

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:

DIGRAM DEVELOPMENTS CALEDON INC.
(hereinafter called the “**Declarant**”)

TOWN OF CALEDON
PLANNING
RECEIVED
March 18, 2022

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the Town of Caledon, 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**”; and
- B. The Declarant intends that the Property shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold condominium that constitutes a common elements condominium corporation.

NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:

**ARTICLE I
INTRODUCTORY**

1.1 Definitions

The terms used in the Declaration shall have the meanings ascribed to them in the Act unless this Declaration specifies otherwise or unless the context otherwise requires and in particular:

- (a) “**Board**” means the Corporation’s Board of Directors;
- (b) “**By-Laws**” means the by-laws of the Corporation enacted from time to time;
- (c) “**City**” or “**Municipality**” means Town of Caledon;
- (d) “**Common Elements**” means all the Property;
- (e) “**Condominium**” or “**Corporation**” means the Condominium Corporation created by the registration of this Declaration;
- (f) “**Developed Potl**” means a Potl upon which a dwelling has been constructed which is actually occupied by an Owner (other than the Declarant) or title to which has been transferred by the Declarant to another Owner;

- (g) **“Development Agreements”** means any development, site plan, site servicing, condominium, or similar agreement entered into by the Declarant (and any of its predecessors in title) with the Town of Caledon, Regional Municipality of Peel, or with any other relevant Governmental Authority dealing with any aspect of the development or operation of the Condominium and/or the Project;
- (h) **“Fifth Fiscal Year of the Condominium”** means the fiscal year ending on the fifth anniversary of the date prior to the date of the registration of the Condominium;
- (i) **“First Fiscal Year of the Condominium”** means the period of time commencing on the day of the registration of the Condominium and ending on the first anniversary of the date prior to the registration of the Condominium;
- (j) **“First Year Budget”** means the budget of the Condominium in effect as of the date of the registration of the Condominium;
- (k) **“Licence Agreement”** means the agreement between the Condominium and the Declarant described in the Disclosure Statement and as set out in proposed By-Law No. ____;
- (l) **“Limited Recourse and Indemnity Agreement”** means the agreement between the Condominium and the Declarant described in the Disclosure Statement and as set out in proposed By-Law No. ____;
- (m) **“Metered Utilities”** has the meaning ascribed thereto in subsection 2.2(b);
- (n) **“Meter Reading Company”** has the meaning ascribed thereto in subsection 2.2(b);
- (o) **“Owner”** means the Owner or Owners of the freehold estate(s) in a Potl and who owns, pursuant to the Act, a common interest in the Common Elements, but does not include a mortgagee of a Potl unless in possession;
- (p) **“Potl”** or **“Potls”** means one or more of the thirty-two (32) parcel(s) of tied land to which a common interest is attached as described in Schedule “D” to this Declaration, individually or collectively as the context may require;
- (q) **“Related Entity”** means a subsidiary body corporate, holding body corporate or affiliated body corporate (as those terms are defined in the *Ontario Business Corporations Act*) of the Declarant;
- (r) **“Rules”** means the Rules passed by the Board;
- (s) **“Undeveloped Potl”** means a Potl that is not a Developed Potl;

- (t) **“Visitor Parking Space”** means the Common Element parking spaces forming part of the Condominium and which are designed as visitor parking spaces.

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 parcels 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 every person having a registered mortgage against the Property or interests appurtenant thereto and against each Potl is contained in Schedule “B” attached hereto.

1.6 Common Interest and Common Expenses

- (a) 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.
- (b) Notwithstanding the provisions of paragraph 1.6(a), until the end of the First Fiscal Year of the Condominium, the Owner(s) shall contribute to the Common Expenses as follows:
 - (i) Owners of Developed Potls shall contribute to the Common Expenses in the proportion set forth opposite each Potl in Schedule “D” attached hereto based on the First Year Budget;
 - (ii) the Declarant, in its capacity as the Owner of Undeveloped Potls, shall contribute proportionately, in relation to the number of Undeveloped Potls such party may own, to the operating component of the Common Expenses (i.e. exclusive of the reserve fund component) in respect of the Undeveloped Potls an amount equal to the difference, if any, between the amount payable by Owners of the Developed Potls under paragraph 1.6(b)(i) hereof

and the amount of budgeted operating expenses actually incurred by the Corporation during the First Fiscal Year of the Condominium; and

