



February 12, 2021

Dear Sir/Madam:

**Re: Liquidation of Shepherd's Village Ministries Ltd. ("SVM")
Court of Queen's Bench No.: 1701-07807**

**NOTICE OF ANNUAL GENERAL MEETING - THE OWNERS: CONDOMINIUM PLAN NO.0020672
(the "Condo Corp")**

Further to the Order granted by Justice R.A. Neufeld on January 14, 2021 (the "**Meeting Order**"), please find attached the Notice of Annual General Meeting (the "**AGM Notice**") together with the associated schedules.

As indicated in the Notice, the AGM will be held via conference call on March 4, 2021 at 2:00 p.m. Attendance details are as follows:

DATE AND TIME:	Thursday, March 4, 2021 at 2:00 p.m.
LOCATION:	By telephone using the following access information:
ACCESS INFORMATION:	Call in at 587-774-7319 then enter conference ID number 266 700 651#

A copy of the Meeting Order, Notice and associated schedules can also be found at the Liquidator's website at www.kpmg.ca/shepherdsvillage.

In order to ensure we have a quorum, please try your best to attend. If you are unable to attend, you may have a proxy attend and vote on your behalf. A copy of the proxy can be found in the Notice, please complete with the name of your proxy (the person you want to vote on your behalf) and return as indicated.

If we do not have sufficient owners/proxies attend, the meeting will need to be adjourned.

Election of Board of Directors

The following individuals have put their names forward for election to the Board of Directors of the Condo Corp (the "**Board**"):

- Al Young
- Laurie Knight
- Rod Perron



- Daniel Napier
- Ed Gliege
- Laurel Hyatt

According to the current Bylaws, only those individuals who are current owners of units in Shepherd's Village are eligible for election to the Board. However, if the proposed amendments to the Bylaws are accepted, representatives of owners will be eligible for election to the Board. As such, following the end of the AGM, the newly elected Board may wish to hold a further meeting to elect additional members who will thereafter be eligible.

Proposed Amendments to Bylaws – Standard Insurable Unit Description

Pursuant to the terms of the *Condominium Corporation Act*, RSA 2000, c C-22 all condominium corporations will need to provide a standard insurable unit description (“**SIUD**”) to their insurance provider and all unit owners. Further discussion with respect to the SIUD will take place at the AGM.

If you have any questions please contact Cristina Pimienta, the Liquidator's representative, at (403) 691-8406 or via email at cpimienta@kpmg.ca.

Yours truly,

KPMG Inc., in its capacity as Court-appointed
Liquidator and Investigator of Shepherd's Village Ministries Ltd.
and not in its personal or corporate capacities.

A handwritten signature in black ink, appearing to read 'Neil Honess', written over a horizontal line.

Per: Neil Honess, Senior Vice President

NOTICE OF ANNUAL GENERAL MEETING
THE OWNERS: CONDOMINIUM PLAN NO.0020672

FROM: KPMG INC. (“KPMG”)
TO: THE OWNERS OF CONDOMINIUM PLAN NO.0020672 (the “Owners”)
RE: NOTICE OF ANNUAL GENERAL MEETING - THE OWNERS: CONDOMINIUM PLAN NO.0020672 (the “Condo Corp”)
DATE: FEBRUARY 12, 2021

As you are aware, on February 27, 2019, KPMG was appointed the investigator of the Condo Corp in order to review the Condo Corp and provide recommendations to the Court.

As per our letter dated November 24, 2020, and pursuant to an Order for the Court granted on January 14, 2021, the Condo Corp will need to hold an annual general meeting (the “**Annual General Meeting**”) as soon as possible.

NOTICE IS HEREBY GIVEN TO THE OWNERS that the Annual General Meeting for the Condo Corp will be held electronically as follows:

DATE AND TIME:	Thursday, March 4, 2021 at 2:00 p.m.
LOCATION:	By telephone using the following access information:
ACCESS INFORMATION:	Call in at 587-774-7319 then enter conference ID number 266 700 651#

The primary purpose of the Annual General Meeting is to:

1. Adopt a corporate seal and minute book for the Condo Corp;
2. Elect a of board of directors for the Condo Corp;
3. Appoint officers for the Condo Corp:
 - a. President;
 - b. Vice-President; and
 - c. Treasurer and/or Secretary;
4. Amend the Bylaws of the Condo Corp:
 - a. Discuss the requirement of a standard insurable unit description (SIUD). The SIUD is a description of what the Condo Corp's insurance will cover, including standard fixtures and finishing's without taking into account any upgrades that have been made by the owner of a unit. Please see attached Standard Insurable Unit Description Information Sheet attached hereto as Schedule “D”. To date, we are unable to create the SUID for Condo Corp, as we do not have the applicable information to create one. Once the board of directors has been established, the board of directors will need to work with the insurance provider for the Condo Corp to create a SUID for the Condo Corp;
5. Review and approve the reserve fund study dated November 19, 2020 commissioned by Morrison Hershfield;
6. Increase the condominium fees for the Condo Corp; and
7. Appoint a property manager for the Condo Corp.

Attached to this Notice of Annual General Meeting are the following schedules for your review and consideration:

- a. Schedule "A" - Proxy Form;
- b. Schedule "B" - Annual General Meeting Agenda;
- c. Schedule "C" - Proposed Amended Bylaws (Bylaws are attached in clean and compare versions. The compare version is to the Condominium Corporation's current bylaws);
- d. Schedule "D" - Standard Insurable Unit Description Information Sheet; and
- e. Schedule "E" - reserve fund study dated November 19, 2020 commissioned by Morrison Hershfield.

IMPORTANT

It is important that as many Owners as possible be represented at the Annual General Meeting. The meeting cannot be held without the attendance (in person or by proxy) by an owner entitled to vote from at least 15% percent of the persons representing not less than 1500 of the Unit Factors present in person or by proxy shall constitute a quorum.

If you cannot attend, please complete the enclosed instrument of proxy and **EITHER:**

Email the instrument of proxy to:

Option 1:

Cristina Pimienta at KPMG, via email, at cpimienta@kpmg.ca. If you are unable to access email please contact Cristina at 403-691-8406 to arrange for delivery.

OR

Option 2:

The proxy may be presented at the meeting by your proxy holder. Please still email it to cpimienta@kpmg.ca in advance of joining the meeting.

PLEASE NOTE

Section 26(5) of the Alberta *Condominium Property Act* (the "Act") states that an Owner is not entitled to exercise the power of voting conferred on the Owner by the Act of the regulations where:

- a. Any contribution payable in respect of an Owner's unit; or
- b. Any other obligation owing to the Condo Corp in respect of the Owner's Unit or the common property,

is in arrears for more than 30 days prior to the day that the power of voting may be exercised. Please ensure that all condominium fees are paid in full by February 18, 2021 to ensure your eligibility to vote.

Yours truly,

KPMG Inc., in its capacity as Court-appointed
Liquidator and Investigator of Shepherd's Village Ministries Ltd.
and not in its personal or corporate capacities.



Per: Neil Honess, Senior Vice President

SCHEDULE "A" – INSTRUMENT OF PROXY FORM

THIS PROXY WILL BE USED AT THE 2021 ANNUAL GENERAL MEETING OF THE OWNERS: CONDOMINIUM PLAN NO.0020672 (the "Condo Corp") TO BE HELD ON MARCH 4, 2021.

The undersigned is the registered owner(s) of the fee simple estate or life lease resident for Unit (defined below) (individually or collectively, if more than person, the "Owner"), hereby nominates, constitutes and appoints:

NAME OF PROXY:	
-----------------------	--

as a true and lawful attorney and proxy of the Owner with full power and substitution to attend, and vote at the Annual General Meeting of the Condo Corp to be held as follows:

DATE AND TIME:	Thursday, March 4, 2021
LOCATION:	By telephone using the following access information:
ACCESS INFORMATION:	Call in at 587-774-7319 then enter conference ID number 266 700 651#

(the "Meeting") and any adjournment(s) thereof, unless and until the undersigned is present in person at the Meeting or any adjournment(s) thereof, and without limiting the general authorization and power herein given, to vote on behalf of the Owner upon all matters coming before the Meeting, including without limiting the generality of the foregoing:

1. Adopt a corporate seal and minute book for the Condo Corp;
2. Elect a of board of directors for the Condo Corp;
3. Appoint officers for the Condo Corp:
 - a. President;
 - b. Vice-President; and
 - c. Treasurer and/or Secretary;
4. Amend the Bylaws of the Condo Corp;
5. Review and approve the reserve fund study dated November 19, 2020 commissioned by Morrison Hershfield;
6. Increase the condominium fees for the Condo Corp; and
7. Appoint a property manager for the Condo Corp.

Upon any amendment or variation of the above matters or any other matters properly brought before the Meeting or any adjournment(s) thereof in such manner as such proxyholder in his sole discretion may determine. The undersigned hereby ratifying and confirming all acts of the said proxy as if the undersigned had been personally present and acting. I revoke any former proxy previously given. This proxy shall remain in effect until withdrawn in writing.

DATED this _____ day of _____, 202__.

UNIT: _____

Signature of Owner

Signature of Owner

Name: _____
(Print Name)

Name: _____
(Print Name)

IF YOU CANNOT ATTEND, PLEASE COMPLETE THE ENCLOSED INSTRUMENT OF PROXY AND EITHER:

Email the instrument of proxy to:

Option 1:

Cristina Pimienta at KPMG, via email, at cpimienta@kpmg.ca. If you are unable to access email please contact Cristina at 403-691-8406 to arrange for delivery.

OR

Option 2:

The proxy may be presented at the meeting by your proxy holder. Please still email it to cpimienta@kpmg.ca in advance of joining the meeting.

SCHEDULE "B" – ANNUAL GENERAL MEETING AGENDA

The order of business at the Annual General Meeting pursuant to the bylaws for The Owners: Condominium Plan No.0020672 (the "**Condo Corp**"), shall be as follows:

- a. Election of the Chairman of the Meeting.
- b. Calling of the roll, certifying of proxies, establishing quorum and appointment of scrutineers.
- c. Proof of notice of meeting or waiver of notice.
- d. Reading and disposal of any unapproved minutes
 - Unable to verify if minutes have been historically prepared for the Condo Corp.
- e. Reports of officer
 - Unable to verify if reports of officers have been historically prepared for Condo Corp.
- f. Reports of committees
 - Unable to verify if reports of committees have been historically prepared for Condo Corp.
- g. Financial report
 - Unable to verify if financial reports have been historically prepared for Condo Corp.
 - Unable to verify whether any annual general meeting have historically taken place for the Condo Corp, as such, this Annual General Meeting shall be deemed to be the first annual general meeting of the Owners of the Condo Corp. for the purposes of s.30(1) of the *Condominium Property Act* (the "**CPA**"). Accordingly, the requirement to prepare and provide financial statements in accordance with s.30(4) of the CPA for the Annual General Meeting is hereby waived.
- h. Election of Board of Directors
- i. Election of Officer's
 - President
 - Vice-President
 - Treasurer and/or Secretary
- j. New Business
 - Adopt Corporate Seal and Minute Book
 - Reserve Funds Study
 - Increase Condo Fees of Condo Corp
 - Amendment of Condo Corp. Bylaws
 - Appointment of Property Manager
- k. Adjournment

SCHEDULE "C" - PROPOSED AMENDED BYLAWS

CLEAN VERSION OF AMENDED BYLAWS

NOTICE OF CHANGE OF BY-LAWS

Form 3

Condominium Property Act

Section 32

Condominium Corporation No. 0020672 (the "**Corporation**") hereby certifies that, by a special resolution passed on the ____ day of _____, 20____, the by-laws of the Corporation were added to, amended or repealed as follows:

1. The by-laws of the Corporation registered as instrument number 162 092 137 at the Alberta Land Titles office are hereby repealed;
2. The by-laws attached to this notice as Schedule "A" are hereby enacted and adopted.

