

September 28, 2020

DECLARATION

MADE PURSUANT TO THE CONDOMINIUM ACT, 1998

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

BROOKFIELD RESIDENTIAL (ONTARIO) BOLTON LIMITED
(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, and being more particularly described in Schedule "A" annexed hereto, together with all interests appurtenant to the said lands (herein and hereinafter defined and referred to as the "Lands" or "Property") and in the description submitted herewith by the Declarant for registration in accordance with the Act (hereinafter called the "Description");
- (B) The registration of the Declaration and the Description will create a freehold condominium corporation that is a standard condominium corporation as defined by the Act;
- (C) The Declarant has constructed a multi-unit mid-rise residential building upon the said lands comprising the Residential Units, Parking Units, Storage Units, Guest Unit and Combined Parking/Storage Units (herein and hereinafter defined as the "Building" or the "Condominium");
- (D) The Declarant intends that the said Lands, together with the Building constructed thereon, shall be governed by the Act;

NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:

PART ONE - INTRODUCTION

Section 1 - Definitions

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

- (a) **"AECS Agreement"** means an agreement entered into between the Declarant and SmartONE Solutions Inc., and assumed by the Corporation, with respect to the access and environment control system within the Condominium.
- (b) **"Board"** means the board of directors of the Corporation;
- (c) **"Building Planters"** means any planter boxes or areas within the exclusive use common element area designated to any Residential Unit, which is designated for planting by the Board and which shall form part of the Common Elements; and each shall be a "Building Planter";
- (d) **"Bulk Internet Agreement"** means an agreement entered into between the Declarant and Bell Canada Inc., and assumed by the Corporation, with respect to the provision of bulk internet services for the Property;
- (e) **"By-Laws"** means the by-laws of the corporation in effect from time to time;
- (f) **"Combined Parking/Storage Units"** means the units described as Combined Parking/Storage Units on Schedule "C" attached hereto; and each shall be a "Residential Unit"
- (g) **"Common Elements"** means all the Property, except the Units;
- (h) **"Common Interest"** means the interest in the Common Elements appurtenant to a Unit;
- (i) **"Corporation"** means the corporation created upon the registration of the Declaration and Description on the Lands;
- (j) **"Emergency Evacuation Plan"** means the evacuation plan that has been prepared for the Building and approved by the Toronto Region Conservation Authority;

- (k) **"Governing Documents"** means the Declaration, By-Laws and Rules of the Corporation in effect from time to time;
- (l) **"Guest Unit"** means Unit 8, Level 1;
- (m) **"Owner"** means a person or persons who own a freehold interest(s) in a Unit and its appurtenant Common Interest, but does not include a mortgagee unless in possession;
- (n) **"Parking Units"** means the units described as Parking Units on Schedule "C" attached hereto and each shall be a "Parking Unit";
- (o) **"Residential Units"** means the units described as Residential Units on Schedule "C" attached hereto; and each shall be a "Residential Unit";
- (p) **"Rules"** means rules passed by the Board of Directors (hereinafter called the "board") of the corporation and becoming effective pursuant to the Act;
- (q) **"Storage Units"** means the units described as Storage Units on Schedule "C" attached hereto and each shall be a "Storage Unit";
- (r) **"Unit"** means a part or parts of the Property included in the Description and designated as a Unit by the Description, and comprises the space enclosed by its boundaries and all the material parts of the land within that space in accordance with the Declaration and the Description. For greater certainty, the definition of "Unit" relating to the duties to repair and maintain pursuant to the Act and this Declaration shall extend to all improvements made by the Declarant in accordance with its architectural and structural plans, notwithstanding that some of such improvements may be made after registration of the Declaration; and
- (s) **"Warranty Agreement"** means an agreement entered into or to be entered into between the Declarant and the Corporation relating to the Declarant's liability and the Corporation's rights with respect to warranty matters.

Section 2 - Statement of Intention

The Declarant intends that the Lands described in Schedule "A" and in the Description, and the Building, be governed by the Act, and any amendments thereto.

Section 3 - Standard Condominium

The registration of this Declaration and Description will create a freehold condominium corporation that is a standard condominium corporation as defined by the Act.

Section 4 - Consent of Encumbrancers

The consent of every person having a registered mortgage against the lands is contained in Schedule "B" annexed hereto.

Section 5 - Boundaries of Units and Monuments

The monuments controlling the extent of the Units are the physical surfaces mentioned in the Boundaries of Units in Schedule 'C' attached hereto.

Notwithstanding the boundaries set out in Schedule 'C' attached hereto:

Each Residential Unit and Guest Unit **shall include** all pipes, wires, cables, conduits, ducts, mechanical and electrical apparatus and branch piping extending to, but not including, the common pipe risers, which provides services to that particular unit only regardless of whether or not same are located outside the unit boundaries described in Schedule "C". Each Residential Unit and Guest Unit shall also include the heating, air conditioning and ventilation equipment and appurtenant fixtures attached thereto, including the shut-off valve, all of which provide a service or utility to that particular Unit, (if applicable), regardless of whether or not same are located outside the unit boundaries described in Schedule "C".

Each Residential Unit and Guest Unit **shall exclude** all pipes, wires, cables, conduits, ducts, flues and mechanical or similar apparatus, including the complete vertical fan coil equipment (namely the fan coil, motor, valves, controls, etc.) as well as any fire hose cabinets and appurtenant equipment, fire alarms, security or sprinkler systems, all exterior doors and windows, door and window frames, all concrete, concrete blocks or masonry partitions or load bearing walls or columns that lie within the boundaries of any particular unit as hereinbefore set out that supply service or support to another Unit(s) or the Common Elements.

Each Parking Unit and Combined Parking/Storage Unit **shall exclude**, without limiting the aforementioned, all equipment or apparatus, including any fans, pipes, wires, cables, conduits, ducts, flues, shafts, fire hose cabinets and attachment, sprinklers, lighting fixtures, air-conditioning or heating equipment and controls which provide any service to the Common Elements or Units, including all wall structures and support columns and beams as well as any additional floor surfacing (membranes and coatings included), floor drains and sump pumps which may be located within any such Parking Unit or Combined Parking/Storage Unit.

Each Storage Unit **shall exclude**, without limiting the aforementioned, all equipment or apparatus, including any fans, pipes, wires, cables, conduits, ducts, flues, shafts, fire hose cabinets and attachments, sprinklers, lighting fixtures, air-conditioning or heating equipment and controls which provide any service to the Common Elements or Units, including all wall structures and support columns and beams within any such Storage Unit.

Section 6 - Common Interest and Common Expenses Allocation

Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners and shall contribute to the common expenses in the proportions set forth opposite each Unit number in Schedule "D" attached hereto. The total of the proportions of the common interests and common expenses shall be 100%.

Each Residential Unit Owner shall contribute to the monies payable for bulk internet services, as part of the common expenses, in the proportions set forth opposite each Unit number in the column entitled "% Contribution to Bulk Internet" in Schedule "D" attached hereto. The total of the proportions of the contribution to bulk internet services shall be 100%. Monies payable for bulk internet services will not form part of the common expenses if the Bulk Internet Agreement is terminated.

Each Residential Unit Owner shall contribute to the monies payable for the access and environment control system, as part of the common expenses, in the proportions set forth opposite each Unit number in the column entitled "% Contribution to AECS" in Schedule "D" attached hereto. The total of the proportions of the contribution to the access and environment control system shall be 100%. Monies payable for the access and environment control system will not form part of the common expenses if the AECS Agreement is terminated.

Section 7 - Exclusive Use Common Elements and Visitors' Parking Spaces

- (a) Subject to the provisions of the Act and the Governing Documents, the Owner of each Residential Unit shall have the exclusive use of those parts of the Common Elements as set forth in Schedule "F" attached hereto, it being understood that the exclusive use being enjoyed by such Unit Owners entitled to same may be regulated or affected by the Act and the Governing Documents.
- (b) The Declarant and any entity related, associated or affiliated thereto (the "Related Company"), their sales staff, their construction personnel, their authorized personnel or agents, and any prospective purchasers shall together have the right to use visitors' parking spaces located within the property, if any, such parking spaces (i.e. location and numbers) to be designated by the Declarant in its sole discretion, which right shall cease forthwith upon the later of (i) the completion of the sale of all Units owned by the Declarant in the Condominium; (ii) the date by which the Declarant no longer requires any Unit utilized for the purposes of a construction site/service office, and (iii) the date on which the Declarant has fulfilled all of its obligations under all development/site plan agreements and/or the Ontario New Home Warranties Plan Act with respect to all of the Units and Common Elements.
- (c) All of the residential visitor parking spaces of the Corporation comprise part of the Common Elements and are not part of the exclusive use portions of the Common Elements.