- (iii) the Declarant, in its capacity as the Owner of Undeveloped Potls, shall pay to the Corporation, proportionately, in relation to the number of Undeveloped Potls each such party may own, for deposit into the Corporation's reserve fund account, an amount equal to the difference between the amount payable by Owners of the Developed Potls under paragraph 1.6(b)(i) hereof in respect of the reserve fund contribution required by the First Year Budget and the total budgeted amount for the reserve fund in the First Year Budget.
- (c) Notwithstanding the provisions of paragraph 1.6(a), after the end of the First Fiscal Year of the Condominium, the Owner(s) shall contribute to the Common Expenses as follows:
- (i) Owners of Developed Potls shall contribute to the Common Expenses in the proportion set forth opposite each Potl in Schedule "D" attached hereto;
 - (ii) the Declarant, in its capacity as the Owner of Undeveloped Potls, shall pay to the Corporation, proportionately, in relation to the number of Undeveloped Potls such party may own, for deposit into the Corporation's reserve fund account, only the portion of the common expenses that would otherwise be payable in respect of the Undeveloped Potls that relate to the reserve fund. No other common expense contributions shall be payable by the Declarant in respect of Undeveloped Potls owned by it.

1.7 Address for Service, Municipal Address and Mailing Address of the Corporation

The Corporation's address for service shall be c/o FirstService Residential Ontario, 2645 Skymark Avenue, Suite 101, Mississauga, Ontario, L4W 4H2 , or such other address as the Corporation may by resolution of the Board determine, and the Corporation's mailing address shall be c/o FirstService Residential Ontario, 2645 Skymark Avenue, Suite 101, Mississauga, Ontario, L4W 4H2. The Corporation's municipal address is 7082 Islington Avenue, Vaughan, Ontario.

1.8 Approval Authority Requirements

There are no conditions imposed by the approval authority to be included in this Declaration. **In the event the approval authority requires the inclusion of certain conditions in this Declaration, they will be added prior to registration.**

1.9 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.

**ARTICLE II
COMMON EXPENSES**

2.1 Specification of Common Expenses

The common expenses shall comprise the expenses of the performance of the objects and duties of the Corporation and such other expenses, costs and sums of money incurred by or on behalf of the Corporation that are specifically designated as (or collectible as) common expenses pursuant to the provisions of the Act and/or this Declaration and without limiting the generality of the foregoing, shall include the specific expenses set out in Schedule "E" attached hereto.

2.2 Payment of Common Expenses

(a) Subject to the provisions of paragraph 1.6 hereof, 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.

(b) Water:

(i) The consumption within the dwellings of water (the "**Metered Utility**") will be submetered or by one or more third party companies (collectively, the "**Meter Reading Company**"), in order to apportion and bill attributable costs amongst the individual Owners and the Corporation.

(ii) The Corporation and each Owner has or shall enter into or assume an agreement with the Meter Reading Company (the "**Meter Reading Agreement**"). The Meter Reading Agreement shall state, among other things, and the Owners and Corporation shall comply with the following:

(1) The Meter Reading Company shall be responsible for operating the utility distribution system in accordance with

the terms of the Meter Reading Agreement. In this regard, the Meter Reading Company (and employees, agents, contractors, consultants and other personnel) shall have the right in the nature of an easement to access the Condominium and each Potl for the purpose of complying with its obligations pursuant to the Meter Reading Agreement, which rights may be reflected in an easement to be registered against title to the Property.

