance investigations) involving the Corporation [as contemplated in clause 55(4)(b) of the Act], together with copies of all outstanding judgements against the Corporation [as contemplated in clause 76(1)(h) of the Act];
- (aa) a copy of the budget of the Corporation for the current fiscal year, together with the last annual audited financial statements and auditor's report on such statements;
- (bb) a copy of all minutes of settlement and/or written decisions made by any mediator or arbitrator appointed pursuant to section 132 of the Act, regarding any issue(s) in dispute involving the Corporation (or to which the Corporation is a party), together with copies of all court orders issued in those circumstances where the Corporation was a party to the proceeding or otherwise directly affected thereby; and
- (cc) all other records as may be prescribed or specified in any other by-laws of the Corporation, together with copies of all other materials received by the Corporation that the regulations to the Act may hereafter require the Declarant to deliver on or shortly after the turnover meeting [as contemplated in clause 43(5)(m) of the Act].

ARTICLE IV - THE CORPORATION

4.1. Duties of the Corporation

The duties of the Corporation shall include, but shall not be limited to the following:

- (a) the operation, care, upkeep, maintenance and repair of the common elements as provided for in the Act and in the Declaration;
- (b) the collection of contributions toward common expenses from the owners;
- (c) the arranging for the supply of all requisite utility services to the common elements (unless separately metered) except where prevented from carrying out such duty by reason of any event beyond the reasonable control of the Corporation. The Corporation shall not be liable for indirect or consequential damage or for damages for personal discomfort or illness by reason of the breach of such duty;

- (d) obtaining and maintaining insurance for the property as may be required by the Act, the Declaration or the By-laws;
- (e) the retention of legal counsel to prepare, register and discharge, following payment, certificates of lien for arrears of common expenses;
- (f) the preparation and delivery of status certificates as required by the Act;
- (g) the preparation of a yearly budget;
- (h) the supervision of all public or private service companies which enter upon the property for the purpose of supplying, installing, replacing and servicing their systems;
- (i) the obtaining and maintaining of fidelity bonds for any person dealing with Corporation monies and in such amounts as the board may deem reasonable;
- (j) the purchase and maintenance of insurance for the benefit of all directors and officers in respect of anything done or permitted to be done by them in respect of the execution of the duties of their offices except insurance against a liability, cost, charge or expense of such directors or officers incurred as a result of a contravention of any of the duties imposed upon them pursuant to the Act;
- (k) the preparation and maintenance of the records to be kept by the Corporation in accordance with Article III hereof;
- (l) the calling and holding of meetings and the delivery of notices, as required;
- (m) the consistent and timely enforcement of the provisions of the Act, the Declaration, the By-laws and the rules of the Corporation; and
- (n) establishing and maintaining adequate reserve funds for the major repair or replacement of the common elements and of the assets of the Corporation in accordance with the Act.

4.2. Powers of the Corporation

The powers of the Corporation shall include, but shall not be limited to the following:

- (a) the employment and dismissal of personnel necessary for the maintenance and operation of the common elements;
- (b) the investment of reserve monies held by the Corporation in accordance with the Act;
- (c) the settling, adjusting or referring to mediation and/or arbitration of any claim or claims which may be made upon or which may be asserted on behalf of the Corporation;
- (d) entering into the following agreements as required from time to time:
 - (i) a management agreement with an individual or corporation to manage the affairs and assets of the corporation at such compensation and upon such terms as the board may determine in its sole discretion;
 - (ii) an insurance trust agreement with an insurance trustee as permitted by the Act at such compensation and upon such terms as the board may determine in its sole discretion;
 - (iii) an agreement required by the supplier of any utility or service to the Corporation upon such terms as the board may determine in its sole discretion; and
 - (iv) any other agreements which may be permitted by the Act and the Declaration and which are deemed advisable, desirable or necessary by the board;
- (e) the authority to object to assessments under the *Assessment Act* on behalf of owners if it gives notice of the objections to the owners and to authorize the defraying of costs of objections out of the common expenses;
- (f) the borrowing of such amounts in any fiscal year as the board determines are necessary or desirable in order to protect, maintain, preserve or ensure the due and continued operation of the property in accordance with the Act, Declaration and by-laws of the Corporation and the securing of any loan of any amount by mortgage, pledge or charge of any asset (other than the reserve fund) of the Corporation, subject in each case to approval of each such borrowing, loan or security by a majority vote of the owners at a meeting duly called for that purpose or as required by the Act,

provided however, the board may maintain over draft protection, in its general account, in an amount not exceeding one-twelfth (1/12) of the Corporation's current budget without requiring the approval of the Owners;