Section 8 - Mailing Address and Address for Service

The address for service and mailing address of the Corporation shall be:

50 Ann Street
Bolton, Ontario
L7E 1B9

or such other address as the Corporation may determine by resolution of the board.

Section 9 - Architect/Engineer Certificates

The certificate(s) of the architect and/or engineer that all buildings have been constructed in accordance with the regulations is/are contained in Schedule "G" annexed hereto.

Section 10 - Conditions of the Approval Authority

There are no conditions imposed by any approval authority that are to be included in this Declaration or the Description, other than:

- (a) any easements contained in the Description annexed hereto as Schedule "A"; and
- (b)

PART TWO - SPECIFICATION OF COMMON EXPENSES

Section 11 - Meaning of Common Expenses

Common expenses shall be the expenses of the performance of the objects and duties of the Corporation and, without limiting the generality of the foregoing, such other costs, expenses and sums of money designated as common expenses in the Act, or in the Governing Documents, or as are listed in Schedule "E" attached hereto.

Section 12 - Payment of Common Expenses

Each Owner shall pay to the Corporation his proportionate share of the common expenses, and the assessment and collection of the contributions toward the common expenses may be regulated by the board pursuant to the by-laws of the Corporation. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of the Act, Governing Documents and/or any agreement 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.

Section 13 - Reserve Fund

- (a) The Corporation shall establish and maintain one or more reserve funds in respect of the Common Elements and assets 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/or replacement of Common Elements and assets of the Corporation, all in accordance with the provisions of the Act.
- (b) No part of the reserve fund shall be used except for the purposes for which the fund was established. The amount of the reserve fund shall constitute an asset of the Corporation and shall not be distributed to any Owner except on termination of the Corporation.
- (c) In accordance with the Act, the Corporation shall conduct periodic studies to determine whether the amount of money in the reserve fund and the amount of contributions collected by the Corporation are adequate to provide for the expected costs of major repair and replacement of the Common Elements and assets of the Corporation.

Section 14 - Certificate of Common Expenses

The Corporation shall, upon request, provide the requesting party with a status certificate and accompanying statements and information in accordance with the Act. The Corporation may charge the maximum prescribed fee for providing the status certificate. Notwithstanding the foregoing, the Corporation shall forthwith provide the Declarant with a certificate and all such accompanying statements and information, as may be requested from time to time by or on behalf of the Declarant in connection with a sale or mortgage of any Unit(s), all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

PART THREE - OCCUPATION AND USE OF COMMON ELEMENTS

Section 15 - General Use

- (a) Save as otherwise provided in this Declaration, each Owner may make reasonable use of

and has the right to occupy and enjoy the whole or any part of the Common Elements, and each Owner has the right to make reasonable use of, and has the right to enjoy any exclusive use Common Element area which has been designated to his Unit in Schedule "F", subject to any conditions or restrictions set out in the Act, the Governing Documents, and easements and rights registered against the property. However, no condition shall be permitted to exist and no activity shall be carried on in the Common Elements that is likely to damage the Property or that will unreasonably interfere with the use or enjoyment by other Owners of the Common Elements and the other Units, that results in the cancellation or threatened cancellation of any policy of insurance referred to in the Governing Documents, or that will lead to a contravention of any covenant, term or condition contained in any easements and rights registered against the Property. However, none of the foregoing provisions shall be construed so as to prohibit or restrict (nor shall same be applied in any manner which prohibits or restricts) the uses permitted in the Section titled "Use of Residential Units", and the aforementioned indemnity and reimbursement provisions with respect to any increased insurance premiums and/or deductible amount(s) regarding the Corporation's insurance shall not apply with respect to the use of any Residential Units pursuant to the Section titled "Use of Residential Units".

- (b) The exclusive use areas allocated to Residential Units 1 to 7, Level 1 contain Building Planters. At the discretion of the Board, either the Board shall administer, manage and maintain the Building Planters and the plantings therein, or the Board may determine that the Unit occupants which have a Building Planter within the exclusive use common element area of their Unit may plant and maintain any plantings therein, subject to the requirements and procedures to be established by the Board. In the event that the Board determines that the Unit occupants are to be responsible, then, if any such unit occupant fails to comply with such procedures or maintain the Building Planters as required by the Board, the Board may undertake such activities on behalf of such parties at the cost of the Owner of the Unit which contains such Building Planters within the exclusive use common element area allocated to that Unit. Subject to the direction and requirements of the Board, Building Planters cannot be removed, relocated or altered by any Owner, tenant or occupant of a Residential Unit. The Building Planters shall be Common Elements notwithstanding that they may be located within an exclusive use common element area and, accordingly, any Residential Unit which has a Building Planter within its exclusive use common element area shall be subject to the rights of entry in favour of the Corporation contained in this Declaration for the maintenance, repair and replacement of the Building Planters and the plantings therein.
- (c) No Owner shall make any installation or any change or alteration to an installation upon the Common Elements, or maintain, decorate, alter or repair any part of the Common Elements, except for maintaining those parts of the Common Elements which he has a duty to maintain, without obtaining the written approval of the Corporation in accordance with the Act or Governing Documents, unless otherwise provided for in this Declaration.
- (d) No barbecues or other cooking devices of any kind are permitted in any Common Element or exclusive use Common Element area, except for (i) the designated outdoor amenity area where a gas line and barbecue are provided; and (ii) the exclusive use patio areas for Residential Units on Level 1 subject to compliance with all municipal requirements and provided that (a) propane shall only be transported from the underground parking garage to grade level via the stairwells only and shall not be transported in any elevator; and (b) any natural gas connection which may be provided within such exclusive use common element areas shall be utilized solely for the purposes of a natural gas barbecue and all other uses are prohibited.
- (e) No Owner shall cause anything to be displayed or hung on the exterior of any walls of the Common Elements, including but not limited to, awnings and/or shutters. Any type of plant, shrubbery, flower, vine or grass grown by an Owner on any Common Elements of which he has exclusive use shall be subject to the direction of the board.
- (f) Notwithstanding anything hereinbefore or hereinafter provided to the contrary, and notwithstanding any provision in the Governing Documents to the contrary, the Declarant and any related company shall be entitled to erect and maintain signs for marketing/sale purposes upon the Common Elements, and within or outside any unsold Units, pursuant to the Declarant's ongoing marketing program in respect of the Units at such locations and having such dimensions as the Declarant may determine in its sole discretion provided same complies with municipal requirements. In addition, the Declarant and the related company, their sales staff, their authorized personnel or agents, and any prospective purchasers will together have the right to use visitors' parking spaces located within the

Property, if any, such spaces (i.e., the location and number of spaces) to be designated by the Declarant in its sole discretion.

- (g) No pet, animal, livestock or fowl of any kind shall be kept on any part of the Common Elements or exclusive use Common Element areas, provided that such exclusion shall not be construed to restrict the use of any designated pet grooming room or area contained within the Condominium.
- (h) Use of the Common Elements shall be subject to the provisions of the agreements and easements that are registered on title to the Property.
- (i) The residential visitor parking spaces of the Corporation cannot be used by any Owner.

Section 16 - Restricted Access

Without the consent in writing of the board, no Owner shall have any right of access to those parts of the Common Elements used from time to time as a utilities area, a building maintenance or storage area, a manager's office, an area for operating machinery, or any mechanical or servicing system servicing the Corporation nor shall an Owner have access to any other parts of the Common Elements used for the care, maintenance or operation of the Property or any part of the Property.

