

DISCLOSURE STATEMENT

THE VILLAGE

PHASE II STANDARD

The following documentation is being provided by **CEDARCOVE DEVELOPMENTS INC.** (the "**Declarant**") with respect to the proposed standard condominium corporation to be known as "**THE VILLAGE PHASE II CONDOMINIUM**" (the "**Condominium**" or the "**Corporation**") prepared in accordance with the *Condominium Act 1998, S.O. 1998, C.19*, and the regulations thereunder as amended (the "**Act**"):

1. Disclosure Statement (including Table of Contents);
2. Budget Statement for the one (1) year period immediately following the registration of the proposed Declaration and Description;
3. the proposed Declaration;
4. the proposed By-Laws;
5. the proposed Rules;
6. the proposed Management Agreement;
7. the proposed Standard Unit Schedule;
8. the preliminary draft Plan of Condominium;

The disclosure statement contains important information about the proposed condominium project as required by Section 72 of the Act. As the type and amount of disclosure required by the Act is objective, some Purchasers may have special circumstances such that certain provisions contained in the documents have significant importance to them on an individual basis, but have not been summarized as not being significant to the average Purchaser. Purchasers are therefore advised to read all of the documents enclosed (and not simply the disclosure statement itself) in their entirety and to review same with their legal and financial advisors.

Issued: November 12, 2019

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

Declarant's name: Cedar Cove Developments Inc.

Declarant's municipal address: 1 Yorkdale Road, Suite 214, Toronto, Ontario M6A 3A1.

Brief legal description of the property/proposed property: Part of Blocks 98 and 99, Plan 43M-1855, designated as Parts 72 to 76 on a Reference Plan to be registered, Town of Caledon.

Mailing address of the property/proposed property: c/o FirstService Residential Ontario, Suite 101, 2645 Skymark Avenue, Mississauga, Ontario, L4W 4H2.

Municipal address of the property/proposed property: The property currently does not have a municipal address. It is anticipated that each Residential Unit will have a new municipal address on a new street to be registered as an individual address with a specific unit number to distinguish the Residential Unit, however the foregoing is subject to approval by Canada Post and/or the Town of Caledon and therefore may be subject to change.

Condominium corporation: Peel Standard Condominium Plan No. _____ (known as the "Corporation")

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

Purchasers should review all documentation.

In this Table of Contents,

- "unit" or "units" include proposed unit or units;
- "common elements" includes proposed common elements;
- "common interest" includes a proposed common interest; and
- "property" includes proposed property.

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

	MATTER		Specify the article, paragraph (and/or clause) and page number where the matter is dealt with in the existing or proposed declaration, by-laws, rules or other material in the disclosure statement
1.	The Corporation is a freehold condominium corporation that is a standard condominium corporation.		Refer to: Disclosure Statement: Article II, paragraph 2.1, page 1, Declaration: Article I, paragraph 1.3, page 2
2.	The property or part of the property is or may be subject to the <i>Ontario New Home Warranties Plan Act</i> .	Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>	Refer to: Disclosure Statement: Article VI, paragraph 6.1, page 8

3.	<p>The common elements and the units are enrolled or are intended to be enrolled in the Plan within the meaning of the <i>Ontario New Home Warranties Plan Act</i> in accordance with the regulations made under that Act.</p> <p>Note: Enrollment does not necessarily mean that claimants are entitled to warranty coverage. Entitlement to warranty coverage must be established under the <i>Ontario New Home Warranties Plan Act</i>.</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	<p>Refer to: Disclosure Statement: Article VI, paragraph 6.2, page 8</p>
4.	<p>A building on the property or a unit has been converted from a previous use.</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	<p>Refer to: Disclosure Statement: Article V, paragraph 5.1, page 8 and Article VII, paragraph 7.1, page 8</p>
5.	<p>One or more units or a part of the common elements may be used for commercial or other purposes not ancillary to residential purposes.</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	<p>Refer to: Disclosure Statement: Article VIII, paragraph 8.1, page 8 and XIX, paragraph 19.1, page 16</p>
6.	<p>A provision exists with respect to pets on the property.</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	<p>Refer to: Declaration: Article, III, paragraph 3.6, page 7 and Article IV, subparagraph 4.2(c), Page 8</p>
7.	<p>There exist restrictions or standards with respect to the use of common elements or the occupancy or use of units that are based on the nature or design of the facilities and services on the property or on other aspects of the buildings located on the property.</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>	<p>Refer to: Declaration: Article III, paragraphs 3.1-3.7, pages 4-7 and Article IV, paragraphs 4.1 - 4.4, pages 7-14 Disclosure Statement: Article IV, paragraph 4.8, page 7</p>
8.	<p>The Declarant intends to lease a portion of the units.</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	<p>Refer to: Disclosure Statement: Article X, paragraph 10.1, page 8</p>
9.	<p>The common interest appurtenant to one or more units differs in an amount of 10 percent or more from that appurtenant to any other unit of the same type, size and design.</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	<p>Refer to: Schedule "D" to the Declaration and the Budget</p>
10.	<p>The amount that the owner of one or more units is required to contribute to the common expenses differs in an amount of 10 percent or more from that required of the owner of any other unit of the same type, size and design.</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	<p>Refer to: Schedule "D" to the Declaration and the Budget</p>
11.	<p>One or more units are exempt from a cost attributable to the rest of the units.</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>	<p>Refer to: Budget and Schedule "D" to the Declaration</p>

12.	<p>There is an existing or proposed by-law establishing what constitutes a standard unit.</p> <p>Under clause 43(5)(h) of the Condominium Act, 1998, the declarant is required to deliver to the board a schedule setting out what constitutes a standard unit.</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Accompanying the Disclosure Statement is the Schedule contemplated under clause 43(5) (h) of the <i>Condominium Act 1998</i>.</p>
13.	<p>Part or the whole of the common elements are subject to a lease or a licence.</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Refer to: No Reference</p>
14.	<p>Parking for owners is allowed:</p> <p>(a) in or on a unit;</p> <p>(b) on the common elements;</p> <p>(c) on a part of the common elements of which an owner has exclusive use.</p> <p>There are restrictions on parking.</p>	<p>Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p>	<p>Refer to:</p> <p>Declaration: Article IV, paragraph 4.2(k), page 11, paragraph 4.3(m), page 14</p> <p>Rules, Section 11</p> <p>Declaration: Article IV, paragraph 4.2(k), page 11, paragraph 4.3(m), page 14, and Rules, Section 11</p>
15.	<p>Visitors must pay for parking.</p> <p>There is visitor parking on the property.</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Refer to:</p> <p>Disclosure Statement: Article IV, paragraph 4.7, page 7</p> <p>Disclosure Statement: Article IV, paragraph 4.7, page 7</p>
16.	<p>The declarant may provide major assets and property, even though it is not required to do so.</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Refer to:</p> <p>Disclosure Statement: Article XXI, paragraph 21.1, page 16</p>
17.	<p>The corporation is required:</p> <p>(a) to purchase units or assets;</p> <p>(b) to acquire services; The services are hydro and water submetering agreements</p> <p>(c) to enter into agreements or leases with the declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the declarant. The Corporation shall enter into a Warranty Agreement</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p>	<p>Refer to:</p> <p>Disclosure Statement: Article XXII, paragraph 22.1, page 16</p> <p>Disclosure Statement: Article XII, paragraph 12.2(d), pages 11-12</p> <p>Disclosure Statement: Article XII, paragraph 12.5, pages 12-13</p> <p>Declaration Article VIII, paragraph 8.1(p), page 22</p> <p>By-law #2</p>