The seal of the Corporation was affixed on the ____ day of _____, 20____, in the presence of _____.

(Officer/Board Member)

(c/s)

SCHEDULE "A"
Bylaws
(see attached)

SHEPHERD'S VILLAGE

BYLAWS OF CONDOMINIUM CORPORATION NO. 0020672

SUMMARY OF CONTENTS

IN SUBSTITUTION AND REPLACEMENT FOR THE BYLAWS REGISTERED IN THE NORTH ALBERTA LAND REGISTRATION DISTRICT AS INSTRUMENT #162 092 137.

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Personal Information Protection Act, S.A. 2003, c. P-6.5 ("**PIPA**"): the Board of Directors shall endeavour to keep individual Owners' personal information confidential and will not disclose same without their consent, as set forth in PIPA, however, the Unit Owners agree and specifically consent to give the Board discretion to release any information which the Board, in its sole discretion, deems to be in the best interest of the Corporation.

NOTE: These Bylaws have been passed by Condominium Corporation No. 0020672 for the purpose of repealing, replacing and substituting the Bylaws registered in the North Alberta Land Registration District as instrument #162 092 137.

SHEPHERD'S VILLAGE

BYLAWS OF CONDOMINIUM CORPORATION NO. 0020672

1. Definitions and Interpretation

In these Bylaws, where capitalized and unless the context or subject matter requires a different meaning:

- (a) **"Act"** means the *Condominium Property Act*, Revised Statutes of Alberta, 2000, Chapter C-22, as amended from time to time or any statute or statutes passed in substitution therefor;
- (b) **"Architectural Standards"** means those specifications for exterior design and appearance of the Buildings and the Units as prescribed by the Board from time to time;
- (c) **"Bare Land Unit"** means a Unit as defined in Bylaw 1(hh) below;
- (d) **"Board"** means the Board of Directors of the Corporation;
- (e) **"Building"** means any residential dwelling constructed on a Unit and forming an integral part thereof;
- (f) **"Bylaws"** means the Bylaws of the Corporation, as amended from time to time;
- (g) **"Capital Replacement Reserve Fund"** means a fund established in accordance with the provisions of the Act, to be used for major repairs and replacements of any portions of the Units for which the Corporation is responsible, any real and personal property of the Corporation, the Managed Property and the Common Property
- (h) **"Common Expenses"** (elsewhere commonly referred to as "condominium fees" or "special assessments") means the expense of performing the objects and duties of the Corporation and any other expenses specified as common and reserve expenses in these Bylaws and may include expenses incidental to the property of the Corporation or the Common Property or the Managed Property or expenses incurred by the Corporation behalf of all Owners;
- (i) **"Common Property"** means all of the following from time to time: (i) Common Property Unit, and (ii) the personal property and equipment owned by the Corporation.
- (j) **"Common Property Unit"** means any Unit or real property from time to time that is (i) not a Residential Unit, (ii) is owned or intended to be owned by the Corporation, and (iii) is for the use or benefit of the Owners;
- (k) **"Condominium Plan"** means the bare land condominium plan registered at the Land Titles Office under the Act as No. 0020672, and also includes all subsequent condominium plans of redivision;
- (l) **"Corporation"** means the Corporation constituted under the Act by the registration of the bare land Condominium Plan whose legal name is "Condominium Corporation No. 0020672";

- (m) **“Developer”** means Shepherd’s Village Ministries Ltd. and its successors or assigns specifically designated as such by the Developer;
- (n) **“General Meeting”** includes both annual and extraordinary General Meetings and means those meetings, held upon notice to all members of the Corporation, at which all such members or their proxies are entitled to be present, and if qualified, to vote;
- (o) **“Insurance Trustee”** means an entity authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on resolution of the Board, whose duties include the receiving, holding and disbursing of proceeds of policies of insurance pursuant to these Bylaws and the Act. If no Insurance Trustee is appointed, then the Insurance Trustee shall be the Board;
- (p) **“Interest Rate”** means eighteen (18%) percent per annum, calculated annually, or such lesser or greater rate as is equal to the maximum rate permitted under the Regulation to the Act;
- (q) **“Life Lease”** means a life lease in respect of a Residential Unit granted to an Owner, the terms of which are set forth in one or more written life lease agreements made between Shepherd’s Village Ministries Ltd., as landlord, and an Owner, as life resident;
- (r) **“Managed Property”** means such part or parts of the Units, as by its Bylaws, the Corporation is to administer, control, manage, maintain and repair as it would the Common Property, being the improvements to the lands within the boundaries of the Units, including the structure of the Buildings, foundations, roofs, decks, patios, driveways and such other parts of the Units to be managed, maintained and repaired by the Corporation as provided by its Bylaws;
- (s) **“Manager”** means any property manager contractually appointed by the Board;
- (t) **“Municipality”** or **“Municipal”** means Town of Valleyview, in the Province of Alberta;
- (u) **“Occupant”** or **“Tenant”** means (i) a person present in or on, or a person in possession of a Unit or of the real property of the Corporation or the Common Property with the permission of an Owner or the Corporation, as the case may be, whether or not the Occupant or Tenant is an Owner, and includes all family members, invitees, licensees, servants and guests of such Occupant or Tenant, and (ii) who is in occupation thereof in excess of thirty (30) days in any calendar year;
- (v) **“Ordinary Resolution”** means a resolution:
 - (i) passed at a properly convened meeting of the Corporation by a majority of all the persons present or represented by proxy at the meeting and entitled to exercise the powers of voting conferred by the Act or these Bylaws; or
 - (ii) signed by a majority of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by

the Act or these Bylaws and representing more than 50% of the total Unit Factors for all of the Units;

- (w) **“Owner”** or **“Owners”** means a person or persons who is or are registered as the Owner(s) of the fee simple estate or Life Lease in a Unit and where the term “Owner” is used in Bylaw 62, that term includes a Tenant;
- (x) **“Parcel”** means the land comprised in the Condominium Plan;
- (y) **“Private Motor Vehicle”** means cars, station wagons, light trucks up to three-quarter (3/4) ton size with single rear wheels, mini-vans, golf carts, motorcycles and sport utility vehicles;
- (z) **“Project”** means all of the real and personal property and fixtures comprising the Parcel, land and Buildings which constitute the Units and Common Property;
- (aa) **“Regulation”** or **“Regulations”** means the *Condominium Property Regulation* currently being Alberta Regulation 168/2000 and any other Regulation made from time to time in substitution, replacement or addition thereto by the Lieutenant Governor in Council in Alberta pursuant to the Act;
- (bb) **“Representative(s) of the Owner”** means an adult person who is at least eighteen (18) years of age and is duly authorized by the Owner to act on behalf of the Owner;
- (cc) **“Residential Unit”** means a Unit which is used or intended to be used for residential purposes, together Building constructed on that Unit;
- (dd) **“Senior”** means a person who has attained his or her 55th birthday;
- (ee) **“Special Business”** means any resolution to be voted upon at a General Meeting of the Owners of which advance notice is required to be given under these Bylaws; Special Business may or may not require to be passed by a Special Resolution;
- (ff) **“Special Resolution”** means a resolution:
 - (i) passed at a properly convened meeting of the Corporation by a majority of not less than 75% of all the persons entitled to exercise the powers of voting conferred by the Act or these Bylaws and representing not less than 75% of the total Unit Factors for all the Units; or
 - (ii) agreed to in writing by not less than 75% of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or these Bylaws and representing not less than 75% of the total Unit Factors for all the Units;
- (gg) **“Spouse”** includes a person who holds that position usually enjoyed by a Spouse whether or not he or she is legally married;
- (hh) **“Standard Insurable Unit Description”** means the standard features found in the Residential Units as set forth in Schedule “B” attached hereto;

- (ii) **"Unit"** means land that is situated within the Parcel and is described as a Unit in the Condominium Plan by reference to boundaries governed by monuments placed pursuant to the provisions of the *Surveys Act*, R.S.A. 2000, c. S-26, respecting subdivision surveys but does not include any Common Property Units;
- (jj) **"Unit Factor"** means that fraction expressed in ten-thousandth shares that each Unit owns in the Common Property, if any, and as is more particularly specified or apportioned and described in and set forth on the Condominium Plan; and
- (kk) **"Unit Share"** means the square footage, not including the attached garage square footage, of the Building on the Unit divided by the total square footage of all Buildings on all Units.

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these Bylaws and other expressions used in these Bylaws and not defined in the Act or in these Bylaws have the same meaning as may be assigned to them in the *Land Titles Act*, R.S.A. 2000, c. L-4 or the *Law of Property Act*, R.S.A. 2000, c. L-7, as amended from time to time or in any statute or statutes passed in substitution therefor.

Words importing the singular number also include the plural, and vice versa, and words importing the masculine gender include the feminine gender or neuter, and vice versa, and words importing persons include firms and corporations and vice versa, where the context so requires.

2. **Miscellaneous Provisions**

In addition:

(a) **Headings**

The headings used throughout these Bylaws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of any Bylaw.

(b) **Rights Of Owners**

The rights and obligations given or imposed on the Corporation or the Owners under these Bylaws are in addition to any rights or obligations given or imposed on the Corporation or the Owners under the Act.

(c) **Conflict With Act**

The rights and obligations given or imposed on the Corporation or the Owners under these By-laws are in addition to any rights or obligations given or imposed on the Corporation or the Owners under the Act. If there is any conflict between the Bylaws and the Act, the Act prevails.

(d) **Extended Meanings**

If and whenever reference hereunder is made to "repair", it is hereby implied and extended to include in its meaning the making of improvements or betterments or the enhancement or replacement with a better thing of or for anything to which such repair could be made.

3. **Duties of the Owners**

An Owner SHALL:

- (a) subject always to the Act, permit the Corporation and its agents, at all reasonable times on a minimum of twenty-four (24) hours' written notice (except in case of emergency when no notice is required), to come onto his Unit and to enter any Building thereon for the purpose of:
 - (i) inspecting the Unit and maintaining, repairing, renewing, operating or to ensure the operation of, either or both, the Common Property or Managed Property, including all party walls and pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities;
 - (ii) maintaining, repairing or renewing Common Property and Managed Property;
 - (iii) ensuring that the Bylaws are being observed;
 - (iv) doing any work for the benefit of the Corporation generally; or
 - (v) gaining access to meters monitoring the use of any utility;

PROVIDED THAT:

- (vi) a notice in writing stating the reason for the entry, and noting the date and time of entry, shall be served on the Owner of the Unit or an adult person in possession of the Unit at least twenty-four (24) hours before the time of entry;
- (vii) the entry is between 8:00 a.m. and 8:00 p.m.;
- (viii) entry is to be on a day that is not a holiday, except that the person may enter on a Sunday if the day of religious worship of the adult person in possession of the Unit is not Sunday and that the adult person has provided to the person wishing to enter the Unit a written notice of the adult person's day of religious worship;
- (ix) in the event the Corporation must gain access to a Building for the aforesaid purposes by using a locksmith, the cost of such locksmith shall be borne by the Unit Owner; and
- (x) where the Corporation is required to enter a Unit or Building under this section, the Corporation and its servants, employees, and agents shall, in carrying out any work or repairs, do so in proper and workmanlike manner, and shall make good any damage to the Unit occasioned by such work, and restore the Unit or Building to its former condition.