Section 17 - Modification of Common Elements and Assets

- (a) The Corporation may, by a vote of Owners who own at least 66 2/3% of the Residential Units, make any substantial addition, alteration or improvements to or renovation of the Common Elements, or may make any substantial change in the assets of the Corporation or a substantial change in a service that the Corporation provides.
- (b) Where the Corporation has sent a notice to the Owners in accordance with the Act, and the Owners have either not requisitioned a meeting in accordance with the Act or the Owners have requisitioned a meeting in accordance with the Act but have not voted against the proposed addition, alteration, improvement or change at the meeting, the Corporation may make any other addition, alteration or improvement to or renovation of the Common Elements, or may make any other change to the assets of the Corporation or any change in a service that the Corporation provides.
- (c) For the purposes of this section, any addition, alteration, improvement or change is substantial if it meets the prescribed meaning of substantial change as set out in the Act or the board elects to treat it as substantial.
- (d) For the purposes of this Declaration, and for the purposes of relating and managing the affairs of this Corporation, and the Corporation's compliance with any provisions of the Act, any change or alteration effected pursuant to an obligation imposed upon the Corporation shall not be considered an addition, alteration, improvement to or renovation of the Common Elements of the Corporation.
- (e) A copy of the complete set of all plans and specifications for the building(s) situate on the Property, including copies of all plans and specifications for any additions, alterations or improvements from time to time made to the Common Elements or to any Unit which may require the prior written consent of the board, shall be maintained in the office of the Corporation at all times, or at such other place as the board shall from time to time determine by resolution, for the use of the Corporation in rebuilding or repairing any damage to the building(s), and/or the use of any Owner or mortgagee.

PART FOUR - OWNERSHIP OF PARKING UNITS, STORAGE UNITS, COMBINED PARKING/STORAGE UNITS AND GUEST UNIT

Section 18 - Restrictions on Disposition of Parking Units, Storage Units, Combined Parking/Storage Units and Guest Unit

- (a) Any Parking Unit, Storage Unit and/or Combined Parking/Storage Unit may at any time be sold, leased, transferred or otherwise conveyed, either separately or in combination with other Units, provided that:
 - (i) any such sale, lease, transfer or other conveyance is made only to (i) the Declarant; or (ii) any Owner of a Residential Unit; and with respect to any lease, such lease is made only to (i) the Declarant; or (ii) any Owner or tenant of a Residential Unit.

- (ii) except for the Declarant and the Corporation, no Parking Unit, Storage Unit or Combined Parking/Storage Unit may be owned by an Owner unless such Owner owns a Residential Unit;
 - (iii) the term of any lease of any Parking Unit, Storage Unit and/or Combined Parking/Storage Unit to a tenant of a Residential Unit shall not extend beyond the term of the tenancy granted to such tenant with respect to the Residential Unit; and
 - (iv) every lease in respect of any Parking Unit, Storage Unit and/or Combined Parking/Storage Unit shall provide that where the lessee thereof is also an Owner of a Residential Unit, and such lessee is deprived of ownership or possession of such Residential Unit, then the lease of such Parking Unit, Storage Unit and/or Combined Parking/Storage Unit shall revert to the lessor thereof. It shall also provide that where the lessee of such Parking Unit, Storage Unit and/or Combined Parking/Storage Unit is also an Owner of a Residential Unit, upon a sale, transfer or conveyance of such Owner's Residential Unit, the leasehold interest in such Parking Unit, Storage Unit and/or Combined Parking/Storage Unit must be assigned or transferred to the new Owner or transferee of such Residential Unit, or else must revert to the lessor thereof, as the case may be.
- (b) The Guest Unit shall only be owned by (i) the Declarant; or (ii) the Corporation.

PART FIVE - OCCUPATION AND USE OF UNITS

Section 19 - General Use

- (a) No Unit shall be occupied or used by anyone in such a manner as is likely to damage the Property or that will unreasonably interfere with the use or enjoyment by other Owners of the Common Elements and the other Units or that may result in the cancellation or threat of cancellation of any policy of insurance referred to in the Declaration or in such a manner as to lead to a breach by any Owner or by the Corporation of any easements or rights registered against the Property. In the event the use made by any Owner of his Unit results in any premiums of any insurance policy insuring the interest of the Corporation being increased or cancelled, such Owner shall be liable to pay to the Corporation all of such increase in premiums payable as a result thereof, and shall be liable to pay to the Corporation all other costs or expenses it incurs as a result thereof. The foregoing provisions of this subparagraph shall not, however, be construed so as to prohibit or restrict nor shall same be applied in any manner which prohibits or restricts the uses permitted in the Section titled "Use of Residential Units" and the aforementioned indemnity and reimbursement provisions with respect to any increased insurance premiums and/or deductible amounts regarding the Corporation's insurance shall not apply with respect to the use of any Residential Units pursuant to the Section titled "Use of Residential Units".
- (b) The Owner of each Unit shall comply, and shall require all residents, tenants, invitees and licensees of his Unit to comply with the Act, the Governing Documents and any rights and easements registered against the Property.
- (c) No Owner shall make any structural change or structural alteration in or to any Unit, without the prior written consent of the board and any architect and/or engineer appointed by the board to review such changes or alterations, in this regard, the Owner shall be responsible for all of the costs charged by such architect and/or engineer. The provisions of subparagraphs (d)(i) to (vi) of this Section shall apply to any change or alteration pursuant to this subparagraph (c). In addition, following completion of any change as aforesaid, the Owner shall provide the board with a copy of the "as built" architectural drawings stamped by the Owner's architect with respect to such Unit(s).
- (d) If an Owner owns two Residential Units on the same level which share a common demising wall, such Owner shall be entitled to combine the two Residential Units to create one living area if the following conditions are satisfied:
 - (i) the Owner at his sole expense makes application for and obtains all permits and approvals required under any zoning laws, regulations and requirements;
 - (ii) the Owner receives the prior written consent from the board and any architect and/or engineer appointed by the board to review such changes, and in this regard, the Owner shall be responsible for all of the costs charged by such architect and/or engineer;

- (iii) the Owner completes all work required at his sole expense by a contractor that is satisfactory to the Corporation and in a good and workmanlike manner;
- (iv) prior to commencement of any work by a contractor, the Owner shall provide the board with a certificate of insurance from each contractor providing that such contractor has placed such insurance as may be reasonably required by the board;
- (v) the Owner agrees that the Corporation, or its representatives or agents will have unrestricted access to the Units to inspect the work being conducted until such time as the work is complete as determined by the Corporation or its representatives or agents; and
- (vi) in the event that the Corporation has given the Owner notice that the work being conducted on the Units is not satisfactory to the Corporation and the Owner does not correct same forthwith, the Corporation may enter and complete the work. All expenses incurred by the Corporation shall be paid by the Owner on demand and failing payment, shall form a charge against the Unit(s) and in addition, may be collected in the same manner as common expenses.

If an Owner wishes to restore the Residential Units that were combined to create one living area back to two separate individual Units then, the provisions of this subparagraph (d) shall apply to such restoration, mutatis mutandis.

- (e) No Owner of a Unit shall make any change, addition, modification or alteration, except for any change, addition, modification or alteration which is solely decorative in nature, in or to his Unit or the exclusive use portions of the Common Elements other than those that are required in order for the Owner to maintain the Unit or the exclusive use portions of the Common Elements pursuant to the Governing Documents without the prior written consent of the board, which consent may be arbitrarily withheld and subject to any conditions as the board may deem relevant which may include, without limitation, the provisions of subparagraphs (d)(i) to (vi) of this Section.
- (f) No exterior aerial, antenna or satellite dish shall be placed on the Property, including Units and Common Elements. This restriction shall not apply to any systems installed or caused to be installed by the Declarant and/or by the Corporation or any of its authorized cable or television service providers or any other communication provider.

Section 20 - Use of Residential Units

- (a) Each Residential Unit shall be occupied and used only as a private single family residence in accordance with the Act, the Governing Documents and any other requirement of the municipality and other authority having jurisdiction.
- (b) Notwithstanding anything contained in the Governing Documents to the contrary, the Owner of a Residential Unit shall, in addition to his proportionate share of the common expenses, pay and be solely responsible for the cost of maintaining and repairing all mechanical, electrical, heating, cooling, refrigeration and plumbing equipment, fixtures and systems (including air handler and condenser and coil filters, if any), and all appurtenances thereto, which provide power or any other service exclusively to his Residential Unit (regardless of whether such equipment, fixtures and systems lie within or beyond the boundaries of such Unit, as monumented in Schedule "C" of this Declaration).
- (c) No Owner shall cause anything to be affixed, attached to, hung, displayed or placed on the inside of any window of a Residential Unit other than drapes, blinds or shutters specifically designed for the window. In addition, such window coverings shall appear white or off-white from the exterior of the Building. Without limiting the generality of the foregoing, flags, banners, sheets, slogans, foil, wood, plastic, metal painted or unpainted, shall not be affixed, attached to, hung, displayed or placed in any manner in any window of a Residential Unit. Festive lights and decorations are permitted between December 1st and January 15th provided that the quantity and type of same are approved by the board.
- (d) No Owner shall cause anything to be displayed or hung on the exterior of any walls, including but not limited to, awnings and/or shutters, and nor shall any Owner grow any type of plant, shrubbery, flower, vine or grass outside his Unit without the prior written consent of the board.
- (e) The Building includes noise attenuation features normal or customary as at the date hereof

for condominium buildings of comparable quality. However, each Owner and occupant of a Residential Unit shall be deemed to have acknowledged that due to the potential for noise emanating or stemming from the use of refuse chutes, elevators, mechanical equipment in the Building, the recreational amenities or common areas, or the Units generally, noise levels may occasionally interfere with some of the indoor activities of the occupants of the Building.