- (2) Each Owner or occupant of a dwelling shall enter into a separate supply and services agreement with the Meter Reading Company on or before taking occupancy of their dwelling in accordance with the Meter Reading Company's standard form agreement.
 - (3) Each Owner or occupant of a dwelling may be required to pay a security deposit to the Meter Reading Company on or before taking occupancy of their dwelling and the Meter Reading Company shall have the right to conduct credit checks on each owner or occupant of a dwelling.
 - (4) In the event that an owner or occupant fails to pay any amount owing to the Meter Reading Company when due, the Meter Reading Company shall employ normal collection practices which includes terminating the supply of utilities to the dwelling until all amounts owing by such owner or occupant to the Meter Reading Company have been paid in full.
 - (5) The Meter Reading Agreement will provide that if such agreement is terminated pursuant to Section 112 of the Act, or otherwise, the Meter Reading Company shall be permitted to remove its meters (or any part thereof) from the Condominium and the subject Potl and/or recover its capital investment in the utility distribution system and all associated termination, disconnection and removal costs.
- (iii) Each Owner and the Corporation shall receive from the Meter Reading Company and be responsible for, payment of the invoice with respect to the water consumption for his/her dwelling and the Common Elements, respectively. The Owner shall remit payment to the Meter Reading Company for water consumption, equipment and administrative fees, separate from any other obligations the Owner has with respect to payment of Common Expenses as an Owner within the Condominium.
 - (iv) Any monies owing with respect to invoices for water consumption and not paid to the Meter Reading Company by the Owner according to the terms of the invoice, may be paid by the

Corporation to the Meter Reading Company, and may thereupon be a debt owed by the Owner of the dwelling whose occupants have consumed the water, and shall be collectable by the Corporation as if same were Common Expenses in arrears and for such purposes only shall be considered Common Expenses. Payment to the Corporation and/or the Meter Reading Company shall be made in such manner and with such frequency as determined by the Board of Directors and/or the Meter Reading Company from time to time acting reasonably in the event of such default. Interest will accrue on arrears of money owing for water consumption at a rate as determined by the Corporation and/or the Meter Reading Company.

- (v) Notwithstanding any other provisions of this Declaration, the Owner and the Corporation authorizes entry to dwellings, Potls, and the Common Elements by the Meter Reading Company or its subcontractors from time to time, as deemed necessary by the Meter Reading Company for the purposes of conducting inspection, maintenance, repair and reading of the submeters. Work that is required within a dwelling or Common Elements in order to facilitate the usage and operation of any submetering system is also permitted and authorized upon not less than twenty-four (24) hours' notice to the Owner of the dwelling if access to the dwelling is required except in the case of emergency, whereupon no notice is required.
- (vi) The Corporation and/or Meter Reading Company shall be entitled, subject to complying with all other laws and regulations, to either stop the supply of water to any dwelling where payments owing for same are in arrears and/or to register a Common Expense lien against the dwelling.

2.3 Reserve Fund

- (a) 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 repair and replacement of Common Elements and assets of the Corporation all in accordance with the provisions of the Act; and
- (b) No part of any Reserve Fund shall be used except for the purpose for which the fund was established. The Reserve Fund(s) shall constitute an asset of the Corporation and shall not be distributed to any Owner(s) except on termination of the Corporation in accordance with the provisions of 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 III 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 Common Elements, 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 Common Elements 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 Condominium, injure any person, or impair the structural integrity of any dwelling or Common Elements area;
- (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) breaches any agreement entered into or assumed by the Corporation related to the use and operation of the Common Elements. 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;
- (f) would lead to a contravention by the Corporation or by other owners of the applicable zoning by-laws or of any terms or provisions of any agreements

with any municipal or other governmental authority and which are registered on title to the Property or which otherwise affect the Property, including but not limited to, any Development Agreements or which would require obtaining the consent or approval of any person pursuant to the terms of the Development Agreements; and

- (g) violates any municipal by-law, law, rule, ordinance or will result in the City either holding back or drawing upon any letter of credit which has been provided to the City as security pursuant to any Development Agreements, or alternatively, will require that the Declarant repair or replace any installation, facility or service within the Condominium.

In the event that the use of the Common Elements by any Owner contravenes any of the foregoing provisions, then such Owner shall indemnify and save the Corporation and the Declarant harmless from and against any and all costs, losses, damages, expenses and/or liabilities that the Corporation and/or the Declarant may suffer or incur as a result of said action, contravention and/or the cancellation of any insurance policy arising therefrom (including without limitation, any costs incurred to redress, rectify and/or relieve said contravention), and such Owner shall also be personally liable to pay and/or fully reimburse the Corporation and/or the Declarant for any and all costs associated with the increased insurance premiums payable by the Corporation as a result of such Owner's use, and all such costs and expenses may be recovered by the Corporation against such Owner in the same manner as Common Expenses, and if due and owing to the Declarant, shall be collected by the Corporation as aforesaid and paid to the Declarant. All payments pursuant to this Section are deemed to be additional contributions towards Common Expenses and recoverable as such.