- (b) forthwith:
 - (i) carry out all work that may be ordered by the Municipality or public authority in respect of his Unit; and
 - (ii) pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his Unit;

- (c) duly and properly clean, wash, repair and maintain and when required, replace (subject to the prior written approval of the Corporation as to the type and specifications for any window, door, garage door, patio door, screen door, air-conditioning equipment, flower garden or improvements to any deck or patio) in accordance with Schedule "A" attached to these Bylaws and made a part hereof, and:
 - (i) the interior of the Building on his Unit and all the improvements and additions thereto including the basement concrete floor and garage concrete floor;
 - (ii) all windows located on the exterior and interior walls of the Building on his Unit, including all glazing, frames, sash, sills, all window casing, trim or mouldings, all window hardware (INCLUDING all cranks, hinges and latches) and all weather stripping and weather seals. An Owner shall be responsible to wash the exterior surface of all windows, sliding glass doors, and exterior siding;
 - (iii) all doors that are located on the exterior and interior walls of the Building on his Unit, including all garage doors, sliding glass doors and patio doors, all frames, door assembly components, the door casing, trim and mouldings, and all door hardware (INCLUDING all door hinges, doorknobs, locking devices, security viewers and garage door tracks, openers and remotes) and adjustments thereto;
 - (iv) all screen doors and window screens;
 - (v) all thermostats and all exhaust fans located within the Building;
 - (vi) the garage door, including the motor and motor adjustments as well as electrical eye adjustments;
 - (vii) the approved doorbell buttons and mailboxes;
 - (viii) all bulbs in exterior light fixtures attached to a Building;
 - (ix) the furnace cleaning, filter changes and regular maintenance check-ups;
 - (x) the fireplace and chimney (inside the interior finishing of the Building) relating to their Unit;
 - (xi) any air-conditioning equipment installed by the Owner with the prior written consent of the Board; and

- (xii) any Board approved flower garden or bed planted by an Owner at the front, side or back of a Building which is to be maintained by such Owner.

BUT EXCLUDING the painting of all outer boundaries, walls and other outside surfaces and roofs and eavestroughs affecting the appearance, usability, value or safety of the Unit, and keep his Unit in a state of good repair, except such maintenance, repairs and damages as are insured against by the Corporation or for which the Corporation is responsible pursuant to these Bylaws;

- (d) maintain and keep in a neat, clean and tidy state and appearance consistent with and in total integrity with the balance of the Project, his Unit and all Buildings, improvements and additions thereon and if an Owner shall not maintain his Unit to a standard similar to that of the remaining Project, the Corporation may give ten (10) days' notice to the Owner to this effect and if such notice has not been complied with at the end of that period, then the Corporation may carry out such work;
- (e) not paint the exterior of the Unit or Building nor make any repairs, additions or alterations to the Common Property, the Managed Property, the exterior of the Building (INCLUDING interior and exterior load bearing, support columns and partition walls excluding interior decoration) or to the common plumbing, common mechanical or common electrical systems within the Building or to his Unit or to the landscaping or grade of his Unit or the exterior improvements thereon without first obtaining the written consent of the Corporation;
- (f) use and enjoy his Unit and the Common Property in accordance with these Bylaws and all rules and regulations prescribed by the Corporation and in such a manner as to not to unreasonably interfere with the use and enjoyment thereof by other Owners, their families or visitors;
- (g) not use his Unit or permit it to be used in any manner for any purpose which may be illegal, injurious or that will cause nuisance or hazard to any Occupant of another Unit (whether an Owner or not) or the family of such an Occupant;
- (h) notify the Corporation forthwith upon any change of ownership or of any transfer, mortgage, lease or other dealing in connection with his Unit;
- (i) not plant any trees or shrubs on a Unit or Common or Managed Property without prior written consent of the Board. Any placement of trees or shrubs or change of species of trees or shrubs must be approved by the Board;
- (j) comply strictly with these Bylaws and with such rules and regulations as may be adopted pursuant thereto from time to time and cause all Occupants of and visitors to his Unit to similarly comply;
- (k) pay to the Corporation (or if requested to the Manager) when due all contributions levied or assessed against his Unit and all other amounts due from him to the Corporation under these Bylaws, together with interest on any arrears thereof at the Interest Rate calculated

from the due date until paid, and the Corporation is hereby permitted to charge such interest in accordance with Sections 39 and 40 of the Act and Section 76 of the Regulation;

- (l) pay to the Corporation all legal expenses incurred as a result of having to take proceedings to collect any Common Expenses levied or assessed against his Unit and all other amounts due from him to the Corporation under these Bylaws, and such expenses shall be paid on solicitor and his own client full indemnification basis;
- (m) indemnify the Corporation for damage to or the cost of repairing or replacing damage to any part of the Building, Managed Property, Common Property or any Unit caused or aggravated by such Owner, his Occupants, invitees, or by any default under these Bylaws by such Owners, his Occupants and invitees up to the amount of the insurance deductible of the Corporation (whether an insurance claim is made by the Corporation or not);
- (n) if he wishes the Corporation to respond to his suggestions, questions or complaints, express them in writing sent by electronic mail or placed in an envelope delivered to the Manager. The Board shall not be required to act on any suggestion, complaint or question that is not in writing and properly submitted;
- (o) deposit with the Corporation, as directed by the Corporation, either duly executed post-dated cheques or monthly bank debit authorization for duly assessed condominium contributions for the appropriate forthcoming or remaining budgetary term;
- (p) pay to the Corporation on demand any bank charges or Corporation charges for any late or "NSF" cheque written or missed payment made by such Owner;
- (q) adhere to, comply with and observe strictly these Bylaws and all rules, regulations, Bylaws, resolutions, and other requirements of the Corporation and its insurers, as they relate to the Managed Property, provided that, in the absence of anything expressly to the contrary, the rules, regulations, Bylaws, resolutions, and other requirements as shall apply to the Common Property shall apply to the Managed Property;
- (r) not, in any manner whatsoever, interfere with, prohibit, or hinder the Corporation in carrying out its duties, powers, obligations, and responsibilities arising hereunder, or in connection with any of the Corporation's inspection, maintenance, repair, upkeep, cleaning, and control of the Managed Property; and
- (s) not, in any manner whatsoever, without first obtaining the written consent of the Board, change, improve, alter, adjust, remove, disfigure, or otherwise disturb the Managed Property or any part or component thereof.

4. **Duties of the Corporation**

In addition to the duties of the Corporation set forth in the Act, the Corporation, through its Board, SHALL:

- (a) control, manage, maintain, repair, replace and administer the Common Property (except as hereinbefore and hereinafter set forth) and the Managed Property as further defined

and set forth in Schedule "A" attached to these Bylaws, and all real property, chattels, personal property or other property owned by the Corporation for the benefit of all of the Owners and for the benefit of the entire Project;

- (b) enforce any restrictive covenant and any easement or similar agreement in which it is named a party, and take all steps it deems necessary to manage, maintain and administer the Common Property and do all things required of it by the Act, these Bylaws and any other rules and regulations in force from time to time and shall take all steps it deems necessary to uphold and enforce these Bylaws;
- (c) maintain and repair (INCLUDING renewal where reasonably necessary) all common lighting, all pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities outside the interior finishing of a Building or on Common Property;
- (d) maintain and repair (INCLUDING renewal, where reasonably necessary and to a minimum of the same standard of the original) the furnace, sump pumps and hot water tank (EXCLUDING cleaning, filter changes, and regular maintenance check-ups);
- (e) provide and maintain in force all such insurance as is required by the Act and by the provisions of these Bylaws and enter into any insurance trust agreements from time to time as required by any Insurance Trustee and approved by the Board and, on the written request of an Owner or registered mortgagee of a Unit, or the duly authorized agent of such Owner or mortgagee, produce to the Owner or mortgagee, a copy of the policy or policies of insurance effected by the Corporation or a certificate or memorandum thereof;
- (f) subject to any obligations imposed by the Bylaws or by the Corporation upon any Owners to maintain any part of the Common Property or a Unit, maintain and repair:
 - (i) the exterior or outside surfaces and structure of the Buildings including roofing materials, eavestroughs, exterior drains, exterior beams and trim and foundations of the Building (EXCLUDING all windows and doors of a Building and all garage doors, which the Owner is required to repair and maintain under Bylaw 3(c));
 - (ii) any exterior caulking around windows;
 - (iii) all other outside accoutrements affecting the appearance, usability, value or safety of the Parcel or the Buildings and the Managed Property and the Common Property including the structural maintenance of any area outside the interior finishing of a Building;
 - (iv) all landscaping, grass, and trees (except any plants or trees or flower/garden beds placed by the Owners, all of which required approval of the Board), and all driveways;
 - (v) all house numbers;
 - (vi) any gazebos and benches, storage sheds and any fitness equipment for use by Owners, installed now or in the future, in relation to the Project;

- (vii) Project signage;
 - (viii) all exterior light fixtures (excluding bulbs) on a Building;
 - (ix) the vents on the roof or on the exterior of the Building; and
 - (x) all utility services outside the interior finishing of the floors, walls and ceilings of a Building; all common utilities in, through and on the Units and Buildings; and all utilities on Common Property;
- (g) collect or cause to be collected and receive or cause to be received all contributions towards the Common Expenses and deposit same in a separate account, in the Province of Alberta, with a chartered bank or trust company or Province of Alberta Treasury Branch or Credit Union incorporated under the *Credit Union Act*, R.S.A. 2000, c. C-32;
- (h) subject always to and in accordance with the Act and any Regulation, establish and maintain out of the contributions to be levied by the Corporation towards the Common Expenses or otherwise such amount as the Board may determine from time to time to be fair and prudent for the Capital Replacement Reserve Fund to be used to provide sufficient funds that can reasonably be expected to provide for major repairs and replacements of any portions of the Units for which the Corporation is responsible, any real and personal property owned by the Corporation, Managed Property and the Common Property where the repair or replacement is of a nature that does not occur annually. Funds shall not be taken from a Capital Replacement Reserve Fund for the purposes of making capital improvements not contemplated by the Capital Replacement Reserve Fund report of the Corporation unless such additions are authorized by Special Resolution. The Capital Replacement Reserve Fund shall be an asset of the Corporation and no part of that money shall be refunded or distributed to any Owner of a Unit except where the Project ceases to be governed by the Act. The Board shall:
- (i) prepare an annual report for each fiscal year respecting the Capital Replacement Reserve Fund, setting out at least the following:
 - (A) the amount of the reserve fund as of the last day of the immediately preceding fiscal year;
 - (B) all the payments made into and out of the reserve fund for that year and the sources and uses of those payments; and
 - (C) a list of the depreciating property that was repaired or replaced during that year and the costs incurred in respect of the repair or replacement of that property;
 - (D) the amount of the Capital Replacement Reserve Fund projected for the current fiscal year;
 - (E) total payments by ordinary or special resolutions into, and payments out of, the Capital Replacement Reserve Fund for the current fiscal year; and