- (f) No animals or birds other than household pets normally permitted in private homes in urban residential areas shall be kept in a unit, and no animals, birds and household pets shall be kept on any part of the common elements. No animal, which is deemed by the board of directors or the property manager, in their absolute discretion, to be a nuisance shall be kept by any owner or tenant in any unit. Such owner or tenant shall within two weeks of receipt of written notice from the board or the property manager requesting the removal of such animal, permanently remove such animal from the Property. Notwithstanding the generality of the foregoing, no attack dogs shall be allowed in any unit, and no breeding of animals for sale shall be carried on, in or around any unit. The aforesaid provisions will be contained in the Declaration.

Section 21 - Use of Parking Units

- (a) Each Parking Unit shall be used and occupied only for motor vehicle parking purposes, and for any additional use or purpose provided for by the Governing Documents and without restricting any wider definition of motor vehicle as may be imposed by the board, "motor vehicle" shall be deemed to include a motorcycle, private passenger automobile, station wagon, light duty van or light duty pick-up or sports utility truck in good working order and repair and which does not leak any fluids. The Owner of each Parking Unit shall maintain such Unit in a clean and sightly condition. The Corporation, at the Owner's cost, shall be responsible for the removal of all oil stains thereon. The Corporation may make provision in its annual budget for and/or may arrange for the cleaning of the Parking Units in their totality or in groups of Units.
- (b) Parking Units described as Units * on Level *, shall be designated as accessible Parking Units.
 - (i) At any time that a person (a "Permitted Person") possessing a valid accessible parking permit (an "Accessible Parking Permit") issued by the Minister of Transportation pursuant to the provisions of the Highway Traffic Act R.S.O. 1990 c.H.8, purchases or leases a Parking Unit which is not designated as accessible Parking Unit, and provides notice to the Corporation in writing requesting the use of an accessible Parking Unit, the user or any person occupying an accessible Parking Unit, provided that user does not possess an Accessible Parking Permit, shall upon notice from the Corporation exchange with the Permitted Person the right to occupy the accessible Parking Unit with the Parking Unit that the Permitted Person had the right to occupy.
 - (ii) Such exchange of right to uses shall continue until the earlier of (i) the Permitted Person ceases to possess an Accessible Parking Permit; or (ii) the Permitted Person ceases to have the right to occupy a Parking Unit.
 - (iii) No rent, fees, charges or costs whatsoever shall be charged by the Owner, occupant or the Corporation in connection with above noted procedure related to the exchange of such Units.
- (c) Parking Units described as Units *, Level * (each a "Serviced Parking Unit") are serviced with conduit for wiring in order that an electrical receptacle (an "Electrical Receptacle") may be installed to supply electricity to an Electrical Motor Vehicle (as defined herein) and the following applies to a Serviced Parking Unit:
 - (i) At the Owner's request and expense, the Corporation shall install an Electrical Receptacle.
 - (ii) If an Owner or tenant of a Residential Unit uses a motor vehicle that contains an engine that operates in part or solely by an electrical battery (an "Electrical Motor Vehicle") and provides notice in writing to the Corporation requesting the use of a Serviced Parking Unit, the user or any person occupying such Serviced Parking Unit, provided such user is not an owner of an Electrical Motor Vehicle, upon notice from the Corporation, shall exchange with such Owner/tenant the right to occupy

such Serviced Parking Unit with the Parking Unit that such person had the right to occupy, provided such Owner or tenant pays the cost of the installation of the Electrical Receptacle and the monthly fee for energy consumption described in Subsections 21(c)(i) and 21(c)(v).

- (iii) Such exchange of right to use shall cease upon that date in which an Owner ceases to operate the Electrical Motor Vehicle.
 - (iv) Except as expressly provided in this Section, no rent, fees, charges or costs whatsoever shall be charged by the Owner, occupant or the Corporation in connection with the above noted procedure related to the exchange of such Parking Units.
 - (v) Any Owner/occupier of a Serviced Parking Unit that connects his Electrical Motor Vehicle into the Electrical Receptacle shall be required to pay to the Corporation, in addition to the monthly common expenses relating to such Unit, a monthly fee for energy consumption costs associated with the use of such Serviced Parking Unit as determined by the Board or, at the option of the Board, as measured by a separate meter.
 - (vi) The Electrical Receptacle can only be used for recharging the battery of an Electrical Motor Vehicle and for no other purpose.
- (d) Following the 2nd anniversary date of the registration of this Declaration, the Corporation shall accept from the Declarant for no consideration any Parking Unit(s) which the Declarant wishes to convey to the Corporation provided there are no outstanding common expenses relating to such Parking Unit(s) owned by the Declarant and title to such Parking Unit(s) is/are free from any mortgage. The Declarant shall be responsible for all legal fees relating to the conveyance(s). Following such conveyance(s), the Declarant shall be released and discharged from all liabilities and shall execute and deliver without delay any documentation as may be required to facilitate any such conveyance(s) to the Corporation and irrevocably authorizes and directs the Declarant's solicitors to act as the solicitors for the Corporation for the purpose of executing such documentation, including land transfer tax documentation/statements in respect of such conveyance(s) to the Corporation whether or not in electronic form.

Section 22 - Use of Storage Units

- (a) Each Storage Unit shall be used and occupied for storage purposes only which shall not constitute a nuisance or danger to the other Unit Owners, the Units nor to the Common Elements nor to the Shared Facilities and Servicing Systems. The board may, from time to time, restrict the categories of items that may be stored or used in such Storage Units. Without limiting the generality of the foregoing, no hazardous materials shall be stored or used in the Storage Units.
- (b) Owners, occupants and tenants are advised that Storage Units are not climate controlled, may not be heated or cooled and temperatures and humidity levels in Storage Units may reach extreme levels. Owners, occupants and tenants shall not seek any damages from the Corporation, the Declarant or the manager as a result of any damage to any items stored in Storage Units resulting from the temperature or humidity level of any Storage Unit.
- (c) Following the 2nd anniversary date of the registration of this Declaration, the Corporation shall accept from the Declarant for no consideration any Storage Unit(s) which the Declarant wishes to convey to the Corporation provided there are no outstanding common expenses relating to such Storage Unit(s) owned by the Declarant and title to such Storage Unit(s) is/are free from any mortgage. The Declarant shall be responsible for all legal fees relating to the conveyance(s). Following such conveyance(s), the Declarant shall be released and discharged from all liabilities and shall execute and deliver without delay any documentation as may be required to facilitate any such conveyance(s) to the Corporation and irrevocably authorizes and directs the Declarant's solicitors to act as the solicitors for the Corporation for the purpose of executing such documentation, including land transfer tax documentation/statements in respect of such conveyance(s) to the Corporation whether or not in electronic form.

Section 23 - Use of Combined Parking/Storage Units

The provisions of Sections 21 and 22 herein shall apply to the use of the Combined Parking/Storage Units, *mutatis mutandis*.

Section 24 - Use and Transfer of Title of the Guest Unit

The Guest Unit shall be used to provide overnight accommodation for the guests of the Owners and tenants of the Condominium. A service/cleaning charge and/or a security deposit will be paid in advance for each night of occupancy. Other charges determined by the board may be applied with respect to the use of the Guest Unit.

The Corporation shall purchase from the Declarant the Guest Unit for a purchase price of \$190,000.00, inclusive of the Harmonized Sales Tax. The purchase price shall be paid by the Corporation by either delivering to the Declarant, or to any party directed by the Declarant, a mortgage back or giving a mortgage arranged by the Declarant to an institutional lender or assuming an institutional mortgage in the amount of the purchase price. The transfer of title to the Guest Unit shall take place within 120 days of the registration of this Declaration, which date shall be designated by the Declarant. The Corporation and the Declarant shall undertake to each other to readjust for realty taxes if and when assessed against the Guest Unit, with the Declarant being responsible up to but not including the transfer date. The Corporation shall accept title to the Guest Unit subject to such interests, instruments, etc. as are provided for in the agreement of purchase and sale pursuant to which the purchasers have purchased their Residential Units from the Declarant.