- (g) leasing any part of the non-exclusive use common elements, or granting or transferring any easement, right-of-way or license over, upon, under or through (or otherwise affecting) any part or parts of the common elements, and/or releasing and abandoning any appurtenant easement(s) or right(s)-of-way heretofore or hereafter granted to (or created in favour of) the Corporation, in respect of any servient tenement burdened or encumbered thereby, on the express understanding that to the extent that subsection 21(1) of the Act requires a by-law to authorize such a lease, licence, easement or right of way, or such a release and abandonment of easement, then this by-law shall accordingly be deemed and construed for all such purposes to be (and constitute) the by-law providing the board with the requisite authority to enter into any such lease, licence, easement or right of way, or any such release and abandonment of easement, and any such lease, license, easement, right of way or release of easement may be executed on behalf of the Corporation by the authorized signing officer(s) of the Corporation, with or without the seal of the Corporation affixed thereto, and same shall be valid and binding on the Corporation without requiring the consent or concurrence of (or the written authorization or signature of) any owner(s) thereto;

ARTICLE V - MEETINGS OF OWNERS

5.1 Annual Meeting:

The annual meeting of owners shall be held within six (6) months following the Corporation's fiscal year end at such place and on such day and time in each year as the board may from time to time determine for the purpose of receiving reports and statements required by the Act, the Declaration and By-laws of the Corporation, electing directors, appointing the auditor and fixing or authorizing the board to fix the auditor's remuneration, and for the transaction of such other business as may be set out in the notice of meeting.

5.2 The First Annual General Meeting:

Pursuant to subsection 45(2) of the Act, the board shall hold the first annual general meeting of owners not more than three (3) months after the registration of the Declaration, and subsequently within six (6) months of the end of each fiscal year of the Corporation. The owners shall, at such first meeting, appoint one or more auditors to hold office until the close of the next annual meeting, and if the owners fail to do so, the board shall forthwith make such appointment. The remuneration of an auditor shall be fixed by the owners (if the auditor is appointed by the owners), or fixed by the board (if authorized to do so by the owners, or if the auditor is appointed directly by the board). The Corporation shall then give notice in writing to an auditor of his or her appointment forthwith after such appointment is made.

5.3 Special Meetings:

The board shall, upon receipt of a requisition in writing made by owners who together own not less than fifteen (15%) per cent of the common interests (parcels of tied land), call and hold a meeting of the owners within thirty-five (35) days of the receipt of the requisition or if the requisitionists so request in the requisition or consent in writing, add the business to be presented at the requisitioned meeting to the agenda for the next annual general meeting. If the meeting is not called and held within thirty-five (35) days of receipt of the requisition, any of the requisitionists may call the meeting, which meeting shall be held within forty-five (45) days of the day on which the meeting is called. The board may at any time call a special meeting of the owners for the transaction of any business, the nature of which shall be specified in the notice calling the meeting.

5.4 Notices:

At least fifteen (15) days written notice of every meeting specifying the place, the date, the hour and the nature of the business to be presented shall be given to the auditor of the Corporation and to each owner and mortgagee entitled to vote and entered on the record twenty (20) days before the date of the meeting in accordance with subsection 47(5) and 70(2) of the Act. The Corporation shall not be obligated to give notice to any Owner who has not notified the Corporation that he/she has become an Owner nor give notice to any mortgagee who has not notified the Corporation of his/her entitlement to vote and address for service.

5.5 Reports:

A copy of the financial statement and a copy of the auditors report shall be furnished to every owner and mortgagee entered on the record at least twenty (20) days before the date of any annual general meeting of Owners. A copy of the minutes of meetings of owners and of

the board, shall be furnished to any owner or mortgagee who has requested same, within thirty (30) days of such request upon payment to the Corporation of a reasonable charge for labour and photocopying.

5.6 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, and any others entitled to vote thereat, the auditor of the Corporation, 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 Act or the Declaration and By-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chairperson of the meeting or with the consent of the meeting.

5.7 Quorum:

At any meeting of owners, a quorum shall be constituted when persons entitled to vote and owning not less than twenty-five (25%) percent of the common interests (parcels of tied land) are present in person or represented by proxy. If thirty minutes after the time appointed for the holding of any meeting of owners, a quorum is not present, the meeting shall stand adjourned and if the meeting was an annual general meeting, the board shall call a further meeting of the owners in accordance with the Act.

5.8 Right to Vote:

Subject to the restrictions in paragraphs 5.11 and 5.13 of this Article V, every owner of a common interest (parcel of tied land) that has the right to vote in accordance with the Act shall be entitled to vote who is entered on the Record as an owner or has given notice to the Corporation, in a form satisfactory to the Chairperson of the meeting that he/she is an owner. If a common interest (parcel of tied land) has been mortgaged, and the person who mortgaged such common interest (parcel of tied land) (or his/her proxy) has expressly authorized or empowered the mortgagee to vote and exercise the right of the owner to vote in respect of such common interest (parcel of tied land) and such mortgagee has, at least four (4) days before the date specified in the notice of meeting, notified the owner and the Corporation of his/her intention to exercise such right, such mortgagee shall be entitled to vote upon filing with the Secretary of the meeting sufficient proof of same. Any dispute over the right to vote shall be resolved by the chairperson of the meeting upon such evidence as the chairperson may deem sufficient. Each owner or mortgagee shall be entitled to only one (1) vote per common interest (parcel of tied land).