18.	<p>The declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the declarant owns land adjacent to the land described in the description.</p> <p>(1) The current use of the land is: The lands comprise vacant lands which will form a future common elements condominium and parcels of tied land within which the Declarant intends to construct residential dwellings and commercial units.</p> <p>2. The Declarant has made representation respecting the future use of the land. The Disclosure Statement contains a statement of the representations.</p> <p>3. Applications have been submitted to an approval authority respecting the use of the land. The Disclosure Statement contains a summary of the applications.</p>	<p>Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p>	<p>Refer to: Disclosure Statement: Article IV, paragraph 4.2, pages 1-3 and Article XXIII, paragraph 23.1, page 16</p> <p>Disclosure Statement: Article IV, paragraph 4.2, pages 1-3 and Article XXIII, paragraph 23.1, page 16</p> <p>Disclosure Statement: Article IV, paragraph 4.2, pages 1-3 and Article XXIII, paragraph 23.1, page 16</p>
19.	<p>To the knowledge of the declarant, the Corporation intends to amalgamate with another corporation or the declarant intends to cause the Corporation to amalgamate with another corporation within 60 days of the date of registration of the declaration and description for the Corporation.</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Refer to: Disclosure Statement: Article XIII, paragraph 13.1, page 13</p>
20. to 27.	NOT APPLICABLE	N/A	N/A

The purchaser's rights under the *Condominium Act, 1998* to rescind an agreement of purchase and sale are set out at Article XVI paragraph 16.1 and Article XVII, paragraph 17.1 of the Disclosure Statement.

This disclosure statement is made this 12th day of November, 2019.

DISCLOSURE STATEMENT
(under subsection 72(3) of the *Condominium Act, 1998*)

I DATE OF DISCLOSURE STATEMENT

1.1 Date

This disclosure statement is made this 12th day of November, 2019.

II TYPE OF CORPORATION

2.1 Type

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

III. NAME AND MUNICIPAL ADDRESS OF DECLARANT, AND MAILING AND MUNICIPAL ADDRESSES OF THE PROPOSED PROPERTY

3.1 Declarant

The name and municipal address of the Declarant are as follows:

DECLARANT: CEDARCOVE DEVELOPMENTS INC.
1 Yorkdale Road
Suite 214
Toronto, Ontario
M6A 3A1

3.2 Condominium

The name, mailing address and municipal address of the Condominium or the proposed property are as follows:

PEEL STANDARD CONDOMINIUM CORPORATION NO. _____ :

Municipal Address: The property currently does not have a municipal address. It is anticipated that each Residential Unit will either have a new municipal address on a new street to be registered as an individual address with a specific unit number to distinguish the Residential Unit, however the foregoing is subject to approval by Canada Post and/or the Town of Caledon and therefore may be subject to change.

Mailing Address: c/o FirstService Residential Ontario
Suite 101
2645 Skymark Avenue
Mississauga, Ontario
L4W 4H2

IV. GENERAL DESCRIPTION OF THE PROPERTY

4.1 Legal Description of the Property

The condominium to be created (herein referred to as the "**Corporation**" or the "**Condominium**") is to be located on the property that will legally be described as Part of Blocks 98 and 99, Plan 43M-1855, designated as Parts 72 to 76 on a Reference Plan to be registered, (the "**Draft Reference Plan**"), Town of Caledon (the "**Property**"). Please refer to Schedule "A" of the Declaration for the legal description.

4.2 Division and Composition of the Project

The Condominium is to be constructed on a site which is situate on the west side of Kennedy Road, in the Town of Caledon, as part of a larger common elements condominium. Included in the common elements condominium will be an internal road

system as well as other facilities as more particularly set out in a separate disclosure statement to be delivered to each Purchaser (the “**Common Elements Condominium**”). Included in the disclosure statement for the Common Elements Condominium, is a plan which outlines the additional lands owned by the Declarant upon which proposed freehold dwellings (Potls) will be located. Each of the dwellings to be developed as part of the Common Elements Condominium will be designed and described as parts on a proposed draft reference plan, and each owner of a dwelling will have a common interest in the Common Elements Condominium, thereby comprising parcels of tied land to the Common Elements Condominium (the “**Potls**”). As noted in the disclosure statement for the Common Elements Condominium, there are also additional Potls on the proposed draft reference plan on which it is intended that one or more standard condominiums will be constructed (“**Nested Potl or Nested Potls**”). The Property for this standard condominium comprises one of the Nested Potls.

As noted in the disclosure statement for the Common Elements Condominium, there are approximately sixty-nine (69) Potls, each to contain an individual dwelling. In addition, the disclosure statement for the Common Elements Condominium indicates that there are additional Potls on Parts 70 to 78 inclusive on the Draft Reference Plan on which it is intended that one or more standard condominiums will be constructed containing approximately one hundred and three (103) residential dwelling units and approximately fourteen (14) commercial units and being referred to as the Nested Potls. As indicated above, this Condominium comprises one of the Nested Potls. References should be had to the disclosure statement for the Common Elements Condominium describing the facilities, costs, restrictions and obligations governing this Condominium, by being a Potl in the Common Elements Condominium, including the obligation to pay common expenses with respect to the Common Elements Condominium.

The Condominium, including the Common Elements Condominium is located on lands bounded by Dougall Avenue to the north; Waterville Way to the south; Kennedy Road to the east and lands owned by the Town of Caledon to the West upon which a municipal park is located.

The property line between the Condominium and the Common Elements Condominium will be determined as construction proceeds to ensure that each development is appropriately constructed and located. The final configuration of the Property as well as the Common Elements Condominium, including the unit count is subject to approval by the Town of Caledon.

The Condominium will be comprised of: (i) a three (3) storey building, with a rooftop amenity space containing approximately twenty-one (21) residential dwellings therein; (ii) seven (7) Commercial Units (as defined below), however the Declarant reserves the right to increase or decrease the number of Commercial Units within the Condominium; (iii) twenty-eight (28) three storey residential townhouse dwelling units contained within two (2) blocks, each of which will be three (3) storeys above grade; and (iv) various amenities and services which facilitate and service the Condominium.

Delivered to each Purchaser with this Disclosure Statement are reduced copies of the draft Condominium Plan showing the proposed location of the Condominium as well as the units in the Condominium. The draft Condominium Plan is provided to indicate approximate location only and may not be relied upon for actual location of partition walls, interior room location, room size, location of fixtures or other details which may be noted on the draft Condominium Plan. The draft Condominium Plan is intended to give purchasers an overview of the units in the Condominium and the location of the Condominium and the location of the Common Element Condominium. The actual location of structures on the draft plan of condominium may be altered and/or revised to comply with the final site plan and other approvals from the Town of Caledon and other appropriate governmental authorities. The Declarant reserves the right to reconfigure the Condominium from time to time.