The aforesaid mortgage in fulfillment of the purchase price of the Guest Units shall be registered on title to the Guest Units and shall be repayable on the following terms and conditions:

- (i) interest will be at a rate equal to approximately 4% over the Government of Canada Bond Yield payable commencing one month following the date of registration of the Corporation;
- (ii) the term and amortization period with respect to the payment of the principal will be 15 years and the principal and interest will be repaid in monthly instalments of blended principal and interest in accordance with such period;
- (iii) the Mortgage may be assigned by the Declarant or the mortgagee(s) thereof, without the consent of the Corporation;
- (iv) the Corporation shall not have any present or future rights of set-off, holdback or any undisclosed equities against the Declarant, the mortgagee(s) or any assignee;
- (v) at the request of the Declarant or mortgagee(s), the Corporation will provide to such requesting party, within 10 days following a written request therefor, an estoppel certificate specifying compliance with all terms and conditions of the Mortgage, whether or not there is any default under the terms thereof, and any other matters that may reasonably be requested; and
- (vi) the Mortgage will be open for prepayment at any time without penalty.

The Corporation shall be responsible for all costs relating to the mortgage, including without limitation, any engagement fee, commitment fee and the legal fees relating thereto. All other expenses of ownership and duties of maintenance, including but not limited to realty taxes and common expenses, relating to the Guest Unit shall also be borne by the Corporation.

Section 25 - Temporary Model Units/Parking Units/Storage Units/Site/Service Office

Several unsold Units within the Building may be used as temporary model/sales Units for sale/marketing purposes, and/or a construction site/service office, and the Declarant and the Related Company, their sales staff and their respective invitees shall be entitled to use the Common Elements for access to and egress from said model Units and construction site/service office. The Declarant shall be entitled to maintain such model Units and site/service office and any unsold Parking Units and Storage Units, together with all sales displays and signs, until the later of the sale of all of the Units in the Condominium and the date on which the Declarant no longer requires the Unit utilized by it for the purpose of a site/service office.

PART SIX - LEASING OF UNITS

Section 26 - Minimum Term of Lease

Any lease or tenancy granted by any Owner, or any sublease by any subtenant, of any Residential Unit shall be for a minimum term of 12 months not including any renewals thereof. Any lease or tenancy of any Residential Unit for an initial term of less than 12 months shall be void, and upon notification by the Corporation, such lease shall be terminated by the Owner thereof.

Section 27 - Notification of Lease

- (a) The Owner of a Unit who leases his/her Residential Unit or renews a lease of his/her Unit shall, within 30 days of entering into the lease or the renewal, as the case may be:
 - (i) notify the Corporation that the Unit is leased;
 - (ii) provide the Corporation with the lessee's name, the Owner's address and a copy of the lease or renewal or a summary of it in the form prescribed by the Act; and
 - (iii) provide the lessee with a copy of the Governing Documents.
- (b) If a lease of a Residential Unit is terminated and not renewed, the Owner of the Residential Unit shall notify the Corporation in writing.
- (c) In addition, no Owner other than the Declarant shall lease his/her Residential Unit unless he first delivers to the Corporation a covenant or agreement signed by the tenant, to the following effect:

"I acknowledge and agree that I, the members of my household, and my guests from time to time, will, in using the Unit rented by me and the Common Elements, comply with the Condominium Act, the Declaration, the by-laws, and all rules and of the Corporation, during the term of my tenancy, and will be subject to the same duties imposed by the above as if I were a Unit Owner, except for the payment of common expenses unless otherwise provided by the Condominium Act and shall execute an agreement as may be required by the service provider of any utility relating to the Unit".

Section 28 - Notification of Emergency Evacuation Plan

Any Owner who leases his/her Residential Unit in accordance with the provisions of this Part Six shall ensure that his/her tenant is provided with a copy of the Emergency Evacuation Plan. Tenants are required to familiarize themselves with the Emergency Evacuation Plan.

Section 29 - Tenant's Liability

If an Owner who has leased a Unit defaults in the Owner's obligation to contribute to the common expenses, the Corporation may, by written notice to the lessee, require the lessee to pay to the Corporation the lesser of the amount of the default and the amount of the rent due under the lease in accordance with the Act.

Section 30 - Owner's Liability

Any Owner leasing his Unit shall not be relieved thereby from any of the Owner's obligations with respect to the Unit, which obligations shall be joint and several with his/her tenant.

PART SEVEN - MAINTENANCE AND REPAIRS AFTER DAMAGE

Section 31 - Maintenance and Repairs to Unit

- (a) Each Owner shall maintain his/her Unit and, subject to the provisions of this Declaration and the Act, each Owner shall repair his Unit after damage, all at his/her own expense.
- (b) Notwithstanding anything hereinbefore provided to the contrary, each Owner shall be responsible for all damages to any and all other Units and to the Common Elements, which are caused by the failure of such Owner to so maintain and repair his/her Unit, save and except for any such damages the cost of repairing which may be recovered under any policy of insurance held by the Corporation.

- (c) The Corporation shall make any repairs that an Owner is obligated to make and does not make within a reasonable time after damage occurs, and the Corporation may perform any maintenance that an Owner is obligated to perform and does not perform within a reasonable time. In such event, an Owner shall be deemed to have consented to having maintenance and/or repairs done to his/her Unit by the Corporation. The Owner shall reimburse the Corporation in full for the cost of such maintenance and/or repairs, including any legal or collection costs incurred by the Corporation in order to collect the costs of such maintenance and/or repairs, and all such costs shall bear interest at the rate of 4% per annum above the prime lending rate charged by the Corporation's Bank to its best risk commercial customers, until paid. The Corporation may collect such costs in such instalments as the board may decide upon, which instalments shall be added to the monthly contributions towards the common expenses of such Owner, after receipt of written notice from the Corporation thereof, and shall be treated in all respects as common expenses, and recoverable as such.
- (d) In addition to the requirements of the Act, which are imposed upon the Corporation when the building has been substantially damaged, the Corporation shall deliver, by registered mail to all mortgagees who have notified the Corporation of their interest in any Unit, notice that substantial damage has occurred to the property, along with notice of any meeting requisitioned by the Owners pursuant to the Act.
- (e) At the option of the Corporation, the Corporation may maintain, repair and replace (where applicable), at the cost of the respective Owner(s), the interior surface of all windows and doors; the interior sash of all windows and doors; the interior of the window frames; the mechanisms, locks, screens and tracks of all windows and doors; all components of the air conditioner unit (including the condensing unit, line set, and mounting components for the condenser, including any brackets).

Section 32 - Maintenance and Repairs to Common Elements

- (a) Except as otherwise provided herein, the Corporation shall maintain and repair, after damage, the Common Elements. This duty to maintain and repair shall extend to all doors which provide access to the Residential Units and all windows (except maintenance to the interior surface thereof, and exterior surfaces which are accessible by any balcony, patio or terrace the responsibility for which shall remain with the affected Unit Owner).
- (b) Each Residential Unit Owner enjoying exclusive use of any Common Element area shall be solely responsible for maintenance and non-structural repair of such area, subject to the overall direction of the board.
- (c) Every Owner from time to time shall forthwith reimburse the Corporation for repairs to and replacement of windows and doors (including the locks, door hardware and any tracks and screens relating thereto) serving his/her Unit, and for repairs to any part of the Common Elements caused by his negligence or intentional misconduct or that of the residents, tenants, invitees or licensees of his Unit, to the extent that such costs may not be recovered under any policy of insurance held by the Corporation without inordinately increasing the premium payable for such insurance as determined by the board in its sole discretion.
- (d) Each Owner enjoying exclusive use of any patio, balcony or terrace the exclusive use of which has been designated to such Unit Owner by the Declaration, shall allow access upon the Corporation's request at all reasonable times to the Corporation, or to any of its servants, agents or contractors for the purpose of facilitating any repair or maintenance of the property which is the Corporation's duty to repair or maintain, including, without limitation, the maintenance, repair and replacement of windows and planters.
- (e) Owners of Units shall be responsible for the maintenance (including cleaning) and repair of washing machine hoses, dryer vents, mechanical, electrical, heating, cooling, refrigeration and plumbing equipment, fixtures and systems (including air handler and condenser) and all appurtenances thereto, which provide power or any other service exclusively to their Unit(s) (regardless of whether the equipment, fixtures and systems lie within or beyond the boundaries of the Unit, as monumented in Schedule C of this Declaration). Notwithstanding that these obligations for items which form part of the Units are the responsibility of the Owners, the Corporation may, if it chooses, maintain, repair and/or replace (where applicable), at the cost of the Owner(s), any of the above named items.
- (f) The Corporation shall be responsible for the maintenance and repair of any Electrical Receptacle installed in a Serviced Parking Unit in accordance with this Declaration at the

expense of the occupier of such Serviced Parking Unit.

