

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:

**CEDARCOVE DEVELOPMENTS INC.
(hereinafter called the "Declarant")**

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**";
- 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 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 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. "**Common Elements**" means all the Property;
- d. "**Corporation**" means the Condominium Corporation created by the registration of this Declaration;
- e. "**Nested Potl or Potls**" means those lands as described in Schedule "D" being composed of Part of Blocks 98 and 99, Plan 43M-1855 and Part of Blocks 96 and 97, Plan 43M-2000, Town of Caledon, designated as Parts 70, 71, 72, 73, 74, 75, 76, 77 and 78, individually or in one or more groupings, on Reference Plan 43R-_____, being all of PINs 14235-_____ (LT);
- f. "**Nested Potl Registration Date**" means the date that a standard condominium is registered pursuant to the Act against a Nested Potl, on a per Potl basis;
- g. "**Owner**" means the Owner or Owners of the freehold estate(s) in a Potl and who own, pursuant to the Act, a common interest in the common elements, but does not include a mortgagee of a Potl unless in possession;
- h. "**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;
- i. "**Rules**" means the Rules passed by the Board.

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 common elements condominium corporation.

1.4 Division of Potls

A Potl may not be divided into two (2) or more parcels of tied land 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

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.

Notwithstanding the foregoing:

- (a) with respect to all of the Potls, save and except the Nested Potls, during the first year following registration of this Declaration and until the registration of a Transfer of title from the Declarant for a Potl, the Owner of such Potl shall not contribute to the payment of Common Expenses; and
- (b) with respect to the Nested Potls, until the Nested Potl Registration Date, a Nested Potl shall not contribute to the payment of Common Expenses and pursuant thereto, each of the other Potls percentage share of Common Expenses shall be calculated as follows:

$$\begin{array}{l}
 \text{A Potl's share of} \\
 \text{percentage} \\
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 =
 \begin{array}{l}
 \text{Potl's percentage of} \\
 \text{contributions to Common} \\
 \text{Expenses as set forth in} \\
 \text{Schedule "D" to the} \\
 \text{Declaration}
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 \text{Total aggregate percentages} \\
 \text{of contributions to Common} \\
 \text{Expenses as set forth in} \\
 \text{Schedule "D" to the} \\
 \text{Declaration of all Potls} \\
 \text{other than Nested Potls that} \\
 \text{have not yet obtained a} \\
 \text{Nested Potl Registration} \\
 \text{Date, on a per Potl basis}
 \end{array}
 \times 100$$

1.7. Address for Service 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 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 consists of a common element road and does not have a municipal address.

1.8 Approval Authority Requirements

There are no conditions imposed by the approval authority to be included in this Declaration.

1.9 Architect/Engineer Certificates

The certificate(s) of the architect and/or engineer(s) that all buildings structures, facilities or services 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 Section 1.6 hereof, each Owner shall pay to the Corporation his 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 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 Corporation shall contract for the purchase of water from the appropriate local distribution company(s) or with an independent energy retailing company(s) arranged for by the Declarant. Where not separately metered, water consumption in each Owner's Potl shall be measured and invoiced by a sub-metering system(s) or check metering system(s) installed and operated by a third party service provider(s) (the "**Meter Reader**") arranged for by the Declarant.

(ii) Each Owner shall receive and be responsible for, payment of the invoice with respect to the water consumption for his/her Potl. The Owner shall remit payment to the Meter Reader 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.

(iii) Any monies owing with respect to invoices for water consumption and/or fees which is not paid to the Meter Reader by the Owner according to the terms of the invoice, may be paid by the Corporation to the Meter Reader and shall thereupon be a debt owed by the Owner of the Potl. In such event, this debt shall, for such purposes only, be considered Common Expenses and shall be collectible by the Corporation as if same were Common Expenses in arrears. Payment to the Meter Reader shall be made in such manner and with such frequency as determined by the Board and/or Meter Reader from time to time, acting reasonably. Interest will

accrue on arrears of money owing for water consumption at a rate as determined by the Corporation and/or the Meter Reader.