Purchasers in the Condominium are notified that during the construction of the Condominium and construction of the dwellings and other services on the Common Element Condominium, both before and after occupancy of the Residential Units, the Declarant, its contractors, suppliers and trades will be entitled to use those portions of the common elements of the Condominium as may be necessary and that, during

construction, a certain amount of dust, noise and heavy traffic will occur. The Declarant will take reasonable efforts to ensure that its contractors, suppliers and trades will carry out their work on behalf of the Declarant, in such a manner as to reasonably reduce and minimize the degree of interference and discomfort of the residents of the Condominium, with their use and enjoyment of the Property, provided that nothing shall derogate from the right of the Declarant to complete construction of the Condominium or the development of the Common Element Condominium. In addition, it may be necessary for the Declarant to close, temporarily, portions of the common element areas, including portions of the internal road system to facilitate construction on the Common Element Condominium. In accordance therewith, the Declarant shall be entitled to a temporary easement, without fee or compensation, for such purpose. In addition, provided that the Declarant exercises reasonable care and diligence in carrying out any construction within the Common Element Condominium in compliance with applicable by-laws, regulations and ordinances, the Corporation will be under a duty to co-operate with the Declarant to facilitate such construction which may include, for example, the operations of a construction crane and swing above some portions of the Condominium.

Purchasers are further advised that notwithstanding the completion and construction of the amenities and facilities which are to be contained in the Condominium, until completion of the Declarant's sales/marketing program involving the conclusion of the sales of Units in the Condominium as well as any dwelling to be constructed in the Common Element Condominium or any other lands owned by the Declarant in the vicinity of the Condominium, the Declarant, its sales staff, agents, employees and invitees shall have the continued right of access to inspect and view and use such areas without fee or charge, and any other portion thereof as part of its marking/sales program, including a sales/rental/administrative office, advertising signage and displays and model suites for display purposes as the Declarant may select. The Declarant shall not be charged for the use of such areas nor for any utilities supplied thereto, nor shall the Condominium (or anyone on their behalf) prevent or interfere with the Declarant's right of access and use of such areas in the manner as aforesaid, it being acknowledged and agreed that it is in the ultimate best interests of all parties that the Declarant successfully complete its marketing/sales programs.

The Declarant will be making (or has made) applications for site plan approval, minor variance and condominium draft plan approval and may also be obligated to enter into various development and collateral agreements with the Town of Caledon and other applicable governmental authorities. These agreements, if required, will enure to and be binding on the Condominium following registration. The Declarant reserves the right to implement any changes necessitated in order to obtain such approval(s) required by the applicable governmental authority.

4.3 Proposed Types and Number Units

- (i) As mentioned above, it is proposed that the Condominium will consist of approximately forty-nine (49) residential units being approximately twenty-eight (28) three storey residential townhouse dwelling units and approximately sixteen (16) single storey apartment dwelling units and five (5) through townhouse units sited above one level commercial unit(s) (the "**Residential Units**").

The Declarant proposes to construct Residential Units which will be offered in a choice of bedroom layouts and therefore, the Declarant cannot state with any certainty the number of bedroom(s) per Residential Unit as same will be dependent on choices made by individuals at the time of purchase.

Purchasers are advised that the Declarant shall have the right to increase or reduce the number of Residential Units in the Condominium including, without limiting the generality of the foregoing, by splitting or combining one or more proposed Residential Units and/or changing the style or configuration and the types of Residential Units contained in the Condominium and/or change the type of Residential Units contained in any block of Residential Units, in its sole discretion; provided however that the Purchaser's Residential Unit shall not be materially altered as a result of the foregoing changes to the Condominium and provided that the Purchaser's proportionate share of common interest and common expenses as set out in the Declaration, shall not be materially altered. In

the event of such changes to the Condominium, the Declaration and the Budget will be amended accordingly and such changes shall not be construed as material amendments to this Disclosure Statement. Please refer to the Declaration for further details and restrictions with respect to these units.

- (ii) Approximately seven (7) commercial units ("**Commercial Units**") are to be located on Level 1 of the Condominium. Purchasers are advised that the Commercial Units may be used for those permitted uses as set out in the relevant by-laws of the Town of Caledon as applicable to the Property from time to time, save and except for additional restrictions which are more particularly set out in Section 4.3 of the Declaration. Purchasers are advised that the Declarant shall have the right to increase or reduce the number of Commercial Units in the Condominium by splitting or combining one or more proposed Commercial Units and/or changing the style or configuration and the Commercial Units contained in the Condominium in its sole discretion; provided however that the Purchaser's Commercial Unit shall not be materially altered as a result of the foregoing changes to the Condominium and provided that the Purchaser's proportionate share of common interest and common expenses as set out in the Declaration, shall not be materially altered. In the event of such changes to the Condominium, the Declaration and the Budget will be amended accordingly and such changes shall not be construed as material amendments to this Disclosure Statement. Please refer to the Declaration for further details and restrictions with respect to Commercial Units.

4.4 Utilities/Cable Television/Telephone/Refuse Collection/Mail

- (a) (i) Hydro and Water

The Condominium is being designed so that hydro and water service supplied to the Condominium is bulk metered. The cost of hydro and water consumed within the common element areas comprises part of the common expenses and is included in the Budget Statement.

The Declarant intends to install individual meters to each of the Commercial Units and residential townhouse units and to install sub-meters or consumption meters to each of the residential apartment units, which meters shall read the amount of hydro and water being consumed in each of the Residential Units and Commercial Units. In the event that hydro and/or water will not be separately metered with respect to the Commercial Units and/or the residential townhouse units, in such event, the Declarant reserves the right to install sub-meters or consumption meters with respect to same. Owners will be billed by the respective utility or by the Corporation or a third party company in accordance with the individual or sub-meter reading, as the case may be. Each Owner would then be responsible to pay the costs of the individual or sub-metered hydro and water supplied to his/her Residential Unit and Commercial Unit as determined by the said individual meter or sub-meter for his/her Residential Unit and Commercial Unit and such payment will not be credited against his/her obligation to pay common expenses. Purchasers are advised that in the event the Declarant or the Corporation retains the services of a third-party service provider, as aforesaid to read the sub-meters and to supply invoices for hydro and water services consumed within any Unit, the said company may charge a monthly administration and distribution fee to each Owner, and may require payment of a security deposit on or before the Occupancy Date. In addition, the third-party service provider may require Owners to enter into a utility supply and services agreement on or before the Occupancy Date, in its prescribed form. Purchasers agree to sign all contracts, documents and acknowledgements that may be required from time to time, by the Declarant or the third party service provider in this regard. The Corporation may also be required to enter into a utility supply and services agreement (the "**Utility Supply and Services Agreement**"), as hereinafter described with the third party service provider or distributor to confirm that such third party service provider(s) owns the utility

consumption meters and governing the understanding with the Corporation concerning the ownership, operation, maintenance, repair and replacement of the utility distribution system within the Condominium. If, for any reason, the Declarant is unable to provide separate sub-meter or consumption meters for hydro and/or water, same will be bulk metered, added to the common expenses and included in the Budget and such additional costs shall be deemed not to be a material change.