PART EIGHT - INSURANCE

Section 33 - Insurance Maintained by the Corporation

(a) Property Insurance

- (i) The Corporation shall obtain and maintain insurance, on its own behalf and on behalf of the Owners, for damage to the Units (except for any improvements made or acquired by the Owners), Common Elements and personal property owned by the Corporation (excluding furnishings, furniture or other personal property supplied or installed by the Owners) that is caused by major perils as defined in the Act, and insurance against such other perils or events as the board may from time to time deem advisable, in an amount equal to the full replacement cost of such real and personal property, and such Units, without deduction for depreciation. This insurance may be subject to a loss deductible clause, which may vary in respect of the various perils insured against as advised is prudent by the Corporation's insurance advisors or managing agent. The Corporation's responsibility to insure against major perils in respect of property damage to a Unit shall be limited, to the extent permitted by the Act, to those elements comprising a standard unit to which the damaged unit belongs (the "Standard Unit") and the responsibility to insure such unit shall not include the responsibility to insure any betterments to such Units which are not part of the Standard Unit.

(b) Other Insurance

- (i) The Corporation shall obtain and maintain insurance against its liability resulting from a breach of duty as occupier of the Common Elements, or land that the Corporation holds as an asset, and insurance against its liability arising from its ownership, use or operation, by or on its behalf, of boilers, machinery, pressure vessels and motor vehicles.

(c) General Provisions re Policies of Insurance

- (i) Such policy or policies of insurance will insure the interest of the Corporation and the Owners from time to time, as their respective interests may appear, with mortgage endorsements which shall be subject to the provisions of this Declaration and the insurance trust agreement and shall contain the following provisions:
 - (A) proceeds arising from any loss shall be payable to the Insurance Trustee, save and except that when the amount receivable from the Insurer for any loss arising out of any one occurrence is less than 15% of the replacement cost of the property covered by the policy, the proceeds of such loss shall be payable to the Corporation or other loss payee under the policy and not to the Insurance Trustee, subject to the provisions of this Declaration to the contrary;
 - (B) waivers of subrogation against the Corporation, its managers, agents, employees and servants, and against the Unit Owners and any resident, tenant, invitee or licensee of a Unit, and in any event excluding damage arising out of arson and fraud caused by any one of the above;
 - (C) such policy or policies of insurance shall not be cancelled or substantially modified without at least 60 days' written notice sent by registered mail to all parties whose interests appear thereon, and to the Insurance Trustee, and to any first mortgagee who has charges on more than 25% of the Residential Units;
 - (D) waivers of any defence based on co-insurance or of invalidity arising from any act or omission, or breach of a statutory condition, by any insured;
 - (E) provision that the same shall be primary insurance in respect to any other insurance carried by the Owner;
 - (F) waiver of the insurer's option to repair, rebuild or replace in the event that after damage the government of the property is terminated pursuant to the Act, which provision shall not be required to be contained in the

Corporation's policy referred to in paragraph (b) of the Section titled "Insurance Maintained by the Corporation".

Section 34 - General Provisions Regarding the Condominium Insurance

- (a) Prior to obtaining any policy or policies of insurance under this Part, save for the Corporation's policy referred to in paragraph (b) of the Section titled "Insurance Maintained by the Corporation", or any renewal or renewals thereof, or at such other times as the board may deem advisable, the board shall, (unless it is satisfied that its current appraisal of the full replacement cost of the property is sufficient for its purposes) obtain an appraisal from an independent qualified appraiser, of the full replacement cost of the Property, for the purpose of determining the amount of insurance to be effected pursuant thereto, and the costs of such appraisals shall be a common expense. In this regard, no appraisal shall be necessary for the period prior to the turnover meeting required to be held pursuant to the Act, with respect to the initial policy or policies placed by the Declarant.
- (b) Save as set forth herein, 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, including the Owner of a damaged Unit, shall be bound by such adjustment. Provided, however, that the board may, in writing, authorize an Owner to adjust any loss to his Unit.
- (c) Every mortgagee shall be deemed to have agreed to waive any right to have proceeds of any insurance applied on account of the mortgage. This paragraph (c) shall be read without prejudice to the right of any mortgagee to exercise the right of an Owner to vote, or to consent to matters at meetings of Owners, if the mortgage itself contains such a provision, and shall also be read without prejudice to the right of any mortgagee to receive the proceeds of any insurance policy if the Property is not repaired or replaced.
- (d) A certificate or memorandum of all insurance policies and endorsements thereto shall be issued as soon as possible to each Owner and mortgagee who has notified the Corporation of his interest in any Unit. Renewal certificates or certificates of new insurance policies shall be furnished to each Owner, and renewal certificates or certified copies of new insurance policies shall be furnished to each mortgagee who has notified the Corporation of his interest in any Unit, no later than 10 days before the expiry of any current insurance policy. The master policies for any insurance coverage maintained by the Corporation shall be kept by the Corporation in its offices, available for inspection by an Owner or mortgagee or other insured, or by the Insurance Trustee on reasonable notice to the Corporation.
- (e) No insured, other than the Corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by or for the Corporation, or to direct that loss shall be payable in any manner other than as provided in this Declaration.

Section 35 - Indemnity Insurance

The Corporation, no earlier than the date of the turnover meeting held pursuant to the Act, shall (and prior thereto may at its option) obtain and maintain insurance for the benefit of directors and officers of the Corporation, in order to indemnify them against any liability, cost, charge or expense (the "liabilities") incurred by them in the execution of their duties, provided that such insurance shall not indemnify them against liabilities incurred as a result of a contravention of the Act.

Section 36 - Insurance Maintained by the Individual Unit Owners

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 shall be obtained, or any other insurance, if deemed necessary or desirable by any Owner, may be obtained and maintained by such Owner:

- (a) Insurance for anything that is not part of the Standard Unit, including any additions or improvements made by an Owner to his/her Unit, including but not limited to, furnishings, fixtures, equipment, decorating and personal property, chattels and inventory of the Owner contained within his/her Unit, and his/her personal property and chattels stored elsewhere on the Property, including his automobile or automobiles and for loss of use and occupancy of his Unit in the event of damage. Such policy or policies of insurance shall contain waivers of subrogation against the Corporation, its manager, agents, employees and servants, and against the other Owners and any tenants, invitees or licensees of such other

Units, except for any damage arising from vehicle impact, arson and fraud caused or contributed by any of the above.

- (b) Public liability insurance covering any liability of any Owner or any resident, tenant, invitee or licensee of his/her Unit, to the extent not covered by any public liability and property damage insurance obtained and maintained by the Corporation.
- (c) Insurance covering additional living expenses incurred by an Owner if forced to leave his Residential Unit by one of the hazards protected against under the Owner's personal property.
- (d) Insurance covering special assessments levied against an Owner's Unit by the Corporation.
- (e) Deductible coverage for the portion of any loss for which the Owner is responsible pursuant to the Act and the Governing Documents.

Section 37 - Indemnification by Owners

Each Owner shall indemnify and save the Corporation harmless from any loss, costs, damage, injury or liability which the Corporation may suffer or incur resulting from or caused by any act or omission of such Owner, or any resident, tenant, invitee or licensee of his Residential Unit, including but not limited to any breach of the Act, the Governing Documents or any agreements to which the Corporation is a party, in force from time to time, to or with respect to the Common Elements or to any Unit or any part of the Building, except for any loss, costs, damage, injury or liability insured against by the Corporation and for which insurance proceeds are in fact payable. All payments to be made by any Owner pursuant to this Section are deemed to be additional contributions toward the common expenses payable by such Owner, and are allocated and recoverable as such.