- (iv) As a condition of being supplied or continuing to be supplied with water, the Corporation and/or Meter Reader has the right to perform a credit check on an Owner, as well as to require an Owner to maintain a deposit with the Meter Reader and/or Corporation. The Corporation and/or Meter Reader is entitled to apply such deposits against monies owing by a defaulting Owner with respect to the supply of water, as well as fees and interest that may be due and owing.
- (v) Notwithstanding any other provisions of this Declaration, the Owner authorizes entry to Potls and the Common Elements by the Meter Reader or its subcontractors from time to time, as deemed necessary by the Meter Reader for the purposes of conducting inspection, maintenance, repair and reading of the submeters. Work that is required within a Potl or Common Elements (including exclusive use 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 Potl if access to the Potl is required except in the case of emergency, whereupon no notice is required.
- (vi) The Corporation and/or the Meter Reader shall be entitled, subject to complying with applicable laws and regulations, to stop the supply of water to any Potl where payments owing for same are in arrears and/or to register a Common Expense lien against the Potl.
- (vii) The Corporation will, at the request of the Declarant, enter into or assume a water Sub-metering Agreement(s) with the Meter Reader and will be responsible to remit payment for all water consumption related to the Common Elements.

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; and
- (b) No part of the Reserve Fund shall be used except for the purpose for which the funds were 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 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 in connection with the Declarant's sale, transfer or mortgage of any Potls, or portion thereof, 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 Potl 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; or
- (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.

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

Subject to the provisions of and compliance with the Act, this Declaration, the By-laws and the Rules, the Owner of each Potl shall have the exclusive use of those parts of the Common Elements as set out in Schedule "F" attached hereto.

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 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. Notwithstanding the foregoing, the Declarant shall have the right to make all changes or alterations to the Common Elements as it determines, without obtaining the prior written approval of the Board or entering into any such agreement with the Corporation.

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

The Corporation may make an addition, alteration, or improvement to the Common Elements, a change in the assets of the Corporation or a 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.

Notwithstanding anything provided in this Declaration to the contrary, the Corporation shall not add, alter or remove any landscaping features erected by the Declarant and located on the Common Elements for a period of five (5) years from the date of registration of this Declaration.

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 further right to close off portions of the Common Elements and to disturb or temporarily disconnect any services or facilities within the Common Elements, for the purposes of implementing, operating and/or administering the Declarant's marketing, sale, construction, development and/or customer-service program(s) with respect to any unsold Potls (including any dwellings or buildings to be developed and constructed thereon) or any dwellings to be constructed on any other lands owned by the Declarant in the vicinity of this Condominium, from time to time;
- (ii) the Declarant and its authorized agents or representatives shall be entitled to erect and maintain signs and displays for marketing/sale purposes, as well as model suites 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 have free access at all reasonable times to the Potls in order to make inspections or do any work or repairs thereon which may be deemed necessary by the Declarant in connection with the completion of the Potls, any warranty obligations of the Declarant or for any servicing or installations in connection with the Potls or any of them, or the Common Elements, and this right shall be in addition to any right and easements in favour of the Declarant pursuant to this Declaration or under the Act; and
- (iv) 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;

3.6 Visitor Parking

Thirty-Eight (38) parking spaces form part of the Common Elements for use by visitors to the Owners of Potls only, including visitors to owners of residential and commercial units in standard condominiums created within the Nested Potls, and shall not be considered exclusive use portions of the Common Elements. There shall be no charge payable by the visitors for the use of these visitor parking spaces. These parking spaces may not be leased or sold to any Owner or otherwise assigned. The parking spaces shall be maintained by the Corporation, and the visitor parking spaces shall be used by visitors to Owners of Potls and visitors to owners of residential and commercial units in condominiums created within the Nested Potls, and their tenants for the parking of their motor vehicles and shall not be used by Owners of Potls or owners of residential units in standard condominiums created within Nested Potls, or their tenants or for any other purpose whatsoever. Notwithstanding anything to the contrary contained herein, the visitor parking spaces may also be used by owners and employees of the commercial units to be created in the standard condominiums to be created in the Nested Potls. The Corporation shall have the right to use the visitor parking spaces for snow storage during winter months, as determined by the Corporation from time to time in its sole discretion. Each visitor parking space shall be individually designated by means of clearly visible signs. Provided that the Declarant, its sales and management personnel, agents, subtrades, invitees and prospective purchasers, may park motor vehicles within the parking spaces until such time as all of the Potls have been sold and conveyed by the Declarant and any warranty obligations of the Declarant in connection with the Condominium and/or the Potls have expired. No parking whatsoever shall be permitted on the roadways which comprise portions of the Common Elements.