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 person or other entity pursuant to this Declaration, any By-Law and/or the Rules.

Notwithstanding anything to the contrary herein, the Owners and the Board are absolutely prohibited from altering the landscaping, grading and/or drainage patterns established by the Declarant in respect of the Condominium for a period of four (4) years from the date of registration of the Condominium.

3.2 Exclusive Use Common Elements

There are no exclusive use common elements.

3.3 Restricted Access

Without the consent in writing of the Board, no Owner shall have the right of access to those parts of the Common Elements used from time to time for the care, maintenance or operation of the Property or any part thereof as designated by the Board, from time to time.

3.4 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 $\frac{2}{3}$ %) 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) Prior to commencing any modifications, changes or alterations contemplated in this Declaration (including this Section 3.4), the Owner, in conjunction with the Corporation, shall determine that there are no supplemental hydro energy systems, components and equipment and or/electrical conducts and/or wiring in such locations.

3.5 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:

- (i) the Declarant and its authorized agents, representatives and/or invitees shall have free and uninterrupted access to and egress from the Common Elements and the Visitor Parking Spaces 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;
- (ii) the Declarant and/or any Related Entity and its authorized agents or representatives shall be entitled to erect and maintain signs and displays for marketing/sale purposes, as well as model dwellings and 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 anyone 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 said model suites;
- (iii) The Declarant and its authorized agents, representatives and/or invitees shall together have the right to use the Visitor Parking Spaces to be designated by the Declarant in its sole discretion, without any charge to the Declarant for the use of same, for the purposes of implementing, operating and/or administering the Declarant's marketing, sale, construction and/or customer service program(s) with respect to the Condominium, from time to time;
- (iv) The Declarant and its employees, agents, contractors and invitees shall have the right to access the common element areas of the Condominium for special event marketing relating to the Condominium and/or any other part of the project being developed by the Declarant in the vicinity of the Lands. In this event, the Condominium shall have no right to charge any rent, license or other fee. The Declarant shall be responsible for all reasonable insurance, property management and cleaning costs; and
- (v) 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 Element areas of this Condominium;

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

3.6 Visitor Parking

Ten (10) visitor parking spaces form part of the Common Elements for use by visitors of Owners of Potls and their tenants only (the “**Visitor Parking Spaces**”). The Visitor Parking Spaces may not be leased or sold to any Owner or otherwise assigned. The Visitor Parking Spaces shall be maintained by the Corporation, and the Visitor Parking Spaces shall be used by visitors to owners of Potls for the parking of their motor vehicles and shall not be used by Owners of Potls or for any other purpose whatsoever. The Visitor Parking Spaces shall be designated by means of clearly visible signs. Provided that the Declarant and its sales and management personnel agents, sub-trades, invitees and prospective purchasers, may park motor vehicles within the Visitor Parking Spaces until such time as all of the Potls have been sold and conveyed by the Declarant. No parking whatsoever shall be permitted on the roadways which comprise portions of the Common Elements except in designated visitor parking areas.

3.7 Pets

No animal, livestock or fowl, other than those household domestic pets as permitted pursuant to this Section 3.7 of this Declaration, are permitted to be on or about the Common Elements, including the exclusive use Common Elements, except for ingress to and egress from a Potl. All dogs and cats must be kept under personal supervision and control and held by leash at all times during ingress and egress from a Potl and while on the Common Elements. Notwithstanding the generality of the foregoing, no pet deemed by the Board, in their sole and absolute discretion, to be a nuisance or a danger to the residents of the Corporation is permitted to be on or about the Common Elements.

**ARTICLE IV
MAINTENANCE AND REPAIRS**

4.1 Responsibility of Owner for Maintenance and Damage

Each Owner shall be responsible for the maintaining and repair of his or her own Potl, including landscaping and snow and/or ice removal within the Potl and all sidewalks and walkways in front of, adjacent to, or otherwise abutting his or her Potl, notwithstanding that such sidewalks are part of the Common Elements.