Section 38 - Insurance Trust Agreement

The Corporation may enter into, and at all times maintain, in accordance with any applicable provisions of this Declaration an insurance trust agreement (herein the "Insurance Trust Agreement") with a trust company, registered under the Loan and Trust Corporations Act, or a chartered bank or other firm qualified to act as an insurance trustee (the "Insurance Trustee"). The Insurance Trust Agreement shall provide that the Insurance Trustee is to hold all insurance proceeds which are subject to the terms of the Insurance Trust Agreement, in trust and disburse the proceeds in satisfaction of the Corporation's and Owners' respective obligations to repair in accordance with the provisions of the Act, this Declaration and the Insurance Trust Agreement. Notwithstanding the foregoing, where insurance proceeds payable on any one loss or occurrence are less than 15% of the replacement cost of the property covered by the policy, such proceeds shall be paid directly to the Corporation or the person whom the Corporation specifies pursuant to the direction of the Insurance Trustee as set forth in the Insurance Trust Agreement, and shall be held in trust and disbursed by the Corporation as if it were acting as the Insurance Trustee. Notwithstanding anything herein contained, the Corporation may terminate the Insurance Trust Agreement by giving at least 60 days notice in writing of the termination date to the Insurance Trustee.

PART NINE - DUTIES OF THE CORPORATION

Section 39 - Duties

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

- (a) to enter into, ratify and/or assume the Warranty Agreement, the Bulk Internet Agreement, the AECS Agreement and all registered municipal agreements as required by the Town of Caledon, the Region of Peel and/or the Toronto Region Conservation Authority, and to comply with all of the covenants, conditions, restrictions, agreements, obligations, terms and provisions contained therein and/or registered against the Property, in addition to any requirements set forth in the Act and the Governing Documents;
- (b) subject to the Warranty Agreement, to ensure that no legal action is taken by the Corporation against the Declarant and/or any other entity or person related to or affiliated with the Declarant for any alleged deficiencies in construction, finishes, materials, workmanship or claims arising in negligence or nuisance in respect of the Units and/or Common Elements of the Condominium, except for any warranty claim against the Declarant for the warranties provided for in the Ontario New Home Warranties Plan Act

unless a vote of 51% of all Owners of all Units is obtained in favour of such legal action at a meeting duly called for that purpose;

- (c) to enter into, ratify, confirm or assume any utility and/or utility metering agreement as may be required for the operation of the Building;
- (d) to become familiar with, and, in the case of an emergency, to follow the procedures outlined in the Emergency Evacuation Plan, and to keep copies of the Emergency Evacuation Plan at the concierge desk and in the office of the Corporation;
- (e) to cause the Manager and all on-site staff to be trained to execute such Emergency Evacuation Plan, to review the Emergency Evacuation Plan annually, and to conduct and/or coordinate the necessary drills to ensure that Unit Owners understand such procedures;
- (f) to accept the conveyance of any Parking Unit(s), Storage Unit(s) and/or Combined Parking/Storage Units from the Declarant in accordance with the terms of this Declaration;
- (g) to purchase the Guest Unit from the Declarant in accordance with the terms of this Declaration;
- (h) to ensure that any contract with a property management company relating to the management services for the Condominium stipulates that the property manager for the Condominium must be a Certified Property Manager ("CPM") as designated by the Real Estate Institute of Canada ("REIC") or any successor of REIC. If REIC ceases to exist and there is no successor thereof, then the property manager for the Condominium must be certified to a standard equivalent to a CPM by an organization that certifies such property managers, which standard is to be approved by By-Law;
- (i) to ensure that the property manager and on-site staff are trained to execute the evacuation procedures in the case of an emergency pursuant to the Toronto Region Conservation Authority's approved emergency evacuation plan for the building, and are listed on the TRCA's notification list;
- (j) to at all times maintain adequate drainage of storm water from the Property;
- (k) to enter into, ratify, confirm or assume any agreement(s) as may be required for the purchase and/or operation of any utility metering systems for the Building and Units;
- (l) to take all reasonable steps to collect from each Unit 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 Unit in respect of which the Owner has defaulted in the payment of common expenses;
- (m) to arrange for the ongoing monitoring of the vegetation within the Property boundary along the slope to the rear of the Property and to ensure that such vegetation does not pose any hazards;
- (n) to arrange for property management and/or onsite security/concierge to set out waste bins in the designated waste collection area as well as jockey the waste bins to the waste collection truck on collection day;
- (o) to operate, maintain and keep in good repair, as would a prudent owner of similar premises at all times, the Common Elements and assets of the Corporation, including, without limitation, the removal of graffiti and other unsightly demarcations from the exterior of the Building within 10 working days of any such occurrence; and
- (p) to take all actions reasonably necessary as may be required to fulfill any of the Corporation's duties and obligations pursuant to this Declaration.

PART TEN - GENERAL MATTERS

Section 40 - Check Metering of Utilities

- (a) The Corporation may contract for the purchase of any utility from the appropriate utility provider. Additionally, each Owner may be required to contract with a local distribution company, a private retailing company and/or from a metering company for the supply of any utility to the Unit. Utilities consumed in each Unit may be measured by a suite metering system (a "SMS") operated by the company that installed the SMS (the "Metering

Company") and may be invoiced to such Owner by the Metering Company in accordance with an agreement to be entered into by the Corporation, or the respective Owner and the Metering Company. In the alternative, the Declarant may at first instance enter into such an agreement and upon either the registration of the Corporation or upon occupancy of each respective Residential Unit the Declarant shall be automatically released from all of its liabilities and obligations thereunder with the result that it shall no longer from such time be liable to the other party(ies) to any agreements for any breach of the agreement caused or occurring subsequent to such date. Correspondingly, the Corporation or the Owner, as the case may be, shall assume all such liabilities and obligations from such date.

- (b) Each Owner shall receive and be responsible for payment of the invoice with respect to the consumption of such utilities for his Unit. The Owner shall remit payment to the relevant Metering Company for utility consumption, separate from any other obligations the Owner has with respect to payment of common expenses as an Owner within the Condominium. For greater certainty, the cost of such utility consumption within the Residential Units shall not form part of the common expenses.
- (c) The following shall apply where the Corporation is liable to the utility supplier at first instance, but shall not apply where the Unit Owner contracts directly with the utility supplier:
 - (i) any monies owing with respect to invoices for any utility consumption described in this Section and not paid to the relevant Metering Company by the Owner according to the terms of the invoice, shall be paid by the Corporation to such Metering Company and shall thereupon be a debt owed by the Owner of the Unit and shall be collectable by the Corporation as if same were common expenses in arrears and for such purposes only shall be considered common expenses. Payment to the Corporation shall be made in such manner and with such frequency as determined by the board from time to time acting reasonably in the event of such default. Interest will accrue on arrears of money owing for such utility consumption at a rate set out herein for arrears owing to the Corporation;
 - (ii) in the event a Unit Owner is in default of payment of invoices to the Metering Company, as a condition of being supplied or continuing to be supplied with such utility, the Corporation has the right to require an Owner to maintain a deposit with the Corporation in an amount equal to two month's common expense fees. The Corporation is entitled to apply such deposits against monies owing by a defaulting Owner with respect to the supply of such utility; and
 - (iii) the Corporation shall be entitled, subject to complying with all other laws and regulations, to either stop the supply of such utility to any Unit where payments owing for same are more than 30 days in arrears and/or to register a common expense lien against the Unit.

Section 41 - In-Suite Sprinkler Systems

Each Residential Unit will have an in-suite automatic sprinkler system. Each owner of a Residential Unit shall be responsible for the costs of maintaining and repairing the sprinkler heads comprising part of the in-suite automatic sprinkler system servicing his or her Residential Unit, provided however that all maintenance and repair work undertaken in connection therewith shall be arranged by the Corporation, and shall be carried out exclusively by the Corporation's authorized contractors, agents and/or representatives, but shall nevertheless be paid for by the affected Unit Owner immediately upon the Corporation's presentation of an invoice for same. Each Owner of a Residential Unit shall accordingly notify the Corporation's property manager regarding any needed maintenance and/or repair work to the sprinkler heads, and shall allow the Corporation's authorized contractors, agents and/or representatives access thereto at all reasonable times in order to carry out said work. In the event that any invoice issued by or on behalf of the Corporation for any of the foregoing maintenance or repair work is not paid when due, then the Corporation shall be entitled to recover same against the delinquent Residential Unit Owner in a manner similar to common expense arrears (i.e. by registering a lien against the Unit of the defaulting Owner which would have priority over all other registered encumbrances, and which could ultimately lead to power of sale proceedings similar to a real property mortgage in default). Save and except for the aforementioned sprinkler heads, the Corporation shall be responsible for maintenance and repair of the sprinkler system and the cost thereof shall be part of the common expenses.