(ii) Gas

The Condominium is being designed so that gas service supplied to each of the Residential Units and Commercial Units is individually metered and each owner of a Residential Unit or Commercial Unit will be invoiced directly by the local utility company for gas consumed within the Residential Unit and Commercial Units and accordingly such charges will not be included in the common expenses.

In the event that gas will not be individually metered to each Residential Unit or Commercial Unit, gas service shall be provided on a bulk basis. In such event, the Declarant reserves the right to install individual sub-meters for each Residential Unit and Commercial Unit, which shall measure the gas consumption within each Residential Unit and Commercial Unit. The Corporation or a third party service provider will then issue and submit a separate invoice to the owners of the Residential Units and Commercial Units reflecting each owner's proportionate share of the bulk gas bill for the gas consumed by the Residential Units and Commercial Units determined or established pursuant to the reading taken by or on behalf of the Corporation of the sub-meter or consumption meters appurtenant to the Residential Units and Commercial Units. The Residential Unit and Commercial Unit owners shall be obliged to pay to the Corporation or to the third party service provider his/her proportionate share of the bulk gas bill with his/her next monthly contribution towards common expenses. Purchasers are advised that in the event the Declarant or the Corporation retains the services of a third-party service provider, as aforesaid to read the sub-meters and to supply invoices for gas services consumed within any Unit, the said company may charge a monthly administration and distribution fee to each Owner, and may require payment of a security deposit on or before the Occupancy Date. In addition, the third-party service provider may require Owners to enter into a utility supply and services agreement on or before the Occupancy Date, in its prescribed form. Purchasers agree to sign all contracts, documents and acknowledgements that may be required from time to time, by the Declarant or the third party service provider in this regard. The Corporation may also be required to enter into a Utility Supply and Services Agreement, with the third party service provider or distributor to confirm that such third party service provider(s) owns the utility consumption meters and governing the understanding with the Corporation concerning the ownership, operation, maintenance, repair and replacement of the utility distribution system within the Condominium. If, for any reason the Declarant is unable to provide separate sub-meters or consumption meters for gas, same will be bulk metered, added to the common expenses and included in the Budget, and such additional costs shall be deemed not to be a material change.

(b) Cable Television

Each Residential Unit will be prewired for cable television and internet access. Such services will not be provided on a bulk basis and each owner must contract independently with the service provider for the supply of the service.

(c) Telephone

Each Residential Unit will include a conduit to allow for wiring for telephone services. Each Residential Unit owner must contract independently with the service provider for telephone services.

(d) Refuse Collection and Recycling

It is anticipated that Regional refuse collection will be provided to the Residential Units within the Condominium. Recycling of refuse is required by the Municipality and residents will be required to sort refuse in accordance with the recycling requirements of the Municipality. Residents of Residential Units within the building containing both the Residential and Commercial Units will be required to take refuse and recyclables to designated bins located within the refuse collection facility within the Condominium. If for whatever reason, Regional refuse collection is not available, or should the Declarant determine that private collection is more cost effective, the Declarant will contract with a private company for the collection of refuse and recyclables from the Residential Units within the Condominium. In that event, the Budget will be amended to take into account the increased cost associated with private refuse collection and disposal.

Regional refuse collection will not be provided to the Commercial Units. The owners/occupants of Commercial Units will be obligated to contract with a private company for the collection of refuse and recyclable materials at his/her own expense. It is intended that the Manager will assist in arranging private collection of waste for the Commercial Units.

(e) Mail Delivery

Residents of the dwellings are not expected to receive mail delivery on a door to door basis. Residents will be required to retrieve mail from one or more community mailbox facilities located within the vicinity, as determined by the Declarant in conjunction with Canada Post.

4.5 Recreational and Other Amenities

(a) Amenities To Be Provided

The Declarant will provide the following recreational and other amenities to the Condominium:

- (i) A rooftop amenity area including lounge area, exterior servery and barbeque; and
- (ii) A central mailbox facility as determined by Canada Post. Residents may be required to use the central mailbox located within the Common Element Condominium.

(b) Restrictions for Amenities

- (i) Only residents of Residential Units in the Condominium, their respective tenants and household and invited guests shall have the use of the amenities subject to the Rules of the Condominium Corporation. Owners of Commercial Units and their respective tenants and occupants shall not have the use of the amenities.
- (ii) The Declarant shall determine the type of furnishings and equipment to be provided for the amenities and in connection with all or any other areas of the Condominium and Common Elements in its sole discretion and same may be provided after registration of the Condominium under the Act.
- (iii) The amenities are presently conceptual. Other amenities may be substituted for the amenities listed above or additional amenities may be

provided or some or all of the amenities listed above may be removed and therefore never constructed.

(c) Commencement and Completion Dates for Construction of Amenities

Construction of the amenities is anticipated to commence in the spring of 2022, and the proposed date for their completion is the fall of 2022. Please note, however, that the foregoing anticipated dates may be delayed due to strikes and other labour disruptions, as well as shortages of material(s) and equipment, or due to inclement weather conditions, or by other causes or events beyond the Declarant's control. Notwithstanding the foregoing, completion of the said amenities will occur within twelve (12) months following registration of the Condominium.

(d) Amenities To Be Provided During the Period of Interim Occupancy

It is unlikely that any of the amenities to be contained within the Condominium will be operational and available for use or enjoyment by any unit purchasers during their respective periods of interim occupancy.

4.6 Easements

The Condominium will be subject to those easements as disclosed by the registered title and created in Schedule "A" to the Declaration. In addition to the easements existing and noted on title to the Property as of the date of this Disclosure Statement, further easements are contemplated to be registered. The Condominium may receive and may be subject to easements as required for the purpose of providing access to servants, agents and contractors, to maintain, repair, replace or service any equipment, system or any other item provided by any utility; and for easements in favour of the Declarant for the purpose of providing access for contractors, installation of facilities and other associated easements required for the construction of the Condominium and the Common Elements Condominium or any other easements which may be required by the Municipality or any other governmental or approval authority. The Condominium may also be subject to tie-back and crane swing agreements/easements in favour of other Nested Potls which agreements/easements shall grant, inter alia, crane swing, tie-back, shoring and hoarding rights.

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

4.7 Visitor Parking

As set out in the Disclosure Statement for the Common Elements Condominium, approximately thirty-eight (38) outdoor surface parking spaces within the Common Elements Condominium will be available for use by visitors. These spaces will be available to all residential and commercial visitors, including those visiting standard condominiums to be created within Nested Potls, of which this Condominium is one. In addition, owners and employees of the Commercial Units will also be permitted to use these visitor parking spaces. Please refer to the disclosure statement for the Common Elements Condominium for more details regarding the visitor parking spaces. There are no additional visitor parking spaces contained within this Condominium.