Each Owner shall be responsible for all damage to the Common Elements, 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) Subject to Section 4.1 herein, the Corporation shall maintain and repair the Common Elements at its own expense. The Corporation shall also maintain and repair all facilities (including without limitation, water mains, storm and sanitary sewers and chambers, street lights, noise attenuation fencing, barriers, berms and walls, landscape buffers, pedestrian access connections to public roadways, curbs and sidewalks, save for snow and ice removal with respect to those walkways and sidewalks which immediately abut a Potl, in which case the responsibility shall be with the Owner of said Potl) which services more than one Potl, whether located within the Common Elements or wholly or partly within a Potl, or within the adjacent road allowance, and the Corporation and its designated agents shall have full access to a Potl to carry out its obligation pursuant to this paragraph.
- (b) The Corporation shall be responsible for the cost of maintaining boulevards front and/or flanking the Property as may be required by any applicable governmental authority, including all landscaping features, if any.

ARTICLE V INDEMNIFICATION

- 5.1 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 VI INSURANCE

6.1 By the Corporation

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

- (a) “All Risk” Insurance

Insurance against “all risks” (including fire and major perils as defined in the Act) as is generally available from commercial insurers in a standard “all risks” insurance policy and insurance against such other perils or events as the Board may from time to time deem advisable, insuring:

- (i) the Property and buildings (if any); and
- (ii) all assets of the Corporation, but not including anything supplied or installed by the Owners;

in an amount equal to the full replacement cost of such real and personal property, without deduction for depreciation. This insurance may be subject to a loss deductible clause as determined by the Board from time to time, and which deductible shall be the responsibility of the Corporation in the event of a claim with respect to the Common Elements (or any portion thereof), provided however that if an owner, tenant or other person residing in a Potl with the knowledge or permission of the owner, through an act or omission causes damage to any portion of the Common Elements, in those circumstances where such damage was not caused or contributed by any act or omission of the Corporation (or any of its directors, officers, agents or employees), then the amount which is equivalent to the lesser of the cost of repairing the damage and the deductible limit of the Corporation's insurance policy shall be added to the common expenses payable in respect of such owner's Potl.

(b) Policy Provisions

Every policy of insurance shall insure the interests of the Corporation and the Owners from time to time, as their respective interests may appear (with all mortgagee endorsements subject to the provisions of the Act, this Declaration and the Insurance Trust Agreement, if any) 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.

(c) 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 FIVE MILLION (\$5,000,000.00) 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.

(d) Other Insurance

All insurance which the Corporation is obligated to take out and maintain pursuant to the Developments Agreements and/or any Shared Facilities Agreement.

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 6.2(b) 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 VII DUTIES OF THE CORPORATION

7.1 In addition to any other duties or obligations of the Corporation set out elsewhere in this Declaration and/or specified in the By-Laws of the Corporation, the Corporation shall have the following duties, 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 of this Condominium for its marketing/sale/construction programs in connection with any of the Condominium, as more particularly set out in the foregoing provisions of this Declaration;
- (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, c. P.28 or alternatively a certificate of practice within the meaning of the *Architects Act*, R.S.O., c. A.26, 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 pursuant to section 44(9) of the Act;

- (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 and cable television service to each of the Potls in the Condominium and if so requested by the grantees of such easements, to enter into (and abide by the terms and provisions at) an agreement with the utility and/or cable television suppliers pertaining to the provision of their services to the Condominium and the Potls and for such purposes shall enact such by-laws or resolutions as may be required to sanction the foregoing;
- (e) To take all actions reasonably necessary as may be required to fulfill any of the Corporation's duties and obligations pursuant to this Declaration;
- (f) To enter into and comply with the terms and provisions of the Licence Agreement as amended from time to time;
- (g) To assume, enter into and comply with the terms and provisions of all Development Agreements or other agreements with the City and all other governmental authorities and utility companies which are registered against title to the Property as of the date of registration of the Condominium and/or which are entered into by the Declarant for and on behalf of the Condominium (as well enter into a formal assumption agreement with the City or other governmental authorities or utilities relating thereto, if so required by the City or other governmental authorities or utility);
- (h) To assume, enter into and comply with the terms and provisions of the Limited Recourse and Indemnity Agreement;
- (i) To register with the Condominium Authority of Ontario (the "**CAO**") and pay all applicable fees and assessments levied from time to time pursuant to the Act; and
- (j) To prepare and file all prescribed returns and notices in accordance with the Act, Regulation 377/17, and the requirements of the CAO from time to time.