5.9 Conduct of Meetings and Method of Voting:

At any meeting of owners, the president of the Corporation (or to whomever the president may delegate the responsibility) or failing him/her, the vice-president, or failing him/her, some other person appointed by the board or failing such appointment, such other person elected at the meeting shall act as chairperson of the meeting and the secretary of the Corporation shall act as secretary of the meeting or, failing him/her, the chairperson shall appoint a secretary. Any question shall be decided by a show of hands unless a poll is required by the chairperson or is demanded by an owner or mortgagee present in person or by proxy and entitled to vote, and unless a poll is so required or demanded, a declaration by the chairperson that the vote upon the question has been carried, or carried by a particular majority, or not carried, is prima facie proof of the fact without proof of the number of votes recorded in favour of or against such question; provided, however, that voting for the election of directors shall be by ballot only, other than in the case of acclamation. A demand for a poll may be withdrawn. If a poll is so required or demanded and the demand is not withdrawn, a poll upon the question shall be taken in such manner as the chairperson shall direct.

5.10 Representatives:

An estate trustee, committee of a mentally incompetent person, or the guardian or trustee of an owner or mortgagee (and where a corporation acts in such capacity any person duly appointed a proxy for such corporation) upon filing with the Secretary sufficient proof of his/her appointment, shall represent the owner or mortgagee at all meetings of the owners, and may vote in the same manner and to the same extent as such owner or mortgagee. If there be more than one estate trustee, committee, guardian or trustee, the provisions of paragraph 5.11 of this Article V shall apply.

5.11 Co-Owners:

If a common interest (parcel of tied land) or a mortgage on a common interest (parcel of tied land) 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 of the common interest (parcel of tied land) shall decide how the vote is exercised.

5.12 Votes to Govern:

At all meetings of owners every question shall, unless otherwise required by the Act, Declaration or By-laws be decided by a majority of the votes duly cast on the question.

5.13 Entitlement to Vote:

Save and except in those instances where the Act provides or stipulates that the unanimous vote of all owners is required on any matter, issue, resolution or motion, an owner or mortgagee is not entitled to vote at any meeting if any common expenses or other monetary contributions that are payable in respect of the owner's or mortgagee's common interest (parcel of tied land) are in arrears for more than thirty (30) days prior to the meeting, provided however that such an owner or mortgagee may nevertheless vote if the Corporation receives payment, by way of a certified cheque, of all the arrears (and all other costs and expenses owing to the Corporation) before the meeting is held.

5.14 Proxies:

Every owner or mortgagee entitled to vote at any meeting of the owners may, by instrument in writing, appoint a proxy, who need not be an owner or mortgagee, to attend and act at the meeting, in the same manner, to the same extent and with the same power, as if the owner or mortgagee were present at the meeting. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney authorized in writing, and shall be effective for a particular meeting only. The instrument appointing a proxy shall be deposited with the secretary prior to the start of the meeting.

ARTICLE VI - BOARD OF DIRECTORS

6.1 The Corporation:

The affairs of the Corporation shall be managed by a board of directors.

6.2 Number of Directors and Quorum:

The number of directors shall be three (3) of whom two (2) shall constitute a quorum for the transaction of business at any meeting of the board. Notwithstanding vacancies, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office.

6.3 Qualifications:

Each director shall be 18 or more years of age and need not be an owner of a common interest (parcel of tied land) in the Corporation. No undischarged, bankrupt or mentally incompetent person shall be a director and if a director becomes a bankrupt or mentally incompetent person, he thereupon ceases to be a director. A director immediately ceases to be a director if a certificate of lien has been registered against a common interest (parcel of tied land) owned by the director and the director does not obtain a discharge of the lien within ninety (90) days of the registration of the lien.

6.4 Consent: No election or appointment of a person as a director shall be effective unless:

- (a) he/she consents in writing to act as a director before his/her election or appointment or within ten (10) days thereafter; or
- (b) he/she was present at the meeting when he/she was elected or appointed and did not refuse at that meeting to act as a director.

6.5 Election and Term:

- (a) The directors of the Corporation shall be elected in rotation and shall be eligible for re-election. At the turnover meeting held pursuant to Section 43 of the Act, 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 elected to hold office for a term of three (3) years. Such directors may, however, continue to act until their successors are elected. If more than one (1) of such directors whose terms are not of equal duration 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 number of votes shall complete the longest remaining terms of the resigning directors. At each annual meeting thereafter a number of directors equal to the number of directors retiring in such year shall be elected for a term of three (3) years.
- (b) If at least fifteen (15%) percent of the common interests (parcels of tied land) are owner occupied (as defined in subsection 51(5) of the Act), no persons other than the

owners of owner-occupied common interests (parcels of tied land) may elect a person to one of the positions on the board. If fifteen (15%) percent of the common interests (parcels of tied land) are owner-occupied at the turnover meeting, the position on the board to be elected by owners of owner-occupied common interests (parcel of tied land) shall be the director elected for the one (1) year term and thereafter when that position becomes vacant (either because of resignation or the term has expired) the director for that position shall be voted upon only by the owners of owner-occupied common interests (parcel of tied land). If at least fifteen (15%) percent of the common interests (parcel of tied land) are not owner-occupied at the turnover meeting, but in any subsequent year more than fifteen (15%) percent of the common interests (parcel of tied land) become owner-occupied, the position of a director whose terms expires in that year shall be designated the director to be elected by owners of owner-occupied common interests (parcel of tied land) and thereafter when that position becomes vacant (either because of resignation or the term has expired), the director for that position shall be voted upon only by the owner of owner-occupied common interests (parcel of tied land).