4.8 Smoking

The Declaration and the Rules contain a prohibition on smoking within the Common Elements, including any exclusive use Common Elements, the outdoor rooftop terrace and within nine meters of any door or window of any building or structure on the Property. Smoking includes the inhaling, breathing, vaping or possession of any ignited cannabis, cigarette, cigar, pipe, electronic cigarette or other product containing any amount of tobacco, cannabis or other smoke producing substance. Smoking is permitted within a Residential Unit or Commercial Unit provided however it does not constitute a nuisance as set out in the Declaration or Rules.

V NO CONVERSION OF RENTED RESIDENTIAL PREMISES

- 5.1 No building intended to be developed and constructed by the Declarant on the Property has been or will be converted from a previous use and the Building(s) to be constructed on the Property will be new construction. The Declarant has not made application pursuant to subsection 9(4) of the Act for the approval to convert previously used or existing rented residential premises to condominium tenure.

VI ONTARIO NEW HOME WARRANTIES PLAN ACT ("ONHWPA")

6.1 Applicability

The Property is subject to the ONHWPA, except for the Commercial Units.

6.2 Enrollment

As at the date of this Disclosure Statement, the proposed Residential Units and common elements have not been enrolled under the ONHWPA. The Declarant intends to enroll the Residential Units and common elements in the Condominium pursuant to the ONHWPA in accordance with the regulations made under the ONHWPA. The Commercial Units will not be enrolled under the ONHWPA.

VII NO CONVERSION FROM PREVIOUS USE

- 7.1 No building on the Property, nor any proposed units, has been converted from a previous use. All buildings to be constructed on the Property and comprising the Condominium (in whole or in part) will be new construction.

VIII NON-RESIDENTIAL USE

- 8.1 The Commercial Units may be used for commercial or other purposes not ancillary to residential purposes. The Residential Units may be used for such purposes as permitted by the applicable zoning by-laws.

IX BLOCKS OF UNITS MARKETED TO INVESTORS

- 9.1 The Declarant reserves the right to market Units in blocks to investors. No restriction has been placed on the number of Units that may be purchased by an individual or a corporation.

X PORTION OF UNITS DECLARANT INTENDS TO LEASE

- 10.1 While the Declarant intends to market and sell all of the residential units in this Condominium to individual unit purchasers, the Declarant reserves the right to lease any units in the Condominium to one or more third party tenants (particularly if the prevailing market makes it economically viable to do so, where sales are not easily achieved or obtainable), and accordingly, the portion of units (to the nearest anticipated 25 percent) that the Declarant intends or anticipates to lease is presently 0 percent.

XI DECLARATION, BY-LAWS AND RULES

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

XII BRIEF DESCRIPTION OF SIGNIFICANT FEATURES OF VARIOUS AGREEMENTS

12.1 Proposed Management Agreement (Section 111 of the Act)

- (a) The Corporation will enter into a Management Agreement with a condominium property manager (the "**Manager**") pursuant to which the Manager is to be the sole and exclusive representative and managing agent of the Corporation subject to overall control of the Corporation, for a period of three (3) years from the date of registration of the Declaration. The duties of the Manager are fully set out in

the Management Agreement and do not include the duties of the directors and officers of the Corporation as set forth in the by-laws unless specifically stated otherwise in the Management Agreement. The Manager is entitled to act in the name of the Corporation in order to carry out the Corporation's duties under the Declaration, the Act and the By-laws. The Manager will collect and expend the common expenses and supply monthly statements and annual budgets.

- (b) The Corporation is to pay the Manager for its managerial services the sum as set out in the Budget during the first year of the Management Agreement. The Management Agreement may be terminated by the Corporation pursuant to the provisions of Section 111 of the Act.
- (c) The duties of the Manager include enforcing the terms of the Declaration, by-laws and rules; advising the Board as to any additional by-laws or rules which should be established to assist in the operation of the Property; collecting and receiving monies payable by the Owners and depositing same into the appropriate trust accounts; utilizing such funds to make payments of accounts including insurance, repairs and maintenance; attempting to collect delinquent accounts; keeping accurate accounts and records of financial transactions involved in the management of the Property.
- (d) The Manager may engage a parent or subsidiary corporation or person affiliated to perform any work or services for the Corporation subject to the restrictions set out in the Management Agreement. Upon registration of the Declaration and thereafter prior to the beginning of each fiscal year during the term of the Management Agreement, the Manager shall provide the Board with an estimated budget for the following year.
- (e) A copy of the proposed Management Agreement is included with this Disclosure Statement. Purchasers are advised to review the actual Management Agreement for a complete understanding of the provisions contained therein. This summary is qualified in all respects by the Management Agreement itself.

12.2 Other Agreements

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

(a) Reserve Fund Study

The Condominium is obliged to establish and maintain one or more reserve funds to cover the costs of the major repair and replacement of the common elements and assets of the Condominium. In turn, the Condominium is obliged to retain an independent and qualified consultant to conduct a reserve fund study, for and on behalf of the Condominium, within the first year following registration, in accordance with the provisions of section 94(4) of the Act. The reserve fund study will confirm, amongst other things, the adequacy of the reserve fund, and the annual appropriation necessary to cover the anticipated repair and replacement costs of the common elements and other assets of the Condominium, based on their respective life expectancy. The reserve fund study must be updated on a periodic basis, at the times and in the manner prescribed by the Act. Pending the Condominium's receipt of the first reserve fund study and its implementation of a proposed funding plan with respect thereto (if same is necessary), the total amount of the contributions to the reserve fund shall in no case be less than 10% of the budgeted amount required for contributions to the common expenses, exclusive of the reserve fund.

The proposed first year budget statement makes specific reference to the estimated cost of retaining a qualified consultant to conduct the reserve fund study, for and on behalf of the Condominium. This estimate has been based on a price figure negotiated by the Declarant with a duly qualified and independent third party consultant, to undertake the reserve fund study on behalf of the Condominium immediately after the Condominium has been created. In the event that the non-declarant board of directors terminates the contract entered into and

chooses to retain an alternate consultant to undertake the reserve fund study, or to prepare a second reserve fund study at a cost or figure higher than the negotiated price or additional cost in the case of a second study, then with respect to the Declarant's accountability for any deficiency in the first year budget arising pursuant to section 75 of the Act, it is the Declarant's stated position that it shall only be responsible for the amount of the negotiated price, insofar as the cost of the reserve fund study is concerned, and that any expenditure in excess of said amount shall be the sole responsibility of the Condominium. Purchasers are hereby advised to carefully review the first year budget statement enclosed herewith for further details.

(b) Performance Audit

The Condominium will be obliged to engage or retain a consultant [who holds a certificate of authorization within the meaning of the Professional Engineers Act, or alternatively a certificate of practice within the meaning of the Architects Act] to conduct a performance audit of the common elements on behalf of the Condominium, no earlier than 6 months and no later than ten (10) months following registration, in accordance with the provisions of section 44 of the Act, and to inspect and report on the condition or state of repair of all major components of the building(s) comprising part of the common elements as specified by the Act. Before the end of the 11th month following the registration of the declaration, the person who conducts the performance audit is obliged to submit his or her report on the state of the deficiencies (if any) with respect to the common elements of the Condominium, to the board of directors, and to file such report with the Tarion Warranty Corporation. Once such report has been filed with the Tarion Warranty Corporation, it shall be deemed to constitute a notice of claim under the *Ontario New Home Warranties Plan Act R.S.O. 1990* as amended, for the deficiencies disclosed therein.