**ARTICLE VIII
GENERAL MATTERS AND ADMINISTRATION**

8.1 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 anyone 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 of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

8.2 Waiver

The failure to take action to enforce any provision contained in the Act, this Declaration, the Bylaws or any other Rules and regulations 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 provision.

8.3 Interpretation of Declaration

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

8.4 Headings

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

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

DATED at _____ this ____ day of _____, 20____

DIGRAM DEVELOPMENTS CALEDON INC.

Per: _____

Name:

Title:

I have the authority to bind the Corporation

SCHEDULE "A" –

NTD: TO BE INSERTED

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

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

Note: The Land shall be "TOGETHER WITH" and "SUBJECT TO" various easements, rights-of-way and/or licenses relative to the operation of the subject and adjoining phases or lands for services, right-of-ways and utilities. The said easements, rights-of-way and licences may be made at the sole discretion of the Declarant, and shall be more particularly described by reference plan(s), the condominium description drawings and the revised Schedule "A" contained in the Declaration at the time of condominium registration. The declarant reserves the right to alter and/or reconfigure the layout, boundaries, and area of the subject lands prior to the registration of the declaration and description, all at the Declarant's sole unfettered discretion.

In our opinion, based on the Property Identifier Number and the plans and documents recorded in them, the legal description is correct, the described easements exist or will exist in Law upon the registration of the Declaration and the Description and the declarant is the registered owner of the lands and appurtenant easements.

Miller Thomson LLP
Solicitors and duly authorized agents of:
DIGRAM DEVELOPMENTS CALEDON INC.

Dated: _____, 20____ Per: _____
Name: Robert J. Gray

SCHEDULE "B"

CONSENT

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

1. I(We) _____ have a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act*, 1998 registered as Number _____ in the Land Registry Office for the Land Titles Division of Peel (No. 43).
2. I(We) consent 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. I(We) postpone the mortgage and the interests under it to the declaration and the easements described in Schedule "A" to the Declaration.
4. I am (We are) entitled by law to grant this consent and postponement.

DATED this ____ day of _____, 20__.

Per: _____
Name:
Title:

Per: _____
Name:
Title

I/We have the authority to bind the Corporation.

SCHEDULE "B"

CONSENT TO ATTACHMENT OF A COMMON INTEREST

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

1. I(We) _____ have a registered mortgage as Number _____ in the Land Registry Office for the Land Titles Division of Peel (No. 43) 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 _____, 20__, and the description (known as the "Description") creating the Corporation.
2. I(We) acknowledge 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. I(We) consent to the registration of a notice in the prescribed form indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the Declaration, attaches to the Parcel upon the registration of the Declaration and Description.
4. I am (We are) entitled by law to grant this consent and postponement.

DATED this ___ day of _____, 20__.

Per: _____
Name:
Title:

Per: _____
Name:
Title

I/We have the authority to bind the Corporation.

SCHEDULE "C"
BOUNDARIES OF UNITS
NOT APPLICABLE

SCHEDULE "D"
CONTRIBUTION TO COMMON EXPENSE

NTD: TO BE INSERTED

SCHEDULE "E"

SPECIFICATION OF COMMON EXPENSES (Common Elements Condominium)