- (F) a list of the depreciating property projected to be repaired or replaced during the current fiscal year and the projected costs of the repairs and replacements.
- (ii) engage such reserve fund study provider in order to prepare the Capital Replacement Reserve Fund plan in accordance with the requirements, if any, of the Act and the Regulation. In conducting the Capital Replacement Reserve Fund plan, the Corporation shall ensure that the reserve fund study provider complies with the requirements of the Act and Regulation, as applicable;
- (iii) supply a copy of the approved Capital Replacement Reserve Fund plan to each Owner prior to the collection of any funds for the purpose of those matters dealt with in the reserve fund report;
- (iv) no later than five (5) years from the day that the most recent Capital Replacement Reserve Fund plan was approved, carry out a new reserve fund study, prepare a new reserve fund report, approve a new reserve fund plan, and provide a copy of the newly approved plan to each Owner prior to the collection of any further funds for the purposes of the reserve fund; and
- (v) upon written request, at the expense of the person requesting, provide the most recent reserve fund report, most recent reserve fund plan and most recent annual report prepared under Section 29 of the Regulation to any person purchasing a Unit or any mortgagee of a Unit;
- (i) pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to or for the benefit of the Parcel, the Corporation and the Owners as the Board may deem justifiable in the management or administration of the entire Project;
- (j) clear snow, slush and debris from and keep and maintain in good order and condition all areas of the Common Property and driveways in front of the buildings in the Managed Property, any area designated for outside visitor parking and keep and maintain and repair (INCLUDING renewal where reasonably necessary) all grassed and landscaped areas, including the mowing of grass on Managed Property which is accessible by power mowers and exterior lighting of the Common Property; PROVIDED THAT an Owner shall be responsible to clear snow, slush and debris from the back deck or patio immediately adjacent to the Unit;
- (k) at all times keep and maintain for the benefit of the Corporation and all Owners copies of all warranties, guarantees, drawings and specifications, plans, written agreements, certificates and approvals provided to the Corporation as may be required pursuant to the Act;
- (l) not plant any trees or substantial landscaping or make any unauthorized grade changes within any lands which are the subject of an easement or similar grant to any utility company, Municipality or local authority;

- (m) establish and maintain lawns, trees and shrubs and other landscaping on the Common Property which the Corporation is to maintain, and replace, in the sole discretion of the Board, any lawns, trees or shrubs which die; and
- (n) repair, replace and maintain party walls separating Units. If the Owner is responsible for the reason or cause for such repair, replacement or maintenance, the cost of such repair, replacement or maintenance (or the amount of the insurance deductible if an insured loss) will be charged back to the responsible Owner.

5. **Powers of the Corporation**

In addition to the powers of the Corporation set forth in the Act, the Corporation through its Board, MAY and IS HEREBY AUTHORIZED TO:

- (a) purchase, hire or otherwise acquire personal property and/or real property for use by Owners in connection with the maintenance, repair, replacement or enjoyment of the real and personal property of the Corporation or the Common Property, or their Units or any of them, provided that real property shall only be acquired or disposed of by Special Resolution of the Corporation;
- (b) borrow monies required by it in the performance of its duties or the exercise of its powers provided that each such borrowing:
 - (i) in excess of 15% of the current year's Common Expenses budget has been approved by Special Resolution; and
 - (ii) which is the greater of (A) in excess of 15% of the Corporation's revenues as set out in the most recent financial statements prepared under section 30(4)(a) of the Act, or (B) the maximum amount of borrowing for the Corporation for that fiscal year, as adopted by a previous resolution to authorize borrowing, has been approved by Special Resolution.
- (c) secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, or mortgage of unpaid contributions (whether levied or not), or mortgage of any property vested in it, or by any combination of those means;
- (d) invest as it may determine any contributions towards the Common Expenses SUBJECT TO the restrictions set forth in Section 43 of the Act;
- (e) make an agreement with an Owner, Tenant or other Occupant of a Unit for the provision of amenities or services by it to the Unit or to the Owner, Tenant or Occupant thereof;
- (f) generally assign, designate or grant to an Owner the right to exclusive use, enjoyment or special privileges in respect of that part of the Common Property adjoining or-related to such Owner's Unit for such consideration and on such terms and conditions as it deems requisite, any such grant to be terminable on reasonable notice, unless the Corporation by Special Resolution otherwise resolves and the Corporation may delegate its responsibility to care for and maintain that area or those areas to that Owner;

- (g) make such rules and regulations as it may deem necessary or desirable from time to time in relation to the use, enjoyment and safety of the Managed Property and the Common Property and do all things reasonably necessary for the enforcement of these Bylaws and for the control, management and administration of the Common Property generally including the commencement of an action under Section 36 and/or Section 67 of the Act and all subsequent proceedings relating thereto;
- (h) determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;
- (i) raise the amounts of money so determined by levying contributions on the Owners in proportion to the Unit Shares for their respective Units or as otherwise provided herein;
- (j) charge interest under Sections 39 and 40 of the Act and Section 76 of the Regulation on any contribution or Common Expenses owing to it by an Owner at the Interest Rate;
- (k) pay an annual honorarium, stipend or salary to members of the Board in the manner and in the amounts as may be from time to time determined by Ordinary Resolution at a General Meeting;
- (l) provide and maintain a fund to pay expenses not properly chargeable to the Capital Replacement Reserve Fund or maintenance expenses. The fund shall be called a contingency fund and shall be used to cover the cost of unexpected or abnormal repair or expense not budgeted or not covered by the operating budget or the Capital Replacement Reserve Fund to a maximum of Twenty Thousand Dollars (\$20,000);
- (m) join any organization serving the interests of the Corporation and assess the membership fee in such organization as part of the Common Expenses;
- (n) do all things which are, either or both, incidental or conducive to the exercise of its powers granted under the Act and the Bylaws;
- (o) subject to any limitations and prohibitions contained in the Act, these Bylaws or otherwise by law, have such powers and do all such things which any body corporate shall be empowered and authorized to do under the *Business Corporations Act*, R.S.A. 2000, c. B-9 (as amended and replaced from time to time) and do all things and have such rights, powers and privileges of a natural person; and
- (p) levy penalties by way of monetary sanctions, or commence such other proceedings as may be available, for the contravention of any Bylaw as permitted under the Act.

6. **The Corporation and the Board**

The powers and duties of the Corporation shall, subject to any lawful restriction imposed or direction given at a General Meeting, be exercised and performed by the Board.

7. **Composition of the Board**

The composition of the Board shall provide that:

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- (a) The Board shall consist of not fewer than three (3) nor more than five (5) Owners, Representative of the Owner, representatives of corporate Owners or representatives of mortgagees who have notified their interests to the Corporation. The number of members of the Board for the next ensuing year shall be fixed by resolution at the annual General Meeting just prior to the election of the Board.
- (b) A Board member must be eighteen (18) years of age or older.
- (c) Where a Unit has more than one (1) Owner, only one (1) Owner in respect of that Unit may sit on the Board at any point in time.
- (d) Any member of the Board shall make full disclosure of any potential conflict of interest and any direct or indirect relationships he or she may have with the Corporation either contractual, financial or employment related.
- (e) Every member of the Board shall exercise the powers and discharge the duties of the office of member of the Board honestly and in good faith.
- (f) No Owner who is indebted to the Corporation for a contribution, assessment or levy that is more than thirty (30) days overdue shall be eligible for election to or membership on the Board.
- (g) If the Board consists of three (3) or less members, only one (1) Representative of the Owner shall be permitted to sit on the Board at any point in time. If Board consists of four (4) or more members, only two (2) Representatives of the Owner shall be permitted to sit on the Board at any point in time.

8. **Term of Office and Retirement From Board**

Board members shall be elected for a one (1) year term. At each annual General Meeting of the Corporation, all the members of the Board shall retire from office and the Corporation shall elect new Board members accordingly.

9. **Eligibility For Re-Election To Board**

A retiring member of the Board shall be eligible for re-election.

10. **Removal From Board**

The Corporation may, by Ordinary Resolution at an extraordinary General Meeting, remove any member of the Board before the expiration of his term of office and appoint another Owner in his place, to hold office until the next annual General Meeting.

11. **Casual Vacancy On Board**

Where a vacancy occurs on the Board under Bylaw 20, the remaining members of the Board may appoint a person to fill that office for the remainder of the former member's term provided such person qualifies for membership pursuant to Bylaw 7.

12. **Quorum For Board**

A quorum of the Board is two (2) where the Board consists of four (4) or less members, three (3) where the Board consists of five (5) or six (6) members and four (4) where it consists of seven (7) members. Any member of the Board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting. If at any time during a meeting the quorum requirement is absent, no business of the Board shall be conducted except for procedural actions.

13. **Officers of the Corporation**

At the first meeting of the Board held after each annual General Meeting of the Corporation, the Board shall elect from among its members a President, a Vice-President, a Treasurer and/or a Secretary who shall hold their respective offices until the conclusion of the next annual General Meeting of the Corporation or until their successors are elected or appointed. The President shall be the chairman of the Board and shall have a casting vote to break a tie in addition to his original vote. A person ceases to be an officer of the Corporation if he ceases to be a member of the Board. Where a person ceases to be an officer of the Corporation, the Board shall designate from its members a person to fill that office for the remainder of the term, in which case, a person may simultaneously hold two (2) offices, but for no more than the remainder of the term.

14. **Chairman of Board Meetings**

The President shall act as chairman of every meeting of the Board where he/she is present. Where the President is absent from any meeting of the Board or vacates the chair during the course of any meeting, the Vice-President shall act as the chairman and shall have all the duties and powers of the chairman while so acting. In the absence of both the President and the Vice-President the members present shall from among themselves appoint a chairman for the meeting who shall have all the duties and powers of the chairman while so acting. Each meeting of the Board shall be held within the Municipality unless the Owners agree by Ordinary Resolution, at an annual General Meeting, to hold the meeting in another location.

15. **Duties of Officers**

The other duties of the officers of the Board shall be as determined by the Board from time to time.

16. **Votes of Board**

Voting by Board members shall be governed as follows:

- (a) At meetings of the Board all matters shall be determined by simple majority vote.
- (b) A resolution of the Board in writing signed by a majority of the members shall have the same effect as a resolution passed at a meeting of the Board duly convened and held.

- (c) Where a Board member has a material interest in any agreements or transactions to which the Corporation is to become a party, that Board member must disclose his interest and refrain from voting on such agreement or transaction.
- (d) All meetings of the Board shall be conducted in accordance with the rules of procedure as established by the Board.