Pursuant to the provisions of the declaration, the Condominium is obliged to 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 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 to also 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 the Condominium and the corresponding submission of the performance auditor's report to the board and the Tarion Warranty Corporation.

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

(c) Financial Audit

The Condominium is obliged to retain the services of a qualified and independent chartered accountant or auditor, in order to have audited financial statements prepared as of the last day of the month in which the turnover meeting is scheduled to be held. Said financial statements are obliged to be delivered by the Declarant to the board within 60 days after the turnover meeting, in accordance with section 43(7) of the Act, but all such financial statements are to be prepared at the expense of the Condominium. In addition, the Condominium's auditor must prepare a set of annual audited financial statements in respect of the Condominium and the auditor must present said financial statements before the annual general meeting of the owners, and submit a formal report on such statements to the Condominium (on behalf of the owners) in accordance with the provisions of sections 66 to 71 of the Act.

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

(d) Utilities Supply and Services Agreement(s)

As previously set out, the Declarant (on behalf of the Condominium) may enter into a contract with a third party service provider or providers (collectively, the "Provider") for the installation of electricity and/or water infrastructure and/or supply of electricity and/or water and/or gas to the Condominium. In addition, the Declarant (on behalf of the Condominium) may enter into a contract with a Provider to read, maintain and repair the electricity and/or water and/or gas sub-meters on a periodic basis and to issue invoices to the owner or occupant of each unit for the amount of electricity and/or water and/or gas consumed by each unit plus associated costs. In such event, the Purchaser acknowledges:

- (i) the Provider will make a capital contribution to the Condominium by supplying, installing, proving and commissioning any such meters. The meters shall not be a fixture or form part of the common elements of the Condominium or property of any Owner and shall be owned by the Provider at all times. The Owner, Condominium and/or occupants shall not, directly or indirectly, interfere with the operation of, or remove, relocate, suspend, disconnect, alter, terminate or damage such meters;
- (ii) each Residential Unit and Commercial Unit shall be separately sub-metered to measure the consumption of electricity and/or water and/or gas and associated costs for each Residential Unit and Commercial Unit shall not be part of the common expenses allocable to such Residential Unit and Commercial Unit. Each Residential Unit and Commercial Unit Owner and/or occupants shall be responsible for payment of all costs and expenses for electricity and/or water and/or gas consumed by the Residential Unit and Commercial Unit. The Provider shall have access rights specified in the Utility Supply and Services Agreement as well as other rights to be contained therein;

- (iii) each Residential Unit and Commercial Unit Owner and/or occupant shall sign a Utility Supply and Services Agreement and deliver such signed agreement to the Provider on or before the Occupancy Date. Each Residential Unit and Commercial Unit Owner and/or occupants may be required to pay a security deposit to the Provider on or before the Occupancy Date and the Provider shall have the right to conduct credit checks on each Residential Unit and Commercial Unit Owner and/or occupant;
- (iv) in the event that a Residential Unit or Commercial Unit Owner and/or occupant fails to pay any amount owing to the Provider when due, the Provider may employ its normal collection practices which may include terminating the supply of electricity and/or water and/or gas to the Residential Unit or Commercial Unit until all amounts owing by such Residential Unit or Commercial Unit Owner and/or occupant to the Provider have been paid in full; and
- (v) the Condominium shall enter into a Utility Supply and Services Agreement and in the event that such agreement is terminated pursuant to Section 112 of the Act or otherwise, the Provider shall have the right (but not the obligation) to remove their meters (or any part thereof) from the Condominium and/or recover its capital investment in the Condominium and all associated termination, disconnection and removal costs.

(e) Miscellaneous Contracts

The Declarant Board will enter into such contracts as may be necessary or required for the provision of services to the Condominium including, without limitation, hydro, water, gas, (including any sub-metering of any utility as described in sub-paragraph (d) above) landscaping, snow removal, pest control, window washing, garage sweeping and maintenance, provision of supplies, cleaning services, insurance, accounting services, garbage removal and other such matters as may be required for the orderly operation of the business of the Corporation, some of which may be terminated by the Corporation pursuant to Section 112 of the Act.

12.3 Mutual Use Agreements (Section 113 of the Act)

The Declarant does not intend on entering into agreements for the mutual use, provision or maintenance or cost-sharing of facilities or services.

12.4 Portion of Common Elements Subject to a Lease

- (a) the Declarant does not intend on entering into any leases over the Common Elements of the Condominium.

12.5 Warranty Agreement Between Condominium and the Declarant

The Declarant Board shall enter into an agreement (the "**Warranty Agreement**") on behalf of the Corporation with the Declarant, which shall provide that:

- (a) the Corporation shall have no rights against the Declarant beyond those that are specifically granted to the Corporation under the Act, the ONHWPA and by Tarion Warranty Corporation, formerly the Ontario New Home Warranty Program;
- (b) the Corporation's only recourse against the Declarant for a final and binding resolution of any outstanding, incomplete or deficient construction items and any other related matters relating to the Property, the Condominium and the Building shall be through the process established for and administered by Tarion Warranty Corporation;
- (c) the Corporation, together with the Declarant, shall appoint and constitute Tarion Warranty Corporation as the sole and final arbiter of all such matters;

- (d) the Corporation shall indemnify and save the Declarant harmless from all actions, causes of actions, claims and demands for damages or loss which are brought by the Corporation in contravention of the Warranty Agreement;
- (e) 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 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 maybe pleaded as an estoppel and bar in any action or proceeding brought by the Corporation to assert any rights, claims or causes or action against any person or legal entity other than the entity named as the Declarant; and
- (f) the Warranty Agreement shall neither be terminated nor terminable by the Corporation following the Turnover Meeting.

XIII AMALGAMATION

13.1 Statement regarding amalgamation

- (a) The Declarant does not intend to cause the Corporation to amalgamate with any other existing or proposed condominium corporation within sixty (60) days of the date of registration of the Corporation's declaration and description nor does the Declarant have any knowledge that the Corporation intends to amalgamate with another corporation.
- (b) No amalgamation is intended or proposed between this Condominium and any other existing or proposed condominium corporation. Accordingly, no amalgamation documentation is available nor enclosed herewith.

XIV BUDGET STATEMENT

- 14.1 A Budget Statement for the one year period immediately following registration of the Declaration and the Description is included with this Disclosure Statement. One of the largest components of the Budget is the cost attributed to utilities. The cost of each utility has been determined based on the estimated total consumption of the utility multiplied by the estimated cost per unit of consumption. The Budget will be revised to reflect the cost of utilities based on the greater of the cost per unit of consumption as specified in this Budget, and the cost per unit of consumption at the time of registration of the Condominium multiplied by the total number of units of consumption as specified in the Budget. It is the intention of the Declarant that the cost of utilities should be borne by the Corporation and not subsidized by the Declarant as part of the Declarant's obligations pursuant to section 75 of the Act.