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

1. All expenses of the Corporation incurred by it or the board in the performance of its objects and duties whether such objects and duties are imposed under the provisions of the Act, the Declaration, the By-laws or Rules of the Corporation (including all agreements authorized by any of the By-laws of the Corporation) and effecting compliance therewith by all Potl Owners and their respective residents, tenants, licensees and/or invitees.
2. All sums of money payable by the Corporation for the obtaining and maintenance of any insurance coverage required or permitted by the Act or the Declaration as well as the cost of obtaining from time to time, an appraisal from an independent qualified appraiser of the full replacement cost of the Common Elements and assets of the Corporation for the purposes of determining the amount of insurance to be effected.
3. All sums of money payable for utilities and services serving the Potls or Common Elements from time to time including, without limiting the generality of the foregoing, monies payable on account of the following, if applicable:
 - (a) insurance premiums;
 - (b) water, gas and hydro-electricity (for each of the Potls (unless separately metered), as well as the Common Elements, on the express understanding that the Corporation shall ultimately be reimbursed for that portion of any bulk invoice for water, gas and hydroelectricity representing the amount attributable to such Potls, pursuant to the Corporation's periodic reading of the check or consumption meters appurtenant to such Potls);
 - (c) garbage sorting, storing, recycling and disposal (to the extent not provided by the municipality without charge) from one or more central garbage areas;
 - (d) energy and utility monitoring and information services (profiling);
 - (e) maintenance and landscaping materials, tools and supplies;
 - (f) snow removal from common elements, grounds maintenance and landscaping (but not snow removal from walkways, stairs or driveways associated with the Potls or from sidewalks directly in front of, adjacent to, or otherwise abutting a Potl, and to remove snow from the site, if required); and

(g) security.

Provided, however, that each of the dwellings on Potls shall be separately metered and invoiced for cable television and telephone services and accordingly the cost of said services (and for gas and hydro, if separately metered) so consumed or utilized by each of said Potls shall not constitute or be construed as a common expense, but rather shall be borne and paid for by each Owner thereof.

4. All sums of money paid or payable by the Corporation pursuant to any management contract which may be entered into between the Corporation and a manager.
5. All sums of money required by the Corporation for the acquisition or retention of real property for the use and enjoyment of the property, or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment of the Common Elements or the costs of borrowing money for the purposes herein set out and for carrying out the objects, duties and powers of the Corporation.
6. All sums of money paid or payable by the Corporation, for legal, engineering, accounting, auditing, expert appraising, maintenance, managerial and secretarial advice and services required by the Corporation in the performance of its objects and duties.
7. All sums of money paid or payable by the Corporation to any and all persons, firms or companies engaged or retained by it, its duly authorized agents, servants and employees for the purpose of performing any or all of the duties of the Corporation including without limiting the generality of the foregoing remuneration payable pursuant to a management contract.
8. All sums of money assessed by the Corporation for the reserve fund to be paid by every Owner as part of their contribution towards common expenses, for the major repair and replacement of Common Elements and assets of the Corporation.
9. All sums required to be paid to the reserve fund as required by the Declaration or in accordance with the agreed upon annual budget of the Corporation.
10. All sums of money paid by the Corporation for any addition, alteration, improvement to or renovation of the Common Elements or assets of the Corporation.
11. All sums of money payable on account of realty taxes (including local improvement charges) levied against the property (until such time as such taxes are levied against the individual Potls) and against those parts of the Common Elements that are leased for business purposes upon which the lessee carries on an undertaking for gain.

12. The fees and disbursements of the Insurance Trustee and the cost of maintaining any fidelity bonds provided for in the By-laws.
13. The cost of equipment for use in and about the Common Elements including the repair, maintenance or replacement thereof.
14. All sums of money paid or payable by the Corporation together with all other costs and expenses incurred by the Corporation arising from or in connection with any agreements entered into by the Corporation including any agreements for utility servicing.

SCHEDULE "F"

EXCLUSIVE USE COMMON ELEMENTS

There are no parts of the common elements that are to be used by Owners of one or more designated common interests and not by all the owners.

SCHEDULE "G"

CERTIFICATE OF ARCHITECT OR ENGINEER

(Schedule G to Declaration for a Common Elements or Vacant Land
Condominium Corporation)
(under clause 8(1)(e) and (h) or clauses 157(1) (c) and (e)
Of the *Condominium Act, 1998*)

I certify that:

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

[Check whichever boxes are applicable:]

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

OR

1. The exterior building envelope, including roofing assembly, exterior wall cladding, doors and windows, caulking and sealants, is weather resistant if required by the construction documents and has been completed in general conformity with the construction documents.
2. Floor assemblies of the buildings and structures are constructed and completed to the final covering.
3. Walls and ceilings of the buildings and structures are completed to the drywall (including taping and sanding), plaster or other final covering.
4. All underground garages have walls and floor assemblies in place.