17. **Further Powers of Board**

The Board MAY:

- (a) meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, and it shall meet when any member of the Board gives to the other members of the Board not less than three (3) days' notice of a meeting proposed by him, specifying the reason for calling the meeting, provided that the Board shall meet at the call of the President on such notice as he may specify without the necessity of the President giving reasons for the calling of the meeting;
- (b) appoint or employ for and on behalf of the Corporation such agents or servants as it thinks fit in connection with the control, management and administration of the Common Property and Managed Property and the exercise and performance of the powers and duties of the Corporation;
- (c) subject to any valid restriction imposed or direction given at a General Meeting of Owners, delegate to one or more members of the Board such of its powers and duties as it thinks fit, and at any time revoke such delegation;
- (d) obtain and retain by contract the services of a Manager or of any professional real property management firm or professional condominium Manager or agent for such purposes (INCLUDING, but not so as to limit the generality of the foregoing, the supervision, management and performance of any or all of the duties of the Corporation) and upon such terms as the Board may from time to time decide SUBJECT ALWAYS to the control and direction of the Corporation and the Board, such Manager to be reasonably fit and suited to perform such duties. The Manager employed by the Board need not devote its full time to the performance of duties of the Corporation so long as those duties are performed in a good and sufficient fashion. If under such contract the Manager holds funds for the Corporation and is a sole signing authority for the Corporation, the contract shall require the Manager to arrange or maintain crime coverage insurance to protect the Corporation or a fidelity bond owned by, paid for by and in the name of the Corporation and for the benefit of the Corporation, and such crime coverage insurance or bond shall be in an amount required by the Corporation but in any event not less than:
 - (i) the total amount of any replacement reserve funds in the hands of or controlled by the Manager;
 - (ii) one month's total condominium contributions of the Corporation or 1/12 of the total annual condominium contributions for all Units in the Project (EXCLUDING any special contributions) whichever is greater; and

- (iii) a sum representing the average monthly amount of cash in the control of the Manager;
- (e) enter into an insurance trust agreement in form and on terms as required by any Insurance Trustee; and
- (f) set and charge for and on behalf of the Corporation reasonable fees to compensate the Corporation for expenses it incurs in producing and providing any documents or copies required to be issued by it under the Act or pursuant to these Bylaws.

18. **Additional Duties of the Board**

The Board SHALL:

- (a) subject to any valid restrictions imposed or directions given at a General Meeting of the Owners, carry on the day to day business and affairs of the Corporation;
- (b) keep minutes of its proceedings and, upon written request at the expense of the person requesting, provide copies thereof to Owners and to mortgagees who have notified their interests to the Corporation;
- (c) keep minutes of General Meetings of the Owners and, upon written request at the expense of the person requesting, provide copies thereof to Owners and to mortgagees who have notified their interests to the Corporation;
- (d) cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure shall take place;
- (e) prepare, or cause to be prepared, proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each annual General Meeting;
- (f) maintain financial records of all the assets, liabilities and equity of the Corporation;
- (g) on written application of an Owner or mortgagee, or any person authorized in writing by him, make the books of account available for inspection at a time convenient to such Board member;
- (h) at least once a year, cause the books and accounts of the Corporation to be audited or reviewed by an independent chartered accountant, certified general accountant or certified management accountant to be selected at each annual General Meeting of the Corporation and cause to be prepared and distributed to each Owner and to each mortgagee who has notified its interest to the Corporation in writing, a copy of the audited Financial Statement or Notice to Reader Report of the receipts of contributions of all Owners towards the Common Expenses and disbursements made by the Corporation and a copy of the Auditor's Report or Notice to Reader Report within one hundred twenty (120) days of the end of the fiscal year of the Corporation. The report of the Auditor or Reviewer shall be submitted to each annual General Meeting of the Corporation. Any obligations under this paragraph may be waived upon the passing of an Ordinary Resolution to that effect;

- (i) keep a register noting the names and addresses of all Owners and any mortgagees who have given notice of their interests to the Corporation;
- (j) at all times, keep and maintain in force, all insurance required hereunder and by the Act to be maintained by the Corporation;
- (k) within thirty (30) days of a person becoming or ceasing to be a member of the Board, file or cause to be filed at the Land Titles Office a notice in the prescribed form stating the name and address of that person and the day that the person became or ceased to be, as the case may be, a member of the Board;
- (l) file or cause to be filed at the Land Titles Office a notice in the prescribed form of any change in the address for service of the Corporation; and
- (m) file or cause to be filed at the Canada Customs and Revenue Agency, a Statement of GST, if required, and an annual notice of the non-profit status of the Corporation.

19. **Defects in Election or Appointment to Board**

All acts done in good faith by the Board are, notwithstanding it be afterwards discovered that there was some defect in the election, appointment or continuance in office of any member of the Board, as valid as if the member had been duly elected, appointed or had duly continued in office.

20. **Vacating Office of Board Member**

The office of a member of the Board shall be vacated if the member:

- (a) by notice in writing to the Corporation resigns his office;
- (b) dies;
- (c) is in arrears more than thirty (30) days of any contribution, levy or assessment required to be made by him as an Owner;
- (d) becomes bankrupt;
- (e) is a represented adult as defined in the *Adult Guardianship and Trusteeship Act*, S.A. 2008, c. A-4.2, or is the subject of a Certificate of Incapacity that is in effect under the *Public Trustee Act*, S.A. 2004, c. P- 44.1;
- (f) is convicted of an indictable offence for which he is liable to imprisonment;
- (g) is absent from meetings of the Board for two (2) consecutive meetings without the consent of the remaining members of the Board and a majority of the remaining members of the Board resolve at the next subsequent meeting of the Board that his office be vacated;
- (h) ceases to qualify for membership pursuant to Bylaw 7;

- (i) in the case of a company which is a member of the Board, if the company is in arrears as set forth in sub-paragraph (c) above, if it becomes bankrupt or makes an assignment for the benefit of creditors or if proceedings are commenced to wind up the company, otherwise than for the purpose of amalgamation or reconstruction;
- (j) is refused bonding, at a reasonable premium, by a recognized bonding institution; or
- (k) his Spouse, commences any legal proceedings against the Board or the Corporation.

21. **Signing Authorities**

The Board shall determine, by resolution from time to time, the manner in which an officer or officers shall sign cheques, drafts, notes and other instruments and documents, including banking forms and authorities not required to be under corporate seal and may authorize the Manager to sign the same with or without co-signing by any officer or officers.

22. **Corporate Seal**

The Corporation shall have a common seal, which shall be adopted by resolution and which shall at no time be used or affixed to any instrument except in the presence of at least one member of the Board or by the persons as may be authorized from time to time by resolution of the Board.

23. **Annual General Meetings**

An annual General Meeting shall be held once in each calendar year, and not more than fifteen (15) months shall elapse between the date of one annual General Meeting and that of the next. Each annual general meeting shall occur within 90 days after the beginning of the fiscal year. Each such meeting shall be held within the Municipality unless the Owners agree, by Ordinary Resolution, to hold the meeting in another location. Within 60 days after an annual general meeting, the Corporation shall provide an owner or Mortgagee who has given written notice under section 26(3) of the Act (or any provisions passed in substitution therefor) with the approved minutes, or draft minutes if no minutes have been approved, of the annual general meeting. The approved minutes or draft minutes provided in accordance with the foregoing must include records of the votes held at the annual general meeting, recording the following:

- (a) if an ordinary resolution was proposed, the results of the vote, or
- (b) if a special resolution was proposed, (i) the number of persons entitled to exercise the power of voting who voted in favour of the resolution and the number of Unit Factors represented by these persons, and (ii) the number of persons entitled to exercise the power of voting who did not vote in favour of the resolution and the number of Unit Factors represented by these persons; and
- (c) for an election of Board members determined by a vote, the number of votes in favour of each candidate.

24. **Extraordinary General Meetings**

All General Meetings other than annual General Meetings shall be called extraordinary General Meetings.

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25. **Convening Extraordinary General Meetings**

The Board may whenever it thinks fit and shall upon a requisition in writing by Owners representing not less than fifteen (15%) percent of the total Unit Factors for all the Units or upon the request in writing from mortgagees holding registered mortgages (and who have notified their interests to the Corporation) against Units in respect of which corresponding Unit Factors represent not less than fifteen (15%) percent of the total Unit Factors or a combination of such Owners or mortgagees entitled to vote with respect to fifteen (15%) percent of the total Unit Factors convene an extraordinary General Meeting, which meeting shall be held within thirty (30) days of the Board's receipt of the said requisition. The agenda for such meeting shall include any legally valid items specified by the requisitioners.

26. **Notice of General Meetings**

A minimum of fourteen (14) days' notice of every General Meeting specifying the place, the date and the hour of meeting (and in the case of Special Business the general nature of such business), shall be given to all Owners and mortgagees who have notified their interests to the Corporation. Notice shall be given to the Owner and to such mortgagees in the manner prescribed in these Bylaws, but the accidental omission to give notice to an Owner or mortgagee or non-receipt by an Owner or mortgagee does not invalidate the meeting or any proceedings thereat. In computing the number of the days of notice of a General Meeting required under these Bylaws, the day on which the notice is deemed to have been received and the day of the meeting shall be counted. Notice of any meeting may be waived either at, before or after the meeting by persons entitled to vote at the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

27. **Proceedings at General Meetings**

Proceedings at General Meetings shall include that:

- (a) All business that is transacted at any extraordinary meeting or at an annual General Meeting, with the exception of the consideration of accounts and financial statements, appointment of auditors and solicitors, election of members to the Board, election of the chairman, calling of the roll, certification of proxies and proving notice of meeting, shall be deemed Special Business.
- (b) Items of Special Business must be set forth in the notice of General Meeting in sufficient detail so as to permit an Owner or mortgagee to form a reasoned judgment on the nature of that business. Items of Special Business may or may not require a Special Resolution.
- (c) All General Meetings of the Corporation shall be conducted in accordance with the rules of procedure established by the Board.
- (d) If at any time during a General Meeting the quorum requirement is absent, no business of the meeting shall be conducted except for procedural actions.

28. **Quorum for General Meetings**

Save as in these Bylaws otherwise provided, no business shall be transacted at any General Meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to

business and twenty-five (25%) percent of the persons entitled to vote representing not less than 2500 of the Unit Factors present in person or by proxy shall constitute a quorum.

29. **Adjournment for Lack of Quorum**

If a quorum is not present for a General Meeting within thirty (30) minutes of the time set for the meeting, the meeting shall stand adjourned for fifteen (15) minutes to allow further Owners to attend. If at the adjourned meeting a quorum is not present immediately following the fifteen (15) minutes adjournment, the persons entitled to vote who are present shall constitute a quorum.

30. **Chairman for General Meetings**

The President of the Board shall be the chairman of all General Meetings or in his/her absence from the meeting or in case he/she shall vacate the chair, the Vice-President of the Board shall act as chairman provided always that if the President and Vice-President be absent or shall vacate the chair or refuse to act, the meeting shall elect a chairman.

31. **Order of Business for General Meetings**

The Order of Business at General Meetings, and as far as is appropriate at all extraordinary General Meetings, shall be:

- (a) if the President or Vice-President of the Board shall be absent or elects to vacate the chair or refuses to act, the election of the chairman of the meeting;
- (b) call to order by the chairman and establish quorum;
- (c) proof of notice of meeting or waiver of notice;
- (d) approval or amendment of agenda;
- (e) reading and disposal of any unapproved minutes;
- (f) reports of officers;
- (g) reports of committees;
- (h) financial report;
- (i) appointment of auditors;
- (j) election of Board members whose term have expired;
- (k) unfinished business;
- (l) new business; and
- (m) adjournment.