3.7 Pets

Save and except for the Nested Potls, no animal, livestock or fowl of any kind other than two (2) general household domestic pets, being cats, dogs, canaries, budgies or other small caged birds, or an aquarium of goldfish or tropical fish, 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 or the property manager, in their sole and absolute discretion, to be nuisance or a danger to the residents of the Potls is permitted to be on or about the Common Elements.

**ARTICLE IV.
MAINTENANCE AND REPAIRS**

4.1 Responsibility of Owner

- (a) 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 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.
- (b) Each Owner shall be responsible for the maintenance and repair of all bushes, trees and other landscaping features installed by the Declarant, which are located within his/her Potl.

4.2 Repair and Maintenance by Corporation

- (a) The Corporation shall maintain and repair the Common Elements at its own expense, however, the Corporation shall not be responsible for those portions of the Common Elements (including exclusive use Common Elements) which are required to be maintained and repaired by an Owner pursuant to paragraph 4.1 hereof. The Corporation shall also maintain and repair all landscaping features erected by the Declarant and located on the Common Elements for a period of not

less than five (5) years from the date of registration of this Declaration and shall indemnify the Declarant with respect thereto. The Corporation shall also maintain and repair all facilities (including without limitation, water mains, storm and sanitary sewers, lighting fixtures and facilities for lighting the Common Elements, entrance/signage features, parkette, play and shade structures, fire hydrants, landscape buffers, perimeter and walkway fences) which services more than one Potl, whether located within the Common Elements or wholly or partially 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.

- (b) Without limiting the generality of the foregoing paragraph 4.2(a), the Corporation shall be responsible for the maintenance, repair and replacement of the retaining walls, acoustical fences, entry features and perimeter chain-link fences installed by the Declarant, which are located within a Potl, the Common Elements or any exclusive use portion of the Common Elements.
- (c) The Corporation shall conduct such maintenance and make such repairs that an Owner is obligated to make pursuant to paragraph 4.1 and that the Owner does not make within a reasonable time and, in any event, an Owner shall be deemed to have consented to have said repairs done by the Corporation, and an Owner shall reimburse the Corporation, in full, for the cost of such repairs, including any legal or collection costs incurred by the Corporation to collect the costs of such repairs, and all such sums of money shall bear interest at the rate of eighteen percent (18%) per annum. The Corporation may collect all such sums of money in such instalments as the Board may decide upon. The instalments shall form part of the monthly contributions towards the common expenses of such Owner, after the Corporation has given written notice thereof. All such payments are deemed to be additional contributions towards the common expenses and recoverable as such.

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 furnishings, furniture, or other personal property supplied or installed by the Owners;

in an amount equal to the full replacement cost of such real and personal property, without deduction for depreciation. 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 and this Declaration) 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 anyone 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 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 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 for the same purposes as are specified otherwise in this Article VI; 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 Potls in this Condominium or any dwellings to be constructed on any other lands owned by the Declarant in the vicinity of this 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*, 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.Reg48/01 (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, forthwith upon request by the Declarant or any utility supplier or cable television operator, 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, or the Declarant, 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 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 fulfil any of the Corporation's duties and obligations pursuant to this Declaration.

(f) To enter into, abide by and comply with any agreement registered on title to the Condominium Lands, including any subdivision agreement, condominium agreement, site plan agreement, development agreement or similar agreements,

including, entering into any formal assumption agreements with the Declarant and the other parties to any such agreements, if so required by the Declarant.