OR

- There are no underground garages.
5. All elevating devices as defined in the Elevating Devices Act are licensed under that Act if it requires a license, except for elevating devices contained wholly in a unit and designed for use only within the unit.

OR

- There are no elevating devices as defined in the Elevating Devices Act, except for elevating devices contained wholly in a unit and designed for use only within the unit.
6. All installations with respect to the provision of water and sewage services are in place and operable.

OR

- There are no installations with respect to the provision of water and sewage services.
- 7. All installations with respect to the provision of heat and ventilation are in place and heat and ventilation can be provided.
OR
 There are no installations with respect to the provision of heat and ventilation.
- 8. All installations with respect to the provision of air conditioning are in place.
OR
 There are no installations with respect to the provision of air conditioning.
- 9. All installations with respect to the provision of electricity are in place and operable.
OR
 There are no installations with respect to the provision of electricity.
- 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 or outdoor swimming pools.

[Strike out whichever is not applicable]

- 11. The following facilities and services that the declaration and description show are included in the common elements:

Item 2(a) and (b) as listed in Schedule "H" 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”

1. Buildings and Structures included in the Common Elements
 - (a) There are no structures within the Common Elements
2. Facilities and Services included in the Common Elements
 - (a) Storm sewer service and appurtenances
 - (b) Sanitary sewer service and appurtenances
 - (c) Electrical distribution system, street light system and appurtenances
 - (d) Gas mains and supply services
 - (e) Water distribution service and appurtenances
 - (f) Roadways and parking areas to base coat asphalt
 - (g) Sidewalks
 - (h) Visitor parking spaces
 - (i) Transformers
 - (j) Cable services (including telephone, cable TV, internet)
 - (k) Landscaped areas
 - (l) Mail kiosk
 - (m) Partial perimeter boundary and decorative metal fencing
 - (n) Retaining walls
 - (o) Acoustic fences and berms
 - (p) Chain link fence

SCHEDULE "I"

CERTIFICATE OF OWNER

1. I am (We are) the owner(s) of the freehold estate in Part of Block 132, Plan 43M-2077, Town of Caledon, designated as Parts _____, inclusive, Plan 43R-_____, Town of Caledon (*provide a registerable description of the parcel of land to which a common interest in the common elements condominium will attach*) (known as the "**Parcel**").
2. I (We) consent to the registration of the attached declaration to create a Common Elements Condominium Corporation (known as the "Corporation") on Part of Block 132, Plan 43M-2077, Town of Caledon, designated as Part _____, Plan 43R-_____, Town of Caledon (*provide a brief legal description sufficient to identify the property*).
3. I (We) acknowledge that, upon registration of the declaration and the description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule "A" to the declaration.
4. I (We) consent to the registration of a notice in the prescribed form against the Parcel indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the declaration, attaches to the Parcel upon the registration of the declaration and description.

Dated this _____ day of _____, 20__.

DIGRAM DEVELOPMENTS CALEDON INC.

Per: _____

Name:

Title:

I have the authority to bind the Corporation

SCHEDULE "J"

NOTICE OF ATTACHMENT OF A COMMON INTEREST

Take notice that:

1. The attached declaration and the description creates a common elements condominium corporation (known as the "Corporation").
2. A common interest in the Corporation, as the common interest as set out in Schedule "D" to this declaration, attaches to the following parcel of land (known as the "Parcel") (*provide the registerable description of the parcel of land as set out in Schedule "D" to the declaration*).
3. The common interest cannot be severed from the Parcel upon the sale of the parcel or the enforcement of an encumbrance registered against the Parcel.
4. A copy of the certificate of the owner of the Parcel consenting to the registration of the declaration and this notice is attached to this declaration as Schedule "I" .
5. If the owner of the Parcel defaults in the obligation to contribute to the common expenses of the Corporation, the Corporation has a lien against the Parcel.

Dated this ____ day of _____, 20__.

(signature)

(print name)