6.6 Filling of Vacancies and Removal of Directors:

- (a) If a vacancy in the membership of the board occurs, other than by way of removal by the owners or as a result of the number of directors being increased, subject to subparagraph (c) of this paragraph 6, the majority of the remaining members of the board may appoint any person qualified to be a member of the board to fill the vacancy until the next annual meeting at which time the vacancy shall be filled by election of the owners.
- (b) Where the number of directors is increased, the vacancies resulting from such increase shall be filled only by election at such meeting of the owners and the director(s) so elected shall not act until the by-law increasing the number of directors is registered.
- (c) When there is not a quorum of directors in office, the director(s) then in office shall forthwith call a meeting of owners to fill the vacancies and, in default or if there are no directors then in office, the meeting may be called by an owner.
- (d) Any director may be removed before the expiration of his term by a vote of owners who together own a majority of the common interests (parcel of tied land) and the owners may elect, in accordance with the by-laws dealing with the election of directors, any person qualified to be a member of the board for the remainder of the term of the director removed provided the director elected by owners of owner-occupied common interests (parcel of tied land) may only be removed by a vote of the owners of owner-occupied common interests (parcel of tied land) in accordance with the Act.

6.7 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 as the President or any two directors may determine, and the Secretary shall call meetings when authorized by them. Notice of any meeting so called shall be delivered personally, by prepaid mail, courier delivery or electronic communication to each director addressed to him at his latest address, entered on the Record of the Corporation not less than forty-eight (48) hours (excluding any part of a Sunday or of a holiday as defined by the Interpretation Act of Canada for the time being in force) before the time when the meeting is to be held save that no notice of a meeting shall be necessary if all the directors are present and consent 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.

6.8 Regular Meetings:

The board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the board fixing a place and time of regular meetings of the board shall be given to each director forthwith after being passed, but no other notice shall be required for any such regular meeting.

6.9 Teleconference:

A meeting of the board may be held or convened by way of teleconference, or any other form of communication system that allows all of the directors to participate concurrently and to communicate with each other simultaneously and instantaneously, provided that all of the directors participating in a meeting held or convened by such means have consented thereto, and a director so participating in any such meeting held or convened by such means shall be deemed [for the purposes of subsection 35(5) of the Act and this by-law] to be present at such meeting. The board may, by resolution signed by all the directors, provide their consent, in advance, to have meetings of the board conducted in the manner contemplated herein, without the necessity of requiring new consents prior to each and every meeting, provided that such resolution (and the standing consent referred to therein) shall be

automatically rendered ineffective from and after (but not prior to) the delivery to the board by any director of a written notice revoking his or her consent to such resolution.

6.10 First Meeting of New Board:

The board may without notice hold its first meeting for the purpose of organization and the election and appointment of officers immediately following the appointment of the directors of the first board provided a quorum of directors be present.

6.11 Conflict of Interest:

A director shall not be disqualified by reason of his office from contracting with the Corporation. Subject to the provisions of the Act, a director shall not by reason only of his office be accountable to the Corporation or to its owners for any profit or gain realized from a contract or transaction in which he has an interest, and such contract or transaction shall not be voidable by reason only of such interest, provided that the provisions in the Act relating to a declaration of interest have been followed.

6.12 Protection of Directors and Officers:

No director or officer of the Corporation shall be liable for the acts, neglect or default of any other director or officer 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 his part or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his/her office or in relation thereto, unless the same shall happen through his/her own dishonest or fraudulent act or acts.

6.13 Indemnity of Directors and Officers:

Every director and officer of the Corporation and their respective heirs, estate trustees, successors, and other legal personal representatives shall at all times be indemnified and saved harmless by the Corporation from and against:

- a) any liability and all costs, charges and expenses that the director or officer sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him or her for or in respect of anything done, permitted to be done, or omitted to be done, by him or her, in respect of the execution of the duties of his or her office; and
- b) all other costs, charges and expenses that such director or officer sustains or incurs in respect of the affairs of the Corporation;

excluding however all costs, charges and expenses incurred directly or indirectly as a result of such director's or officer's own dishonest or fraudulent act or acts, or through or by such director's or officer's gross negligence, recklessness, wilful blindness or intentional misconduct (with all of the liabilities and costs for which each director and officer shall be indemnified being hereinafter collectively referred to as the "**Liabilities**"), unless the Act or the by-laws of the Corporation provide otherwise, on the express understanding that:

- i) no director or officer shall be indemnified by the Corporation in respect of any liabilities, costs, charges and/or expenses that he or she sustains or incurs arising from any action, suit or other proceeding in which such director or officer is adjudged to be in breach of his or her duty to act honestly and in good faith;
- ii) the Corporation is advised of any such action, suit or other proceeding (and of all liabilities, costs, charges and expenses in connection therewith) forthwith after the director or officer receives notice thereof or otherwise becomes aware of same; and
- iii) the Corporation is given the right to join in the defense of any such action, suit or proceeding.