- (g) To assume, enter into and comply with the terms and provisions of any management agreement, sub-metering agreement, utility agreement and any other agreement entered into by the Declarant for and on behalf of the Condominium.
- (h) To enter into, abide by and comply with the terms and provisions of the warranty agreement with the Declarant (the "**Warranty Agreement**") which shall provide that:
 - (i) the Corporation shall have no rights against the Declarant beyond those that are specifically granted to the Corporation under the Act, the Ontario New Home Warranties Plan Act, as amended and by Tarion Warranty Corporation, formerly the Ontario New Home Warranty Program;
 - (ii) the Corporation's only recourse against the Declarant for a final and binding resolution of any outstanding, incomplete or deficient items and any other matters relating to the Property, the Condominium (including the Common Elements) and the building shall be through the process established for and administered by Tarion Warranty Corporation;
 - (iii) the Corporation, together with the Declarant, shall appoint and constitute Tarion Warranty Corporation as the sole and final arbiter of all such matters;
 - (iv) the Corporation shall indemnify and save the Declarant harmless from all actions, causes of action, claims and demands for damages or loss which are brought by the Corporation in contravention of the Warranty Agreement;
 - (v) The Corporation shall acknowledge and agree that it shall have no claim or cause of action as a result of any matter or thing relating to the Property, the Condominium (including the Common Elements) or the Building against any person or legal entity other than the entity named as the Declarant (and against the Declarant only insofar as such rights are limited by the Agreement), notwithstanding that the Declarant may be a nominee or agent of another person, firm, corporation or other legal entity. Such acknowledgment and agreement may be pleaded as an estoppel and bar in any action or proceeding brought by the Corporation to assert any rights, claims or causes of action against any person or legal entity other than the entity named as the Declarant; and
 - (vi) the Warranty Agreement shall not be terminated or terminable by the Corporation following the Turnover Meeting.
- (i) To not object to or oppose any rezoning, minor variance, severance application, approval, development or redevelopment of any other lands owned or controlled by the Declarant or its associated companies within the general vicinity of the Condominium, including, but not limited to, the Nested Potls.
- (j) To not object to any construction activities upon the Nested Potls, nor claim such construction or any resulting noise, dust, vibration is an inconvenience or nuisance with any relevant governmental authorities.
- (k) To grant, convey and provide to the Declarant, or such other party as may be designated by the Declarant, forthwith upon request, any and all authorizations, easements, approvals and/or licenses to provide for any encroachments as may be requested by the Declarant, to facilitate construction activities and completion of any structures on the Nested Potls, including but not limited to, the use of a construction crane and ancillary devices over the Lands, the placement of hoarding, fencing or storage of materials, equipment and products in, on under or above the Lands, the placement of shoring, tiebacks, and/or underpinnings within or upon the subsurface of the Lands, the placement or attachment of lateral structural supports for the protection and benefit of existing foundations, load

bearing walls and other below grade structural components all within the Lands. All of which shall be provided without fee or compensation to the Corporation. The Corporation shall ensure that no actions or steps are taken by anyone which would prohibit, limit or restrict any of the foregoing rights, approvals, licenses granted to the Declarant, or such other party as may be designated by the Declarant.

- (l) 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 in any way prohibit, restrict, limit, hinder or interfere with the Declarant's access and egress over any portion of the Property so as to enable the Declarant to construct and repair all buildings and other improvements required by the Declarant with respect to all Potls, including the Nested Potls.

**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 By-laws 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 Toronto, this _____ day of _____, 201__

CEDARCOVE DEVELOPMENTS INC.

Per: _____
Name:
Title:

I have authority to bind the Corporation

SCHEDULE "A"

IN THE TOWN OF CALEDON, Regional Municipality of Peel, being composed of part of Blocks 98 and 99, Plan 43M-1855 and part of Blocks 96 and 97, Plan 43M-2000, designated as Part 79, on a plan of survey of record deposited in the Land Registry Office for the Land Titles Division of Peel (No.43) as Plan 43R-____, hereinafter referred to as the "Condominium Lands".