Section 42 - Rights of Entry

- (a) The Corporation, or any insurer of the property or any part thereof, their respective agents,

employees or authorized representatives, and any other person authorized by the board, shall be entitled to enter any Unit at all reasonable times and upon giving reasonable notice, for the purposes of making inspections, adjusting losses, making repairs, correcting any condition which violates the provisions of any insurance policy or policies, remedying any condition which might result in damage to the property, carrying out any duty imposed upon it by the Corporation, or to perform the objects and duties of the Corporation or to exercise the powers of the Corporation, or in order to exercise any right, remedy or privilege any one of them may have, or to carry out any duty imposed by such agreements or such other obligations that bind the Corporation including, without limitation, maintenance, repair and replacement of any mechanical and/or plumbing service in adjacent Units.

- (b) The Declarant and its authorized agents and contractors shall be entitled to enter upon any Unit and the Common Elements of the Corporation to rectify any matter required to be satisfied under any municipal, regional and/or utility agreement until all of the Declarant's obligations under such agreements have been satisfied in full.
- (c) In case of an emergency, any agent, employee or authorized representative of the Corporation may enter any Unit at any time without notice, for the purpose of repairing the Unit or the Common Elements or for the purpose of correcting any condition which might result in damage or loss to the property or any assets of the Corporation. The Corporation or anyone authorized by it may determine whether such an emergency exists.
- (d) The Corporation, its agents, employees, authorized representatives and others authorized by the board shall have the right to enter any Unit at all reasonable times and upon giving reasonable notice to read, install, maintain, repair or inspect: (i) any part of the Building (including without limitation, the maintenance, repair and replacement of any windows; and (ii) any metering devices, installation or equipment necessary for the providing or monitoring of utilities or services to the Unit or other Units or the Common Elements. For the purposes of the monitoring, repair and replacement of the windows and wall systems, roof anchors to be utilized for working apparatus relating to the aforementioned uses described in this paragraph or by personnel may be installed on the exclusive use portion of the Unit and cannot be removed by the Owner.
- (e) Any supplier of a utility is entitled to enter any Unit and the Common Elements upon 24 hours notice to any Owner or the Corporation, as the case may be, and without notice in the case of emergency, for the purpose of (i) conducting inspection, maintenance, repair and replacement and other services in relation to the distribution systems for such utility and its related equipment and wiring; (ii) facilitating the usage and operation of such systems; and (iii) installing, maintaining, reading, repairing, replacing and inspecting any metering devices or equipment necessary for the providing or monitoring of utilities to the Unit or other Units or the Common Elements.
- (f) If any Owner, resident or tenant of a Unit shall not be personally present to grant entry to such Unit to such person mentioned in subparagraph (c) of this Section, the Corporation, or any person authorized by the Corporation, any of their agents or employees, may enter upon such Unit without rendering it, or them, liable to any claim or cause of action for damages by reason thereof, provided that they exercise reasonable care.
- (g) The Corporation shall retain a master key to all locks to all Units and exclusive use areas. No Owner, resident, or tenant shall change any lock or place any additional locks on the doors to any Unit or in the Unit or to any part of the Common Elements of which such Owner, resident or tenant has the exclusive use without all such locks being on the Corporation's master key system.
- (h) The rights and authority hereby reserved to the Corporation, any insurer as aforesaid, and their respective agents, employees or authorized representatives, does not impose upon them any responsibility or liability whatsoever for the care or supervision of any Unit except as specifically provided in the Declaration or the by-laws.

Section 43 - Owner's Default

If any Owner of a Unit fails to pay the Corporation any amount ("the Amount") of money required to be paid pursuant to this Declaration that may not be a common expense, the Corporation's by-laws and/or rules or otherwise when required, then in addition to any other rights, powers or remedies available to the Corporation at common law, by statute, or in equity, the Corporation shall be

entitled to:

- (a) charge and levy interest against such Owner (hereinafter referred to as the "Defaulting Owner") in respect of such unpaid Amount and on all costs and expenses incurred by the Corporation in collecting (or attempting to collect) same, including all legal expenses incurred by the Corporation on a solicitor-and-his/her-own-client basis, at a rate equal to 24% per annum, calculated monthly, not in advance, with interest on the unpaid Amount commencing to accrue from and after the date which the Amount is due and payable and with interest on all of the expenses incurred in collecting (or attempting to collect) same commencing to accrue from and after the respective dates that the Corporation incurred or expended same, and all such interest shall continue to accrue at the aforesaid rate until the date that all of the foregoing amounts are fully paid; and
- (b) maintain and enforce a lien against the Defaulting Owner's Unit(s), as security for the payment of the Amount (hereinafter referred to as the "Lien") and all costs and expenses incurred by the Corporation in collecting (or attempting to collect) same together with all outstanding interest accruing thereon as aforesaid, with the Lien being enforceable by the Corporation in the same manner, and to the same extent, as a real property mortgage or charge, and with all the powers, rights and remedies inherent in (or available to) a mortgagee or chargee when a mortgage or charge of real estate is in default, pursuant to the provisions of The Mortgages Act R.S.O. 1990 as amended and/or any other applicable statutory provision or common law principle applicable thereto, and in the event that the Land Registrar requires the Corporation, as a prerequisite to the registration and/or enforcement of the Lien, to apply to a court of competent jurisdiction of any order, direction, advice or authorization, then the Corporation shall be entitled to forthwith apply to such court for same and the Defaulting Owner shall for all purposes be deemed to have consented to any such application by the Corporation, and concomitantly, the Defaulting Owner shall be forever barred and estopped from bringing or instituting any action, suit, claim or other proceeding to defend, defeat, hinder or delay any such application by the Corporation or the maintenance and enforcement of the Lien by the Corporation.

Section 44 - Invalidity

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity or enforceability of the remainder of this Declaration.

Section 45 - Waiver

The failure to take action to enforce any provision contained in the Act and/or the Governing Documents, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor shall same be deemed to abrogate or waive any such provision.

Section 46 - Notice

Except as provided in the Act or as hereinbefore set forth, any notice, direction or other instrument required to be given shall be given as follows:

- (a) Method of giving notice: Any notice, communication or other document, including budgets and notices of assessments required to be given or delivered by the Corporation, shall be sufficiently given if (a) delivered personally to the person to whom it is to be given or to the address noted in the record; (b) mailed by prepaid ordinary mail in a sealed envelope addressed to such address; (c) sent by means of wire or wireless or any other form of transmitted or recorded communication (including, without limitation, facsimile and/or email transmission); or (d) where such notice is required to be given to a Unit Owner, delivered to the Owner's Unit or at the mailbox of the Unit, unless the Corporation has received a written request from such Owner that the notice not be given in this manner or the address for service that appears in the record is not the address of the Unit of the Owner. Any notice, communication or other document to be given by the Corporation to any other person entitled to notice and who is not an Owner shall be given or delivered to such person in the manner aforesaid to the address shown for him on the record. Such notice, communication or document shall be deemed to have been given when it is delivered personally or delivered to the address aforesaid; provided that a notice, communication or document so mailed shall be deemed to have been given when deposited in a post office or public letter

box and notice sent by any means of wire or wireless or any other form of transmitted or recorded communication shall be deemed to have been given when delivered to the appropriate communication company or agency or its representative for dispatch.

- (b) Notice to the Board or Corporation: Any notice, communication or other document to be given to the board or Corporation shall be sufficiently given if mailed by prepaid ordinary mail or air mail in a sealed envelope addressed to it at the address for service of the Corporation set out in the Declaration. Any notice, communication or document so mailed shall be deemed to have been given when deposited in a post office or public letter box.
- (c) Omissions and Errors: The accidental omission to give any notice to anyone entitled thereto or the non-receipt of such notice or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.
- (d) If such notice is mailed as aforesaid, the same shall be deemed to have been received and to be effective on the 3rd business day following the day on which it was mailed.

Section 47 - Construction of Declaration

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

Section 48 - Headings

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

Executed this * day of *, 201*.

BROOKFIELD RESIDENTIAL (ONTARIO) BOLTON LIMITED

Per: _____
Name:
Title:

Per: _____
Name:
Title:

We have authority to bind the Corporation.