6.14 Insurance:

Subject to the limitations contained in the Act, the Corporation shall purchase and maintain such insurance for the benefit of the directors and officers as the board may from time to time determine.

6.15 Standard of Care: Every director and officer shall exercise the powers and discharge the duties of his or her office honestly and in good faith, and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

6.16 Consent of Director at Meeting: A director who is present at a meeting of directors, or committee of directors, is deemed to have consented to any resolution passed at such meeting or to any action taken thereat, unless such director:

- a) requests that his or her dissent is entered in the minutes of the meeting; or
- b) delivers a written dissent to the secretary of the meeting before the meeting is terminated.

A director who votes for (or consents to) a resolution is not entitled to dissent under or pursuant to the foregoing provisions hereof.

6.17 Deemed Consent of a Director: A director who was not present at a meeting at which a resolution was passed or any action taken is deemed to have consented thereto unless within seven (7) days after becoming aware of the resolution, the director:

- a) causes his or her dissent to be entered into (or annexed to) the minutes of the meeting; or
- b) delivers a written dissent to the Corporation, personally or by registered mail.

ARTICLE VII - OFFICERS

7.1 Elected President:

At the first meeting of the board, after each election of directors and whenever a vacancy in the office occurs, the board shall elect from among its members a President. Until such elections, the then incumbent (if a member of the board) shall hold office.

7.2 Other Elections and Appointments:

The board shall appoint or elect a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any such officers. The officers so elected may, but need not be, members of the board. One person may hold more than one office.

7.3 Term of Office:

The board may by resolution remove at its pleasure any officer of the Corporation.

7.4 President:

The President, shall, when present unless he/she has delegated the responsibility, 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 and be charged with the duties of that office.

7.5 Vice-President:

During the absence of the President his/her duties may be performed and his/her powers may be exercised by the Vice-President, or if there are more than one, by the Vice-Presidents, in order of seniority as determined by the board. 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.

7.6 General Manager:

The General Manager, if one be 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. The terms of employment and remuneration of the General Manager appointed by the board shall be settled from time to time by the board.

7.7 Secretary:

The Secretary shall give or cause to be given all notices required to be given to the owners, directors, auditors, mortgagees and all other entitled thereto; he/she shall attend all meetings of the directors and owners and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings at such meetings; he/she shall be the custodian of all books, paper, records, documents and other instruments belonging to the Corporation, and he/she shall perform such other duties as may from time to time be prescribed by the board.

7.8 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 funds of the Corporation; he/she shall render to the board whenever required of him/her an account of all his/her transactions as Treasurer, and of the financial position of the Corporation; and he 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.

7.9 Other Officers:

The duties of all other officers of the Corporation shall be as set out in the terms of their employment or as the board further declares. Any 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.

7.10 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.

7.11 Committees

In order to assist the board in managing the affairs of the Corporation, the board may from time to time establish or constitute such advisor committees to advise and make recommendations to the board in connection with any activities undertaken (or under consideration) by the board, including those related to management, budgets, rules and/or any other matters related to the common elements or any facilities, services or amenities (or any portion thereof). The members of such committees shall be appointed by the board to hold office, and may be removed at any time by resolution of the board.

ARTICLE VIII - BANKING ARRANGEMENTS AND CONTRACTS

8.1 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 or appoint 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 to do any act or thing on the Corporation's behalf to facilitate such banking business.

8.2 Execution of Instruments:

Subject to the provisions of the Act, and subject to the provisions of any other by-law(s) of the Corporation specifically designating the person or persons authorized to execute any type or class of documents on behalf of the Corporation, all deeds, transfers, assignments, contracts and obligations on behalf of the Corporation may be signed by any two directors 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. The manager of the Corporation, any two members of the board, or the Corporation's solicitor, may execute a certificate of lien or discharge thereof. Subject to the provisions of the Act and the Declaration, but notwithstanding any provisions to the contrary contained herein or in any other by-laws of the Corporation, the board may at any time (and from time to time) by resolution direct the manner in which, and the person or persons by whom, any particular deed, transfer, assignment, contract, cheque or obligation, or any class of deeds, transfers, assignments, contracts, cheques or obligations of the Corporation may or shall be signed.

8.3 No Seal

Despite anything contained in this by-law to the contrary, any document or instrument that would otherwise require a seal need not be executed under the seal of the Corporation, provided that same has been duly executed by the person or persons expressly authorized and empowered to execute same on behalf of the Corporation, nor shall any such document or instrument be duly witnessed, in order to be valid, effective and binding upon the

Corporation, provided that the name of the signatory, his or her office in the Corporation, and the phrase "I/We have the authority to bind the Corporation" are clearly set out below the signature(s) of the person(s) expressly authorized and empowered to execute same on behalf of the Corporation, and any such duly executed document or instrument shall have the same validly and binding effect on the Corporation (for all purposes) as if same had been duly executed under the seal of the Corporation.