Being all of P.I.N 14235-____ (LT).

TOGETHER with rights-of-way or rights in the nature of easements in favour of the owners, their successors and assigns of the Condominium Lands in over, along and upon part of Blocks 98 and 99, Plan 43M-1855 and part of Blocks 96 and 97, Plan 43M-2000, designated as Parts 1 to 78, inclusive, Plan 43R-____ (P.I.N.s 14235-____ to _____, inclusive) for the access of persons, materials, vehicles and equipment necessary for the maintenance, repair, reconstruction and operation of any utility or service, and mechanical or electrical installations appurtenant thereto, including but not limited to water mains, gas mains, storm and sanitary sewers, sump pumps, drainage swales, electrical cables, wires and ducts, telephone and cable televisions, cables, cable and telephone boxes, wires, ducts, street light standards, signs, curbs, sidewalks, acoustic fences, retaining walls, catch basins, manholes, fire hydrants and hydro vaults all of which are situate or to be situate within said Parts 1 to 78, inclusive, Plan 43R-____ and which are the responsibility of the Condominium Corporation to maintain and repair pursuant to the Declaration to which this Schedule "A" is attached

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.

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

Goldman Spring Kichler & Sanders LLP
Solicitors for the Declarant:

CEDARCOVE DEVELOPMENTS INC.

Dated _____

Per: _____
Sheldon Spring

SCHEDULE "B"
CONSENT
(SCHEDULE B TO DECLARATION)

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

1. I(We) have a registered mortgage within the meaning of clause 7(2)(b) of the *Condominium Act, 1998*, registered as Number _____ in the Land Registry Office for the Land Titles (or Registry) Division of _____
2. I(We) consent to the registration of 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 _____, 201____.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the Corporation.

SCHEDULE "B"

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

**CONSENT TO ATTACHMENT OF A COMMON INTEREST
(SCHEDULE B TO DECLARATION FOR A COMMON ELEMENTS
CONDOMINIUM CORPORATION)**

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

1. I (We) _____ have a mortgage registered as Number _____ in the Land Registry Office for the Land Titles (or Registry) Division of _____ against a parcel of land (known as the "Parcel") to which a common interest in a common elements condominium corporation (known as the "Corporation") will attach upon the registration of the attached declaration (known as the "Declaration") dated _____ and the description (known as the "Description") creating the Corporation.
2. I (We) acknowledge that, upon the registration of the Declaration and Description, the Parcel will become subject to all encumbrances, if any, outstanding against the property described in Schedule "A" to the Declaration.
3. I (We) consent to the registration of a notice in the prescribed form indicating that a common interest in the Corporation, as the common interest is set out in Schedule "D" to the Declaration, attaches to the Parcel upon the registration of the Declaration and Description.

Dated this _____ day of _____, 201____.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the Corporation.

SCHEDULE "C"
BOUNDARY OF UNITS

This Schedule is not applicable to a Common Element Condominium

SCHEDULE D

POTL NO.	POTL DESCRIPTION	PERCENTAGE CONTRIBUTION TO COMMON EXPENSES	PERCENTAGE INTEREST IN COMMON ELEMENTS
73	In the Town of Caledon, province of Ontario, being composed of part of Part of Blocks 98 & 99, Plan 43M-1855 and Part of Blocks 96 & 97, Plan 43M-2000, designated as PART 73 on Reference Plan 43R-XXXX being all of P.I.N. XXXX- XXXX (LT).	3.51336	3.51336
74	In the Town of Caledon, province of Ontario, being composed of part of Part of Blocks 98 & 99, Plan 43M-1855 and Part of Blocks 96 & 97, Plan 43M-2000, designated as PART 76 on Reference Plan 43R-XXXX being all of P.I.N. XXXX- XXXX (LT).	3.51336	3.51336
75	In the Town of Caledon, province of Ontario, being composed of part of Part of Blocks 98 & 99, Plan 43M-1855 and Part of Blocks 96 & 97, Plan 43M-2000, designated as PART 77 on Reference Plan 43R-XXXX being all of P.I.N. XXXX- XXXX (LT).	3.01145	3.01145
76	In the Town of Caledon, province of Ontario, being composed of part of Part of Blocks 98 & 99, Plan 43M-1855 and Part of Blocks 96 & 97, Plan 43M-2000, designated as PART 78 on Reference Plan 43R-XXXX being all of P.I.N. XXXX- XXXX (LT).	3.01145	3.01145
		100.00000	100.00000