32. **Voting by Show of Hands**

At any General Meeting a resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is demanded by any Owner or registered mortgagee present in person or by proxy. Unless a poll be so demanded, a declaration by the chairman that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution. Except for matters requiring a Special Resolution, all matters shall be determined by Ordinary Resolution.

33. **Poll Votes**

A poll, if demanded, shall be taken in whatever manner the chairman thinks fit, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In the case of equality in the votes, whether on a show of hands or on a poll, the chairman of the meeting is entitled to a casting vote to break a tie in addition to his original vote. A demand for a poll may be withdrawn.

34. **Voting Calculation**

On a show of hands, each person entitled to vote for any Unit shall have one vote for that Unit. On a poll, the votes of persons entitled to vote for such Unit shall correspond with the number of Unit Factors for the respective Units owned or mortgaged to them. Notwithstanding anything to the contrary herein contained, the chairman, if he determines such procedure is prudent, may hold a vote by secret ballot (one vote per Unit) in regard to election to the Board.

35. **Votes Personally or by Proxy**

Votes at any General Meeting may be given either personally or by proxy.

36. **Proxy**

(a) **Proxies**

- (i) Subject to the terms of this Section, an instrument appointing a proxy shall be in writing and may be given to any individual by an Owner or mortgagee who has given written notice under section 26(3) of the Act (or any provisions passed in substitution therefor), and may be either general or for a particular meeting, but a proxy need not be an Owner or Mortgagee. A non-Owner carrying a proxy from an Owner is not eligible for election to the Board as a non-Owner.
- (ii) A proxy is invalid if it is given to a minor or a person other than an individual. A proxy is invalid if it is given to a manager or employee of either the Corporation or a management company retained by the Corporation, unless the proxy contains a limitation that it was given only for the purposes of establishing quorum for a meeting.
- (iii) An Owner that is not an individual may be represented in a vote (A) by a member of the board of directors of the Owner, or, if there is no board of directors, by a member of a similar body in respect of that Owner, or (B) by an individual to whom

the Owner has given a proxy. Where 2 or more proxies are presented to a corporation in respect of the same Unit by the same Owner, only the most recently given proxy is valid.

(b) Written Proxy Requirements

A proxy is invalid unless it is in an electronic or hard copy format and contains at least the following elements: (A) the name and unit number of the Owner or Mortgagee giving the proxy; (B) the name of the individual to whom the proxy is given; (C) the date the proxy is given; and (D) the signature of the Owner or Mortgagee giving the proxy, or in the case of an Owner or Mortgagee that is not an individual, the signature of a person authorized to sign for that Owner or Mortgagee. A proxy may be revoked in an electronic or hard copy format.

(c) Restrictions Respecting Proxies

A proxy is subject to (A) any limitations, restrictions or instructions imposed by the person who gave the proxy, and (B) any reasonable procedural restrictions set out in these By-laws or the rules of the Corporation. A proxy shall not be exercised by an individual who is not named in the proxy. A proxy expires on the earliest of (C) the expiry date set out on the proxy, (D) 6 months from the date on which the proxy was given, and (E) the date on which the person who gave the proxy ceases to be an Owner or mortgagee of the Unit in respect of which the proxy was given.

(d) Rules Respecting Proxies

Except to the extent that a matter is already dealt with in these Bylaws, the Corporation may adopt rules respecting the use of proxies, including, without limitation, procedures respecting the presentation, verification and registration of proxies, provided that said rules may be adopted only as may be reasonably necessary for the expedient conduct of meetings or votes. Proxies must be certified before or at the outset of the general meeting at which an individual is seeking to exercise the proxy.

37. Eligibility to Vote

An Owner is not entitled to exercise the power of voting conferred on the Owner by the Act or the Regulation where any contribution payable in respect of his Unit or any other obligation owing to the Corporation in respect of the Owner's Unit or Common Property is in arrears for more than thirty (30) days prior to the day that the power of voting may be exercised but the presence of any such defaulting Owner shall be included in the count for quorum constitution purposes pursuant to Bylaw 28.

38. Vote by Co-Owners

Votes by Co-Owners will be governed by the following terms:

- (a) Co-Owners may vote by proxy but only if the proxy is jointly appointed by them or by one of the Co-Owners appointed by the other or all others, as the case may be, and in the

absence of such proxy, Co-Owners are not entitled to vote separately on a show of hands but any one Co-Owner may demand a poll.

- (b) On any poll, each Co-Owner is entitled to such part of the vote applicable to a Unit as is proportionate to his interest in the Unit. The joint proxy (if any) on a poll shall have a vote proportionate to the interests in the Unit of the joint Owners as do not vote personally or by individual proxy.

39. **Resolution of the Owners**

A resolution of the Owners in writing signed by each Owner or his duly appointed proxy shall have the same effect as a resolution passed at a meeting of the Owners duly convened and held.

40. **Successive Interests**

Where Owners are entitled to successive interests in a Unit, the Owner entitled to the first interest (or if his interest is mortgaged by registered first mortgage notified to the Corporation, the mortgagee under such mortgage) is alone entitled to vote, whether on a show of hands or a poll.

41. **Trustee Vote**

Where an Owner is a trustee, he shall exercise the voting rights in respect of the Unit to the exclusion of persons beneficially interested in the trust, and those persons shall not vote.

42. **Voting Rights of Mortgagee**

Notwithstanding the provisions of these Bylaws with respect to appointment of a proxy, where the Owner's interest is subject to a registered mortgage and where the mortgage or these Bylaws or any statute provides that the power of vote conferred on an Owner may or shall be exercised by the mortgagee and where the mortgagee has given written notice of its mortgage to the Corporation, no instrument or proxy shall be necessary to give the mortgagee the said power to vote. The mortgagee's power to vote shall be limited by the Owner's failure to pay contributions as set forth in the Act.

43. **Violation of Bylaws**

Where there is a violation of these Bylaws:

- (a) Any infraction or violation of or default under these Bylaws or any rules and regulations established pursuant to these Bylaws on the part of an Owner, his servants, agents, licensees, invitees or Tenants that has not been corrected, remedied or cured within ten (10) days of having received written notification from the Corporation to do so, may be corrected, remedied or cured by the Corporation and any costs or expenses incurred or expended by the Corporation including costs as between a solicitor and his own client, in correcting, remedying or curing such infraction, violation or default shall be charged to such Owner and shall be added to and become part of the assessment of such Owner for the month next following the date when such costs or expenses are expended or incurred (but not necessarily paid) by the Corporation and shall become due and payable on the date of

payment of such monthly assessment and shall bear interest both before and after judgment at the Interest Rate until paid.

- (b) The Corporation may recover from an Owner by an action for debt in any court of competent jurisdiction any sum of money which the Corporation is required to expend as a result of any act or omission by the Owner, his servants, agents, licensees, invitees or Tenants, which violates these Bylaws or any rules or regulations established pursuant to these Bylaws and for which ten (10) days prior written notice has been given by the Corporation and there shall be added to any judgment, all costs of such action including costs as between a solicitor and his own client.
- (c) If the Board determines that a breach of any Bylaw has occurred, it may, by resolution, cause a notice to be delivered to the Owner alleged to be in breach specifying the nature and the particulars of the breach, specifying a reasonable time in which the breach is to be rectified, and containing all other information as required under Section 73.7 of the Regulations. The time specified shall be no earlier than ten (10) days from the date the notice is delivered to the Owner allegedly in breach. Upon resolution, the Board may impose a reasonable non-monetary or monetary sanction (up to the maximum amounts permitted under the Act and Regulation, as amended from time to time), to be leviable upon the expiry of the time specified to rectify the breach if the breach has not been rectified. The notice alleging the breach shall also specify the non-monetary or monetary sanction to be levied if the breach is not rectified. If a Tenant of an Owner is alleged to be in breach, the notice shall also be served on the Tenant and it shall specify whether the Owner, the Tenant, or both are liable for payment of the monetary sanction. Each day of a continuing breach shall be deemed a contravention of the applicable Bylaw(s). The Board shall comply with the requirements set forth in the Act and the Regulation when imposing sanctions, including without limitation providing the required notices, response times and abiding by the maximum amounts prescribed for monetary sanctions. No monetary sanctions may be imposed for a failure to comply with any of the rules and regulations.
- (d) Where a person fails to abide by a non-monetary sanction or to pay to the Corporation a monetary sanction imposed hereunder, the Corporation may proceed under Section 36 and/or Section 67 of the Act to enforce the sanction.
- (e) A sanction may not be imposed that has the effect of prohibiting or restricting the devolution of Units or any transfer, lease, mortgage or other dealing with the Units or of destroying or modifying any easement implied or created by the Act.
- (f) Any member of the Board who observes that an Owner or his agents, licensees or invitees are violating the provisions of Bylaw 62(b)(xvii) may contact the Municipal Authority requesting that any vehicle parked or left on the Common Property in violation of the said Bylaw may be removed therefrom and be impounded in a pound maintained for that purpose. The Unit Owner will be responsible for all costs including towing charges and recovery of the impounded vehicle. The Corporation will not be responsible for any damage caused to the Common Property by such towing, or to the violator's vehicle while on the Common Property or at any time while the infraction is being remedied.

44. **Amendment of Bylaws**

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These Bylaws, or any of them, may be added to, amended or repealed by Special Resolution of the Corporation and not otherwise. The Corporation shall cause to be prepared and distributed to each Owner and mortgagee who has notified its interest to the Corporation, a notice or memorandum of any proposed amendments, additions or repeal at least thirty (30) days prior to the date of any such Special Resolution.

45. **Damage or Destruction**

Damage or destruction shall be governed by the Board in the following manner:

- (a) In the event of damage or destruction as a result of fire or other casualty, the Board shall determine within sixty (60) days of the occurrence whether there has been substantial damage. For the purpose of this paragraph, substantial damage shall mean damage to the extent of twenty-five (25%) percent or more of the replacement value of all Buildings on the Units and Managed Property and Common Property immediately prior to the occurrence. Prior to making any determination under this subparagraph the Board shall obtain the opinion of an independent insurance appraiser to the effect that substantial damage has or has not occurred. If there has been substantial damage the Board shall convene an extraordinary General Meeting to advise the Owners that substantial damage has occurred. At least fourteen (14) days' notice of such meeting must be given by registered mail to all Owners and mortgagees who have given notice.

Unless there has been substantial damage and the Owners resolve by Special Resolution not to proceed with repair or restoration within one hundred and twenty (120) days after the damage or destruction, the Board shall arrange for prompt repair and restoration using proceeds of insurance for that purpose. The Board shall cause the proceeds of all insurance policies to be disbursed to the contractors engaged in such repair and restoration in appropriate progress payments. Any costs of such repairs and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board may assess all the Unit Owners for such deficiency as part of the Common Expenses. Costs of repair and restoration within the deductible of any insurance coverage shall constitute a Common Expense, unless otherwise charged to an Owner under Bylaw 46.