8.4 Execution of Status Certificates:

Status certificates 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 certificates may or shall be signed from time to time.

ARTICLE IX - FINANCIAL YEAR END

9.1 Financial Year End:

The financial year end of the Corporation shall end on the last day of the month in which the declaration and description creating the Corporation were registered, in each year, or on such other day as the board by resolution may determine.

ARTICLE X - NOTICE

10.01 Method of Giving Notices

Except as otherwise specifically provided in the Act, the Declaration, this by-law, or any other by-law(s) of the Corporation hereafter enacted, any notice(s), communication(s) or other document(s), including budgets and notices of assessment required to be given, served or delivered shall be sufficiently given or served if given in accordance with the following provisions:

- a) to an owner: [who has notified the Corporation in writing of his or her ownership interest in any common interest (parcel of tied land), and of his or her name and address for service], by giving same to such owner (or to any director or officer of such owner, if the owner is a corporation) either:
 - (i) personally, by courier, or by ordinary mail, postage prepaid, addressed to such owner at the address for service given by such owner to the Corporation; or
 - (ii) by facsimile transmission, electronic mail, or by any other method of electronic communication (if the owner agrees in writing that the party giving the notice may do so in this manner); or
 - (iii) delivered at the owner's parcel of tied land or at the mail box for the owner's parcel of tied land, unless:
 - (A) the party giving the notice has received a written request from the owner that the notice not be given in this manner; or
 - (B) the address for service that appears in the Records is not the address of the parcel of tied land of the owner.
- b) to a mortgagee who has notified the Corporation in writing of his or her interest as mortgagee in any common interest (parcel of tied land), and of his or her name and address for service, and of his or her right under the terms of the mortgage to vote at a meeting of owners (or to consent in writing) in the place and stead of the mortgagor/owner, by giving same to such mortgagee (or to any director or officer of such mortgagee, if the mortgagee is a corporation) either:
 - (i) personally, by courier, or by ordinary mail, postage prepaid, addressed to such mortgagee at the address for service given by such mortgagee to the Corporation; or
 - (ii) by facsimile transmission, electronic mail, or by any other method of electronic communication (if the mortgagee agrees in writing that the party giving the notice may do so in this manner).
- c) to the Corporation by giving same personally to any director or officer of the Corporation, or by courier or by registered mail, postage prepaid, addressed to the Corporation at its address for service as set out in the Declaration, or as changed in accordance with the requirements of the Act;

10.02 Receipt of Notice

If any notice is mailed as aforesaid, then such notice shall be deemed to have been received (and to be effective) on the second (2nd) day following the day on which same was mailed. If any notice is delivered personally, by courier, or by facsimile transmission or by any other method of electronic communication, then such notice shall be deemed to have been received (and to be effective) on the next day following the day on which same was personally delivered, couriered, telefaxed, or sent by any other method of electronic communication, as the case may be.

10.03 Omissions and Errors

Except as may otherwise be provided in accordance with the Act, the accidental omission to give any notice to anyone entitled thereto, or the non-receipt of such notice, or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at any meeting of owners or directors held pursuant to such notice or otherwise founded thereon.

ARTICLE XI - ASSESSMENT AND COLLECTION OF COMMON EXPENSES

11.1 Duties of the Board:

All expenses, charges and costs of maintenance 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 as set forth in the Declaration. The board shall from time to time, and at least annually, prepare a budget for the property 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 as required by the Act. 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 common expenses are based to all owners and mortgagees entered in the Record.

11.2 Owner's Obligations:

Each owner shall pay to the Corporation the amount of such assessment in equal monthly payments on the first day of each and every month next following notice of such assessment by way of twelve (12) postdated cheques or execution of pre-authorized payment plan, until such time as a new assessment has been provided to such owner.

11.3 Extraordinary Expenditures:

In addition to the annual assessment, 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 by the board serving notice of such assessment on all owners, as an additional common expense. The notice shall include a written statement setting out the reasons for the assessment. The assessment shall be payable by each owner within ten (10) days after the delivery thereof to him, or within such further period of time or in such instalments as the board may determine.

11.4 Default in Payment of Assessment:

- (a) Arrears of payments required to be made under the provisions of this article shall bear interest at a rate determined by the board from time to time and in default of such determination shall bear interest at the rate of eighteen (18%) per cent per annum and shall be compounded monthly until paid.
- (b) In addition to any remedies or liens provided by the Act, if any owner is in default in payment of an assessment levied against him/her for a period of fifteen (15) days, the board may retain a solicitor on behalf of the Corporation to enforce collection and there shall be added to any amount due all costs of such solicitor as between a solicitor and his/her own client and such costs may be collectible against the defaulting owner in the same manner as common expenses.
- (c) The board when giving notice of default in payment of common expenses or any other default to the owner of the common interest (parcel of tied land), shall concurrently send a copy of such notice to each mortgagee of such common interest (parcel of tied land) who has requested that such notices be sent to him/her.