Common Elements are intended for the use and enjoyment of the owners of the Parcels of tied land for the purpose of Clause 140(a) of the Act.

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.

Sheldon Spring, Goldman, Spring, Kichler & Sanders LLP
 Solicitor and duly authorized agent for
 Cedarcove Developments

SCHEDULE "E"
SPECIFICATION OF COMMON EXPENSES
(Common Elements Condominium)

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

- (a) all sums of money paid or payable by the Corporation in connection with the performance of any of its objects, duties and powers whether such objects, duties and powers are imposed by the Act or this Declaration and By-laws of the Corporation or other law or by agreement;
- (b) all sums of money properly paid by the Corporation on account of any and all public and private suppliers to the Corporation of insurance coverage, utilities and services including, without limiting the generality of the foregoing, levies or charges payable on account of:
 - (i) insurance premiums;
 - (ii) water and sewage and electricity respecting common elements;
 - (iii) maintenance materials, tools and supplies;
 - (iv) snow removal from common element roads and to remove same from the site, if required, and landscaping of common element areas;
 - (v) utilities (hydro, water, etc.) to service the common elements, including all street lighting;
 - (vi) road maintenance of common element roads and sewer maintenance of common element sewers;
- (c) 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;
- (d) 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 in or about the common elements;
- (e) all sums of money paid or payable by the Corporation to any and all persons, firms, or companies engaged or retained by the Corporation, its duly authorized agents, servants and employees for the purpose of performing any or all of the objects, duties and powers of the Corporation including, without limitation, legal, engineering, accounting, auditing, expert appraising, advising, maintenance, managerial, secretarial or other professional advice and service required by the Corporation;
- (f) the cost of equipment for use in and about the Common Elements including the repair, maintenance or replacement thereof;
- (g) the cost of borrowing money for the carrying out of the objects, duties and powers of the Corporation;
- (h) the cost of maintaining fidelity bonds as provided by By-law;
- (i) all sums required to be paid to the reserve or contingency fund as required by the Declaration or in accordance with the agreed upon annual budget of the Corporation.

SCHEDULE "F"

There are no exclusive use portions of the Common Elements.

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:

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

[Check whichever boxes are applicable:]

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

OR

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

OR

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

OR

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

OR

- There are no installations with respect to the provision of water and sewage services.
7. All installations with respect to the provision of heat and ventilation are in place and heat and ventilation can be provided.

OR

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

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

OR

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

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

OR

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

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:]

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:

.....*(specify by reference to the item numbers 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 _____, 201__.

(signature)

(Print name)

[Strike out whichever is not applicable:]

Architect

Professional Engineer]

SCHEDULE "H"

List of all buildings, structures, facilities and services that are included in the Common Elements:

1. Buildings and Structures that the Declaration and Description show are included in the common elements:
 - (a) There are no buildings and structures included in the Common Elements.
2. Facilities and Services that the Declaration and Description show are included in the common elements:
 - (a) Visitor parking spaces.
 - (b) Water, storm and sanitary service.
 - (c) Gas and Hydro service.

SCHEDULE "I"

CERTIFICATE OF OWNER

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

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

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

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

Dated this _____ day of _____, 201__.

CEDARCOVE DEVELOPMENTS INC.

Per: _____
Name:
Title:

I have 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 _____, 201__.

CEDARCOVE DEVELOPMENTS INC.

Per: _____
Name:
Title:

I have authority to bind the Corporation.