Where there has been substantial damage and the Owners resolve by Special Resolution within one hundred and twenty (120) days after the damage or destruction not to repair, the Board shall on behalf of the Owners make application to terminate the condominium status of the Parcel in accordance with the provisions of the Act, and each of the Owners shall be deemed to consent to such application. Upon termination of the condominium status:

- (i) any liens or charges affecting any of the Units shall be deemed to be transferred in accordance with their existing priorities to the interests of the respective Owners in the Parcel; and
- (ii) the proceeds of insurance shall be paid to the Insurance Trustee, if any, the Owners and mortgagees, as their respective interests may appear, in proportion to their respective interests in the Parcel in accordance with the terms of any insurance trust agreement in effect.

- (b) The Corporation is not responsible for any damage or loss whatsoever caused by or to any property or contents of any nature or kind in or upon any Unit or Building or in or upon any part of the Common Property designated for the exclusive use of any Unit Owner.
- (c) No Owner shall be entitled to claim any compensation from the Corporation for any loss or damage to the property or person of the Owner arising from any defect or want of repair of the Common Property or any part thereof, unless such loss or damage is covered by the insurance held or required to be held by the Corporation pursuant to the Act or these Bylaws, whichever is the greater.
- (d) Where the Corporation is required to enter a Unit or a Building for the purpose of maintaining, repairing or renewing pipes, wires, cables and ducts for the time being existing in the Unit or Building, and capable of being used in connection with the enjoyment of any other Unit or Building or the Common Property, the Corporation and its servants, employees and agents shall in carrying out any work or repairs do so in a proper and workmanlike manner and shall make good any damage to the Unit occasioned by such work and restore the Unit or Building to its former condition, leaving the Unit and Building clean and free from debris.
- (e) Notwithstanding anything to the contrary herein expressed or implied, each Owner shall be responsible for damage caused to all items in any Unit or the Common Property by himself, members of his family, his Tenants or members of their families, his invitees and contractors or licensees that are not required by these Bylaws to be insured against by the Corporation (or in fact insured against by it whether required or not but only up to the amount of the insurance deductible). Should any Owner fail to repair such damage in a manner satisfactory to the Board or its representative then the Board or its representative may do or cause to be done such repair; and the Owner affected agrees to and shall reimburse the Corporation for all monies expended for labour, materials, normal overhead and profit and all costs incurred in collection in respect of the doing of such repairs and the Board or its representative may use all or any of the remedies open to it as hereinafter set out to recover such monies for the Corporation together with interest thereon as herein provided for overdue assessments and such monies shall be a charge upon his Unit to the same extent as they would be if they were Common Expense charges assessed upon his Unit.

46. **Insurance**

The insurance of the Corporation shall be governed by the following terms:

- (a) The Board, on behalf of the Corporation, shall obtain and maintain, subject always to the Act, and in particular, Section 47 thereof, the following insurance:
 - (i) Fire insurance with extended coverage endorsement for such perils as set forth in the Act and its Regulation (the perils insured against shall be "all risks" as that term is generally understood, in the insurance business, of physical loss or damage) insuring:
 - (A) all of the insurable Common Property;

- (B) all insurable property of the Corporation, both real and personal of any nature whatsoever;
- (C) all of the Units, including all Buildings (BUT EXCLUDING all improvements and betterments made to the Buildings and all furnishings and other personal property of each Owner whether or not installed in the Building or Unit), for the full replacement cost thereof, without deduction for depreciation, and insuring the interests of and naming as insureds:
 - (i) all Owners from time to time;
 - (ii) all mortgagees who have given written notice of their interests to the Corporation;
 - (iii) the Corporation; and
 - (iv) the Board of Directors;

(hereinafter collectively called the "**Insureds**") as their respective interests may appear, PROVIDED THAT for the Residential Units the following additional terms shall apply:

- (v) for the Residential Units, other than those owned by the Developer, insurance shall provide for the replacement value of the Residential Units and of the fixtures and finishing in the Residential Units, as if all Residential Units contained the features as described in the Standard Insurable Unit Description; and
 - (vi) for the Residential Units owned by the Developer, insurance shall provide for the replacement value of the Residential Units and of the fixtures and finishing as they existed at the time of the registration of the Condominium Plan;
- (ii) Public liability insurance insuring the Insureds against any liability to the public and/or to the Owners and their invitees, licensees or Tenants, incidental to the ownership and/or use of the Common Property and such insurance shall be limited to liability in an amount not less than Two Million (\$2,000,000.00) Dollars inclusive for bodily injury and/or property damage per occurrence;
 - (iii) Directors and Officers liability insurance, including errors and omissions coverage, in such amounts and with such deductibles as the Board may determine, insuring the Board and every member thereof from time to time and all employees of the Corporation from and against all loss, costs, and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a member or officer of the Board;

- (iv) Liability insurance for the Corporation arising out of a breach of duty as the Occupant of the Common Property;
 - (v) Liability insurance for the Corporation arising out of the ownership, use or operation of any machinery, equipment, and vehicles;
 - (vi) Such other insurance and coverage for such other risks or causes as the Board may determine or as may be determined by Special Resolution; and
 - (vii) For the purposes of any insurance obtained and maintained by the Corporation pursuant to this Bylaw 46 or pursuant to the Act, it is reasonable in the circumstances of this Corporation for that insurance coverage to contain, among other limitations, exceptions, exclusions or restrictions, a deductible in an amount agreed to by the Board and the insurer.
- (b) Each and every said policy of insurance shall name the Insureds and shall, as available and where applicable, provide:
- (i) that in no event shall insurance coverage be brought into contribution with insurance purchased by any Owner or mortgagee and such Corporation insurance shall be deemed as primary insurance;
 - (ii) standard mortgage endorsements (from the Insurance Bureau of Canada or its equivalent) attached to each such policy;
 - (iii) a waiver by the insurer of its rights of subrogation against the Corporation, its Manager, agents, employees and servants, and the Owners and any member of the household of any Owner, except for arson, fraud and vehicle impact;
 - (iv) the policy shall be written on a stated amount basis; and
 - (v) a cross liability endorsement wherein the rights of any Insured shall not be prejudiced with respect to another Insured and the insurance indemnifies each insured as if a separate policy had been issued to each Insured.
- (c) Annually, or at such other timeframe as determined by the Board, but in any event not less than every five (5) years, the Board shall obtain an appraisal or appraisal update from a duly qualified appraiser setting out the full replacement cost of the Common Property, Units, Buildings and all of the property of the Corporation. Upon request, a copy of such appraisal or appraisal update shall be delivered to each mortgagee who has given written notice of his mortgage to the Corporation. The Board shall forthwith obtain insurance coverage under any and all such policies of insurance in accordance with such appraisal or appraisal update to insure the full replacement value as set forth in such appraisal or appraisal update. In addition to such insurance coverage for the replacement value of the Common Property, Units, Buildings and any other property of the Corporation, the Board shall review and adjust the level of insurance coverage for other risks (INCLUDING liability) to such amounts and levels required by and as would be maintained by an Owner of similar property in the locality in which the condominium property is situate.

- (d) A certificate or memorandum of all insurance policies and endorsements thereto shall be provided by the Board, or by the Manager on its behalf, as soon as practicable to each of the Insureds upon written request therefor, and a duplicate original of each such policy shall be forwarded upon request to each mortgagee who has in writing notified the Board of its interest. Further, a renewal certificate or memorandum of new insurance policies shall be furnished to each Insured upon request. The original policies of all insurance coverage shall be retained by the Corporation in its offices, and shall be available for inspection by any and all of the Insureds upon reasonable request.
- (e) Notwithstanding anything aforesaid, and subject to the terms of any Insurance Trust Agreement, all proceeds of insurance on loss or claim shall be paid to the Insurance Trustee (if any) or the Corporation, and exclusive authority to adjust losses and settle proceeds under all insurance policies shall be vested in the Board or its authorized representative, and the Insurance Trustee (if any) and any expenses of the Insurance Trustee shall be treated as Common Expenses of the Corporation AND PROVIDED FURTHER that neither the Corporation nor the Board shall be required or have any duty to insure the interests of Tenants against liability or the interests of Tenants or Owners for their improvements or betterments, belongings, contents, personal property, rental revenue or related losses. The insuring of any improvements, betterments, contents, personal property, rental revenue and related losses within a Building or on a Unit is the sole responsibility of the Owner, Tenant or Occupant of the Unit and they shall not require the Corporation or the Board to repair any damage to any improvements, betterments, contents or personal property within a Building or on the Unit however caused.
- (f) In the event a claim is made under any insurance policy of the Corporation and the Board, in its sole discretion and acting reasonably, determines that the Owner (or members of his family, his Tenants or members of their families, his invitees, contractors or licensees) is responsible for the loss or damage that gave rise to the claim or if the loss originated from the Owners Unit, the Corporation may recover the deductible portion of the claim from that Owner and such amount shall be recoverable by the Corporation as a contribution due to the Corporation from the Owner for the amount of the deductible and all costs, charges and liabilities associated therewith, and with the collection thereof, incurred by the Corporation.
- (g) Each Owner shall purchase insurance with respect to deductibles that may be payable to the Corporation under Section 62.4 of the regulations to the Act in respect of the Corporation's insurance policy in an amount equal to the maximum recoverable amount permitted under the Act and regulation, as may be amended from time to time. Upon demand by the Corporation or the Manager, each Owner shall provide to the Corporation or the Manager a certificate of insurance confirming that the Owner has obtained and kept in force the insurance required by this Section.

47. **Contributions for Common Expenses and Budgets**

The particulars that govern the contributions for Common Expenses and budgets shall include that:

- (a) The Common Expenses of the Corporation shall be paid by the Unit Owners in proportion to the Unit Shares for their respective Units or as otherwise provided herein and, without limiting the generality hereof, shall include the following:
- (i) All levies or charges on account of any service that is supplied or provided by the Corporation, including, without restriction, any garbage and/or recycling removal, electricity, water, sewer, gas and fuel services supplied to the Corporation for the Project and for the benefit of all Owners and not charged directly to any one Owner either by meter or otherwise. For clarity, this Bylaw 47(a)(i) does not obligate the Corporation to offer or provide any specific services, other than as required by these Bylaws;
 - (ii) Management fees and Insurance Trustee fees, and if any, wages, salaries, taxes and other expenses payable to or on account of employees or independent contractors of the Corporation;
 - (iii) All the charges on account of lawn maintenance and landscaping and for snow and debris clearance from the Managed Property or Common Property;
 - (iv) All charges on account of lighting fixtures situated on the Managed Property or Common Property excluding the bulbs in the light fixtures on the exterior of the Building;
 - (v) All charges on account of maintenance for those portions of a Unit, Buildings, Managed Property, or Common Property for which the Corporation is responsible under these Bylaws;
 - (vi) All insurance costs in respect of the insurance for which the Corporation is responsible under these Bylaws and/or the Act;
 - (vii) All charges incurred by the Corporation on account of maintenance, operation, repair or restoration of any Unit or Managed Property for which it is responsible or the Common Property, either in the absence of insurance coverage or within the deductible of insurance coverage;
 - (viii) All costs of and charges for all manner of consultation, professional and servicing assistance required by the Corporation including without limiting the generality of the foregoing all legal, accounting, auditing and engineering fees and disbursements;
 - (ix) All reserves for repairs and replacement of Common Property and portions of Units or Buildings the repair or replacement of which is the responsibility of the Corporation;
 - (x) Maintenance of the outside of exterior walls and other structural costs of the Building;