ARTICLE XII - LIABILITY FOR COSTS

12.1 Abatement and Restraint of Violations by Owners and Liability for Costs:

The owner of a common interest (parcel of tied land) is responsible for any cost incurred to repair:

- (a) damage to the common elements or other common interest (parcel of tied land) that may have been caused by either the Owner's use or his/her residents or their visitors use of same; and
- (b) damage to the common elements that has been caused by the deliberate or negligent conduct of any owner, resident or their invited guests.

In those cases where it has been determined that the responsibility for payment of the cost to repair is that of an owner, or where an owner requests to repair a common element him/herself, the board of directors shall approve the selection of the contractor and/or the method of repair. This decision, at the discretion of the board, shall be based on a minimum of two (2) bids, the method of repair, the meeting of standards of uniformity and consideration of the convenience of the owner(s) involved.

12.2 Additional Rights of Corporation:

The violation of any provisions of the Act, the Declaration, the By-laws, and/or the rules adopted by the board of directors, shall give the board the right, in addition to any other rights set forth in these by-laws:

- (a) to enter the parcel of tied land in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing, or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the board shall not thereby be deemed guilty in any manner of trespass; or
- (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, including without limiting the generality of the foregoing, an application for an order for compliance by implementing such proceedings as provided for in Part IX of the Act.

12.3 Insurance Deductible:

Pursuant to subsections 105(2) and (3) of the 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 parcel of tied land with the permission or knowledge of the owner, by or through any act or omission causes damage to such owner's parcel of tied land, or to any other parcel(s) of tied land, or 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 (parcel of tied land), 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.

ARTICLE XIII - PROCEDURES FOR MEDIATING DISPUTES

13.1 Mediation Procedures

For the purposes of complying with sections 125 and 132 of the Act (if and where applicable), the procedure with respect to the mediation of disputes or disagreements between the Corporation and any owner(s) shall be conducted in accordance with the rules of procedure for the conduct of mediation attached hereto as Appendix "A".

ARTICLE XIV - MISCELLANEOUS

14.1 Invalidity:

The invalidity of any part of this by-law shall not impair or affect in any manner the validity, enforceability or effect of the balance thereof.

14.2 Gender:

The use of the masculine gender in this by-law shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include plural wherever the context so requires, and vice versa.

14.3 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.

14.4 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.

14.5 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 Act, and the Declaration.

14.6 Conflicts:

In the case of a conflict between the provisions of the Act and any provision in the Declaration, By-laws or Rules, the Act shall prevail. In the case of a conflict between the provisions in the Declaration and any provision in the By-laws or Rules, the Declaration shall prevail. In the event the provisions of the Act or in the Declaration are silent the provisions of the By-laws shall prevail.

DATED this _____ day of _____, 20_____.

**SIMCOE COMMON ELEMENTS
CONDOMINIUM CORPORATION NO.**

Per: _____
Name: Gordon Mason
Title: President and Director

I have the authority to bind the Corporation.

APPENDIX "A" TO BY-LAW #1

ARTICLE 1 - PRE-MEDIATION PROCEEDINGS

Prior to submitting a dispute on any question or matter to a mediator appointed by the parties in accordance with Section 132 of the *Condominium Act, 1998* as set forth below, and within fourteen (14) days of the dispute first arising, the owner (or owners) and the board of directors shall meet on at least one occasion, and shall use their best efforts to resolve the question or matter in dispute through good faith negotiations conducted at such meeting and, if the parties are able to agree upon the selection of a neutral person who may be and include the Corporation's property manager and/or a highly regarded member of the community, the meeting shall include such neutral person(s), all acting with a view to securing a resolution of the question or matter in dispute without further proceedings, including the conduct of mediation with the assistance of an outside mediator.

If one of the parties to the question or matter in dispute is unable or unwilling to participate in the initial meeting described in the preceding paragraph, then either party to the dispute may within 5 business days give written notice to the other that it is submitting the question or matter in dispute to the mediation and arbitration procedures set forth below.

If the parties, having met and used their best efforts to resolve the question or matter in dispute through good faith negotiation, have been unable to resolve the question or matter in dispute, then either party may, thereafter, give notice to the other that it is submitting the question or matter in dispute to mediation.

ARTICLE 2 - MEDIATION

Within 30 days following the giving of notice by one party to the other party or parties as set forth above, the question or matter in dispute shall be settled, initially, by mediation proceedings in accordance with Section 132 of the *Condominium Act, 1998*.

Selection and Role of the Mediator:

The party serving notice of mediation shall set forth in the notice to the other party the names, qualification and experience of two or more mediators from whom the other party may select one, or alternatively, may furnish to the first party its own list of two or more persons qualified to act as a mediator, and within 7 days thereafter, the parties shall communicate directly with one another to select a mediator. If the parties are unable to agree upon the selection of a mediator within 7 days, or within such longer period of time as may be agreeable to the parties, then the appointment of a mediator shall be conducted by any one of the founding members or by the executive director of the Condominium Dispute Resolution Centre (the "**CDRC**") whose decision in the appointment of a qualified mediator for this purpose shall be final and binding upon the parties.