XV FEES OR CHARGES TO BE PAID TO THE DECLARANT OR OTHERS

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

XVI RESCISSION RIGHTS (Section 73 of the Act)

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

- “(1) A purchaser who receives a disclosure statement under subsection 72(1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registerable form.

- (2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the later of,
 - (a) the date that the purchaser receives the disclosure statement; and
 - (b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.
- (3) If a declarant or the declarant's solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it."

XVII RESCISSION RIGHTS UPON MATERIAL CHANGE (Section 74 of the Act)

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

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

(2) In this section,

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

- (a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation;
- (b) a substantial addition, alteration or improvement within the meaning of subsection 97(6) that the corporation makes to the common elements after a turn-over meeting has been held under Section 43;
- (c) a change in the portion of units or proposed units that the declarant intends to lease;
- (d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been completed as of the date on which the disclosure statement was made; or
- (e) a change in the information contained in the statement described in subsection 161(1) of the services provided by the municipality or the Minister of Municipal Affairs and Housing, as the case may be, as described in that subsection, if the unit or the proposed unit is in a vacant land condominium corporation.

- (3) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them.
- (4) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form.
- (5) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Superior Court of Justice for a determination whether a change or a series of changes set out in the statement or notice is a material change.
- (6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice as required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,
 - (a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;
 - (b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and
 - (c) the date on which the Superior Court of Justice makes a determination under subsection (5) or (8) that the change is material, if the purchaser or declarant, as the case may be, has made an application for the determination.
- (7) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor.
- (8) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Superior Court of Justice for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application for the determination under subsection (5).
- (9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it.
- (10) The declarant shall make the refund,
 - (a) within 10 days after receiving a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or
 - (b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8).”

XVIII INTEREST ON DEPOSITS

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

XIX USE OF COMMON ELEMENTS

- 19.1 The Declarant does not intend to permit any part of the common elements to be used for commercial or other purpose not ancillary to residential purposes, other than those portions of the Common Elements which may be used incidentally with the use of the Commercial Units.

XX STANDARD UNIT

- 20.1 Accompanying this Disclosure Statement is a copy of the schedule that the Declarant intends to deliver to the board under Clause 43(5)(h) of the Act setting out what constitutes a standard unit for each class of unit.

XXI MAJOR ASSETS TO BE PROVIDED BY DECLARANT

- 21.1 The Declarant does not intend to provide any major assets or property to the Corporation that it is not required to. The Declarant shall determine the type of furnishings and equipment to be provided in connection with any amenity areas of the Condominium and Common Elements in its sole discretion and same may be provided after registration of the Condominium under the Act.

XXII UNITS, ASSETS OR SERVICES THE CORPORATION MUST PURCHASE FROM THE DECLARANT

- 22.1 There are no units, assets or services that the Corporation is required to purchase or acquire from the Declarant.

XXIII ADJOINING LANDS

- 23.1 The Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the Declarant does own lands adjacent to the lands described in the description of the Condominium, which lands comprise the following:
- (a) The Common Elements Condominium as described in Section 4.2 hereof, upon which the Declarant intends to construct approximately sixty-nine (69) residential dwellings which will remain of freehold tenure (the "Potls") as well as an additional Nested Potl containing a further standard condominium containing approximately fifty-seven (57) residential units and approximately seven (7) commercial units, all of which will be tied to a common element condominium containing an internal road system, walkways, visitor parking spaces, community mailbox facility, parkette and various other utility and services.

The Declarant has made or will be making applications to the Town of Caledon for site plan approval with respect to these lands and may also be required to enter into various development agreements.

XXIV RULES

- 24.1 Purchasers are hereby advised that pursuant to section 58 of the Act, the board may make, amend or repeal rules respecting the use of the units and common elements, in order to promote the safety, security and/or welfare of the owners and of the property and assets of the Condominium, or to prevent unreasonable interference with the use and enjoyment of the common elements, the units and/or the assets of the Condominium. The rules shall be reasonable and consistent with the provisions of the Act, the declaration and the by-laws of the Condominium. Every rule made by the board shall be effective thirty (30) days after notice thereof has been given to each owner, unless the board is in receipt of a written requisition requiring a meeting of the owners to consider same, or unless the rule (or an amendment to a rule) that has substantially the same purpose or

effect as a rule that the owners have previously amended or repealed within the preceding two years, in which case such rule or the amendment thereto is not effective until the owners approve it, with or without amendment, at a meeting duly called for that purpose. If such a meeting of owners is requisitioned or otherwise called and convened, then those rules which are the subject matter of said requisition or meeting shall become effective only upon the approval of a majority of the owners (represented in person or by proxy) at such meeting.

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

Purchasers should pay specific attention to the proposed rules of the Condominium accompanying this Disclosure Statement, which will be adopted and approved by the board of directors of the Condominium following the registration of the declaration, in accordance with the provisions of the Act. Amongst other things, these rules restrict, regulate or otherwise deal with alterations to the common elements, the disposal of garbage, the emission of noise, the obstruction of walkways, the parking of vehicles, the planting of flowers, the utilization and installation of barbecue equipment, the storage or placement of patio furniture, the keeping of pets and the implementation of any repair work between certain designated hours.

Purchasers should also note that all costs and damages incurred by the Condominium as a result of a breach of any of the rules committed by any owner (or by such owner's tenants or guests) shall be borne by such owner and be recoverable by the Condominium against such owner in the same manner as common expenses.

XXV MISCELLANEOUS MATTERS

- 25.1 The Condominium may be subject to various easements in the nature of a right of way in favour of adjoining and/or neighbouring land owners for utilities, construction and to permit ingress and egress to those properties.
- 25.2 The Purchaser acknowledges that it is anticipated by the Declarant that in connection with the Declarant's application to the appropriate governmental authorities for site plan approval and/or draft plan of condominium approval certain requirements may be imposed upon the Declarant by various governmental authorities. These requirements (the "**Requirements**") usually relate to warning provisions to be given to Purchasers in connection with environmental or other concerns (such as warnings relating to noise levels, the proximity of the building to major streets and similar matters). Accordingly, the Purchaser covenants and agrees that (1) on either the Occupancy Date or Closing Date, as determined by the Declarant, the Purchaser shall execute any and all documents required by the Declarant acknowledging, inter alia, that the Purchaser is aware of the Requirements, and (2) if the Declarant is required to incorporate the Requirements into the final condominium documents the Purchaser shall accept the same, without in any way affecting this transaction.
- 25.3 The Vendor's builder's risk and/or comprehensive liability insurance (effective prior to the registration of the Condominium), and the Condominium's master insurance policy (effective from and after the registration of the Condominium) will only cover the common elements and the standard unit and will not cover any betterments or improvements made to the standard unit, nor any furnishings or personal belongings of the Purchaser or other residents of the Unit, and accordingly the Purchaser should arrange for his or her own insurance coverage with respect to same, effective from and after the Closing Date, all at the Purchaser's sole cost and expense.
- 25.4 One or more of the Development Agreements may require the Condominium to provide the Purchaser with certain notices, including without limitation, notices regarding such matters as land use, the maintenance of retaining walls, landscaping features and/or fencing, noise abatement features, garbage storage and pick-up, school transportation, and noise/vibration levels from adjacent roadways. Purchasers hereby agree to be bound by the contents of any such notice(s), whether given to the Purchasers at the time that this

Agreement has been entered into, or at any time thereafter up to the Closing Date, and the Purchasers further covenant and agree to execute, forthwith upon the Condominium's request, an express acknowledgment confirming the Purchaser's receipt of such notice(s) in accordance with (and in full compliance of) such provisions of the Development Agreement(s), if and when required to do so by the Condominium.