The mediator selected by the parties or, failing their agreement, appointed by the CDRC, shall not have had any current or past relationship of any kind with any of the parties that might otherwise give rise to justifiable doubts as to his or her impartiality or independence in assuming a neutral role as a mediator to assist the parties in the resolution of their dispute.

The mediator's role is to assist the parties to negotiate a resolution of their dispute. The mediator will not make decisions for the parties about how the matter should or must be resolved.

Party Confidentiality:

The parties to the question or matter in dispute acknowledge that mediation is a confidential settlement process, and that they are participating in the process with the understanding that anything discussed in the mediation cannot be used in any other proceeding.

Pre-mediation information:

Each of the parties shall provide to the mediator a brief description of the dispute in writing in order to facilitate a more complete understanding of the controversy and the issues to be mediated not less than two (2) days prior to the first mediation session, which date the mediator shall have authority to establish at the earliest possible and convenient date to the parties.

Authority to Settle:

The parties or those representing them at the mediation shall have full, unqualified authority to settle the controversy.

Mediator Confidentiality:

The mediator shall not disclose to anyone who is not a party to the mediation anything said or any materials submitted to the mediator except when ordered to do so by judicial authority or where required to do so by law.

Legal Representation:

The parties may seek legal representation or advice prior to or during the mediation. They may have lawyers present at the mediation, if they so desire. If the mediator selected by the parties is a qualified lawyer, he or she will not provide legal representation or legal advice to any party at any time, and the mediator has no duty to assert or protect the legal rights and responsibilities of any party, or to raise any issue not raised by the parties themselves, or to determine who should participate in the mediation.

Right to Withdraw:

In accordance with Section 132 of the *Condominium Act, 1998*, it is mandatory that each party to the dispute attend the initial mediation session. Prior to such attendance, each party shall provide the mediator with a brief description of the dispute in writing. Subject to the foregoing requirements, each party shall be entitled to withdraw at and from the initial mediation session.

Costs of the Mediation:

In accordance with Section 132 of the *Condominium Act, 1998*, each party shall pay the share of the mediator's fees and expenses that the settlement specifies, if a settlement is obtained, or the mediator specifies in the notice stating that the mediation has failed, if the mediation fails.

Notice and Report:

In the event that the parties are unable, with the assistance of the mediator, to settle their dispute, the mediator shall deliver a notice to the parties stating that the mediation has failed, and the parties shall thereafter resolve their dispute by arbitration under the *Arbitration Act, 1991* and in the manner set forth below.

Settlement:

In accordance with Section 132 of the *Condominium Act, 1998*, upon obtaining a settlement between the parties with respect to the disagreement submitted to mediation, the mediator shall make a written report of the settlement which shall form part of the agreement or matter that was the subject of the mediation.

Condominium Act, 1998

CERTIFICATE IN RESPECT OF A BY-LAW
(under Subsection 56(9) of the *Condominium Act, 1998*)

SIMCOE COMMON ELEMENTS CONDOMINIUM CORPORATION NO. hereby certifies that By-Law No. 2 attached hereto was made in accordance with the *Condominium Act*, 1998, S.O. 1998, c.19 and any amendments thereto, the Declaration and the By-Laws of the Corporation and that said By-Law No. 2 has not been amended and is in full force and effect.

DATED at Barrie, this ____ day of _____, 20.

**SIMCOE COMMON ELEMENTS
CONDOMINIUM CORPORATION NO.**

Per:
Name:
Title: President and Director

I have the authority to bind the Corporation.

SIMCOE COMMON ELEMENTS CONDOMINIUM CORPORATION NO.

BY-LAW NO. 2

BE IT ENACTED as By-Law No. 2 of **SIMCOE COMMON ELEMENTS CORPORATION NO.** (the "**Corporation**") as follows:

The Directors of the Corporation may from time to time:

- (a) borrow money on the credit of the Corporation;
- (b) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including book debts and unpaid calls, rights, powers, franchises and undertakings, to secure any such securities or any money borrowed or other debts or any obligation or liability of the Corporation;
- (c) delegate to such one or more of the officers and directors of the Corporation as may be designated by the Directors all or any of the powers conferred by the foregoing clauses of this By-Law to such extent and in such manner as the Directors shall determine at the time of such delegation; and
- (d) give indemnities to any Director or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any Corporation controlled by it and secure any such director or other person against loss by giving him by way of security a mortgage or charge upon the whole or any part of the real and personal property, undertaking and rights of the Corporation.

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

DATED this ____ day of _____, 20

The undersigned, which owns 100% of the condominium, hereby confirms pursuant to the provisions of the Act, the foregoing By-law No. 2 of the said Corporation signed by all the Directors of the said Corporation as By-law No. 2 thereof pursuant to the provisions of the said Act on _____, 20 .

DATED this _____ day of _____, 20 .

SEAN MASON HOMES (ESSA RD.) INC.

Per:_____

Name:

Title:

I have authority to bind the corporation.