- 25.5 The Purchaser acknowledges and agrees that the Vendor (and any of its authorized agents, representatives and/or contractors), as well as one or more authorized representatives of the Condominium, shall be permitted to enter the Unit after Closing, from time to time, in order to enable the Vendor to correct outstanding deficiencies or incomplete work for which the Vendor is responsible, and to enable the Condominium to inspect the condition or state of repair of the unit and undertake or complete any requisite repairs thereto (which the owner of the Unit has failed to do) in accordance with the Act.
- 25.6 The Municipality does not require off-site snow removal. However, in the case of heavy snow falls the limited storage space available on the Property may make it necessary to truck the snow off the site and the cost of same will be included in the common expense fees.
- 25.7 The Purchaser hereby acknowledges and agrees that the Vendor cannot guarantee (and will not be responsible for) the arrangement of a suitable move-in time for purposes of accommodating the Purchaser's occupancy of the Unit on the Occupancy Date (or any acceleration or extension thereof as hereinbefore provided), and that the Purchaser shall be solely responsible for directly contacting the Property Manager in order to make suitable booking arrangements with respect to the Condominium's elevator, if applicable (with such booking being allotted on a "first come, first served" basis), and under no circumstances shall the Purchaser be entitled to any claim, refund, credit, reduction/abatement or set-off whatsoever against any portion of the Purchase Price, or against any portion of the common expenses or other adjustments with respect thereto (nor with respect to any portion of the monthly occupancy fees so paid or payable, if applicable) as a result of the elevator not being available to accommodate the Purchaser moving into the Condominium on (or within any period of time after) the Occupancy Date (or any acceleration or extension thereof, as aforesaid).
- 25.8 Purchasers are advised that the Declarant may from time to time, in its sole and absolute discretion or as required by any governmental authority, change, vary or modify the plans, colours, materials, finishes, equipment, appliances, fixtures and specifications pertaining to the Condominium, the Residential Units and/or Commercial Units (including architectural, structural, landscaping, grading, mechanical, electrical or other plans, interior layout, height or rooms and interior spaces, unit numbering and level numbering) from the plans, colours, materials, finishes, equipment, appliances, fixtures and specifications existing at the time that the Purchaser entered into the Agreement of Purchase and Sale or as same may be illustrated in any sales brochures, models, representative view sets, photographs, illustrations or renderings, showroom displays, model suites, vignettes or otherwise, all without notice to or consent from the Purchaser. The Purchaser specifically acknowledges that he/she has not acquired the unit based on the current layout, interior design, fixturing or furnishing of the display suite located in the Declarant's sales presentation centre. With respect to any aspect of construction, materials, finishes, colours, appliances, fixtures, equipment or dimensions, the Declarant shall have the right without notice to or consent from the Purchaser to make any changes to the plans and to substitutes materials, finishes, colours, appliances, fixtures, equipment or dimensions from those described in the Agreement of Purchase and Sale or in the plans and specifications associated therewith, provided that the substituted items are of equal or better quality, planning and construction. Purchasers are advised that the Agreement of Purchase and Sale contains a provision pursuant to which each Purchaser consents to any such changes, modifications and/or substitutions and agrees to complete the transaction of purchase and sale notwithstanding same.
- 25.9 Purchasers are advised that, as a result of uncertainty in the natural gas, hydro and water distribution markets, the Declarant's reasonable assumptions regarding such utility costs may be incorrect as a result of circumstances which are not capable of being accurately predicted as of the date of this Agreement and which are beyond the Declarant's control. Consequently, prior to registration of the Condominium, the projected costs for such utilities for the first year shall be updated to reflect market conditions as of the date of

registration as an alternative (in the Declarant's sole discretion) to applying the inflation factor referenced in the Disclosure Statement. The Budget and common expenses applicable to each unit shall be revised accordingly. Purchasers specifically acknowledge and agree that any increase in utility costs from that which was originally represented in the Budget shall not be the responsibility of the Declarant, despite section 75 of the Condominium Act. Purchasers acknowledge that the possibility of an increase in utility costs has been properly disclosed and, consequently, any increase shall not constitute a material change to the Disclosure Statement and Budget. In addition, Purchasers agree that this acknowledgement may be pleaded by the Declarant as complete defence to any application or objection raised by Purchasers in this regard.

25.10 Purchasers are advised that the Declarant reserves the right to install a sign or signs on any part of the common elements (including, without limiting the generality of the foregoing, the roof, mechanical penthouse or the facades on any street frontage. The Declarant, in its sole and absolute discretion, shall have the right to determine the design, message and locations of such signage. In addition to the Declarant's rights expressed above, the Declarant reserves the right to unitize any area in which a sign is located. In this event, the Declaration shall contain a provision which states that the owner of the sign unit (together with its employees, agents, contractors and invitees) shall at all times have the right to access the common elements of the Condominium for the purpose of inspecting, maintaining and repairing the sign unit. Only in event that the sign area is unitized and the Declarant retains ownership of such sign, the Declarant shall pay for all utilities consumed by the sign and the Declarant shall be responsible for maintaining and repairing the sign at its sole cost and expense. In no event shall the Condominium charge the Declarant for the use of the space which any sign occupies nor shall the Condominium disconnect any sign from the building's power supply, regardless of whether the sign is unitized or part of the common elements. The Declarant shall have the right to assign, license, transfer or otherwise convey its signage rights (in whole or in part) to any third party without notice to or consent from the Condominium. If any signage relates specifically to the Condominium, then such sign age may form part of the common elements and the Condominium shall be responsible for all costs associated with operating, maintaining and repairing such signage (to be determined by the Declarant, in its, sole discretion).

25.11 Purchasers are advised as follows:

- (a) Purchasers and/or tenants are advised that the adjacent open space, woodlot or stormwater management facility may be left in a naturally vegetated condition and receive minimal maintenance.
- (b) Purchasers and/or tenants are advised that there are mixed uses (residential and commercial) operating within the development.
- (c) Purchasers and/or tenants are advised that the parking spaces within the development are shared among commercial and residential uses.
- (d) Purchasers/tenants are advised that sound levels due to increasing road traffic may on occasion interfere with some activities of the dwelling occupants as the sound levels exceed the sound level limits of the Municipality and the Ministry of the Environment, Conservation and Parks.
- (e) This dwelling unit has been fitted with a forced air heating system and the ducting etc., was sized to accommodate central air conditioning. Installation of central air conditioning will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the Municipality's and the Ministry of the Environment, Conservation and Parks' noise criteria.
- (f) Purchasers are advised of the proximity of adjacent commercial facilities, the sound from which may at times be audible.