- (xi) The cost of maintaining fidelity bonds or crime coverage insurance as provided in these Bylaws;
 - (xii) The cost of borrowing money for the purpose of carrying out the duties and objects of the Corporation; and
 - (xiii) The allocable or pro rata portion of the cost of any electricity taken from any exterior plug which is billed directly to an Owner by the provider of such electricity and which is used by the Corporation for purposes of operating or maintaining Common Property.
- (b) At least thirty (30) days prior to the start of each fiscal year the Corporation shall deliver by hand or mail by Canada Post to each Owner at the municipal address of his Unit:
- (i) a copy of the budget for the ensuing fiscal year; and
 - (ii) a notice of the assessment for the Owners' contribution towards the Common Expenses of the Corporation for said ensuing fiscal year. Said assessment shall be made to the Owners in proportion to the Unit Shares for their respective Units EXCEPT, in the sole discretion of the Board, acting reasonably:
 - (A) any expenses which should be paid on a per Unit basis to be fair and equitable may be so charged;
 - (B) any expenses that relate directly and solely to the maintenance, operation, repair or restoration of all or part of the Common Property or of any one or more Units and not all the Units may be charged and shall be paid solely by the recipient Units of such maintenance, operation, repair or restoration, as the Board may determine.
- (c) The budget shall set out by categories an estimate of the Common Expenses of the Corporation for the next fiscal year. The budget shall include a reasonable provision for contingencies and for the Capital Replacement Reserve Fund.
- (d) The Capital Replacement Reserve Fund may be used for the repair or replacement of any real and personal property owned by the Corporation, the Buildings, the Managed Property and the Common Property, but is not intended to be used to cover annually recurring maintenance and repair costs which are to be set out and provided for in the annual budget.
- (e) The Common Expenses set forth in each contribution shall be payable to the Corporation, or to any other person, firm or corporation to whom the Corporation shall direct payment to be made from time to time, in twelve (12) equal consecutive monthly instalments payable, in advance on the first day of each month, the first instalment to be made on the 1st day of the month immediately following receipt of such notice of assessment, or such other time as may be prescribed by the Corporation. All contributions shall be payable either by the provision of post-dated cheques or by preauthorized debit from the Owner's bank account, at the direction of the Corporation.

- (f) All payments of whatsoever nature required to be made by each Owner and not paid within ten (10) days from the due date for payment shall bear interest at the Interest Rate from the date when due until paid. All payments on account shall first be applied to interest and then to the contribution payment first due.
- (g) The Corporation shall, on the application of an Owner, purchaser or mortgagee or the solicitor of an Owner, purchaser or mortgagee or any person authorized in writing by any of those persons, certify within ten (10) days:
 - (i) the amount of any contribution determined as the contribution of the Owner;
 - (ii) the manner in which the contribution is payable;
 - (iii) the extent to which the contribution has been paid by the Owner; and
 - (iv) the interest owing, if any, on any unpaid balance of a contribution;and, in favour of any person dealing with that Owner the certificate is conclusive proof of the matters certified therein.
- (h) Upon the written request of an Owner, purchaser or mortgagee of a Unit the Corporation shall, within ten (10) days of receiving that request, provide to the person making the request one or more of the following as requested by that person:
 - (i) a statement setting forth the amount of the monthly contributions and the basis on which that amount was determined;
 - (ii) the particulars of:
 - (A) any action commenced against the Corporation and served upon the Corporation;
 - (B) any unsatisfied judgment or order for which the Corporation is liable; and
 - (C) any written demand made upon the Corporation for an amount in excess of Five Thousand (\$5,000.00) Dollars that, if not met, may result in an action being brought against the Corporation;
 - (iii) the particulars of or a copy of any subsisting management agreement;
 - (iv) the particulars of or a copy of any subsisting recreational agreement;
 - (v) a copy of the current budget of the Corporation;
 - (vi) a copy of the most recent financial statements, if any, of the Corporation;
 - (vii) a copy of the Bylaws of the Corporation;

- (viii) a copy of any minutes of proceedings of a General Meeting of the Corporation or of the Board;
 - (ix) a copy of any lease agreement or exclusive use agreement with respect to the possession of a portion of the Common Property;
 - (x) a statement setting forth the amount of the Capital Replacement Reserve Fund;
 - (xi) a statement setting forth the Unit Factors and the criteria used to determine Unit Factor allocation;
 - (xii) a statement setting forth any structural deficiencies that the Corporation has knowledge of at the time of the request in any of the Buildings that are included in the Condominium Plan;
 - (xiii) in the case of a mortgagee, the records pertaining to the management or administration of the Corporation as prescribed in Section 45 of the Act; and
 - (xiv) any other documents to be provided pursuant to Section 44 of the Act.
- (i) The omission by the Board to fix the contributions hereunder for the next ensuing fiscal year or other period provided for herein, shall not be deemed a waiver or modification in any respect of the provisions of these Bylaws or release of the Owner or Owners from their obligation to pay the contributions or special assessments, or any instalments thereof for any year or period, but the contributions fixed from time to time shall continue until new contributions are fixed. No Owner can exempt himself from liability for his contributions toward the Common Expenses by waiver of the use or enjoyment of any of the Common Property or—by vacating or abandoning his Unit.
- (j) The Board or the Manager supplying any documents required to be provided in these Bylaws or under Section 44 of the Act, shall be entitled to charge a reasonable fee for the production thereof.

48. **Special Assessments**

If at any time it appears that the annual contributions towards the Common Expenses will be insufficient to meet the Common Expenses, the Corporation may assess and collect a special contribution or assessment against each Unit in an amount sufficient to cover the additional anticipated Common Expenses. The Corporation shall give notice of such further assessment to all Owners which shall include a written statement setting out the reasons for the assessment and each assessment shall be due and payable by each Owner in the manner and on the date or dates specified in the notice. Each such special assessment shall be determined and assessed against the Owners in proportion to the Unit Shares for their respective Units or as set forth in Bylaw 47(b)(ii) above. Unless otherwise provided, all such special assessments shall be payable within ten (10) days of the due date for payment as specified in the notice and if not paid shall bear interest at the Interest Rate from the due date until paid.

49. **Default in Payment of Assessments**

Default in payment of assessments and lien for unpaid assessments, instalments and payments:

- (a) The Corporation shall and does hereby have a lien on and a charge against the estate or interest of any Owner for any unpaid contribution, assessment, instalment or payment due to the Corporation, which lien shall be a lien against such estate or interest subject only to the rights of the Municipal or any local authority in respect of unpaid realty taxes, assessments or charges of any kind against the Unit title or interest of such Owner. The Corporation shall have the right to file a caveat or encumbrance against the Unit title or interest of such Owner in respect of the lien or charge for the amount of such unpaid contribution, assessment, instalment or payment as hereinbefore mentioned, and for so long as such unpaid contribution, assessment, instalment or payment remains unpaid, provided that each such caveat or encumbrance shall not be registered until after the expiration of thirty (30) days following the due date for the first payment in arrears. As further and better security, each Owner responsible for any such unpaid contribution, assessment, instalment or payment which is in arrears for more than thirty (30) days, shall give to the Corporation a mortgage or encumbrance for the full amount thereof and all contributions, assessments, instalments and/or payments, and interest thereon at the Interest Rate from the due date or dates for payment of the same, and the Corporation shall be entitled to enforce its lien, charge and security and pursue such remedies as may be available to it at law or in equity, from time to time including the recovery by the Corporation of its legal fees and disbursements on a solicitor and his own client basis from such defaulting Owner;
- (b) The Owners acknowledge and agree that amounts payable other than in proportion to Unit Factors under Section 39 of the Act include, without limitation, solicitor and his own client legal fees on a full indemnity basis and administrative expenses and fees (including NSF charges) incurred by the Corporation in respect of recovery of unpaid contributions, assessments, instalments or payments due to the Corporation, and that they shall be deemed to be payable on a basis other than in proportion to the Unit Factors of the Owner's respective unit pursuant to Section 39(1)(a)(ii) of the Act. The Owners acknowledge and agree that these expenses are incurred as a result of the failure of an Owner to pay contributions, assessments, special assessments, instalments or payments due to the Corporation and as a result, the Owner of the subject Unit shall be solely responsible to pay these expenses and they shall be charged to the Owner's Unit and shall be added to and become part of the contribution and assessment of such Owner for the next month following the date when such costs or expenses are expended or incurred by the Corporation, and shall bear interest both before and after judgment at the Interest Rate until paid;
- (c) Any other Owner or person, firm, or corporation whatsoever may pay any unpaid contribution, assessment, instalment or payment after the expiration of thirty (30) days following the due date for payment by the Owner in default, with respect to a Unit, and upon such payment, such party, person, firm or corporation shall have a lien, subject to the estates or interests hereinbefore mentioned and shall be entitled to file a caveat or encumbrance in respect of the amount so paid on behalf of the Owner in default, and shall

be entitled to enforce his lien, thereby created, in accordance with the other terms and conditions of this Bylaw;

- (d) Notwithstanding and in addition to any other term, condition or provision herein contained or implied, each unpaid contribution, assessment, instalment or payment shall be deemed a separate, distinct and personal debt and obligation of the Owner against whom the same is assessed and collectible as such. Any action, suit or proceeding to recover such debt or to realize on any judgment therefore shall be maintainable as a separate action, suit or proceeding without foreclosing or waiving the lien, charge or security, securing the same;
- (e) In the event of any contribution, assessment against or instalment or payment due from an Owner remaining due and unpaid for a period of thirty (30) days, the Board, at its election, may accelerate the remaining monthly contributions, assessments, instalments and payments for the fiscal year then current upon notice to the Owner in arrears, and thereupon all such unpaid and accelerated monthly contributions, assessments, instalments and payments shall become payable on and as of the date of the said notice, PROVIDED THAT such acceleration shall not be binding upon any registered mortgagee; and
- (f) All reasonable costs of the Manager, administration costs and legal costs and disbursements incurred by the Corporation (INCLUDING costs on a solicitor and his own client basis) which either the Manager or the Corporation expends as a result of any act or omission of an Owner, his servants, agents, licensees, invitees or Tenants which violates these Bylaws or any rules or regulations established pursuant thereto or incurred or in any way for securing or enforcing its interests hereunder or the taking of any remedies to cure any default hereunder shall constitute a payment due the Corporation.

50. **Estoppel Certificate**

Any certificate as to an Owner's position with regard to contributions, expense assessments or otherwise, issued by an officer of the Corporation or the Manager shall be deemed to be an Estoppel Certificate and the Corporation and all of the Owners shall be estopped from denying the accuracy of such certificate against any mortgagee, purchaser or other person dealing with the Unit Owner but this shall not prevent the enforcement against the Unit Owner incurring the said expense of all obligations of the said Unit Owner whether improperly stated in such Estoppel Certificate or not. The Corporation authorizes the Manager to issue an Estoppel Certificate certifying payment of all contributions upon receipt by the Manager of payment of such contributions notwithstanding that such payment is subsequently dishonoured or stopped by a financial institution. The cost of an estoppel certificate requested shall not exceed \$200.00 (or such greater amount permitted under the Act) for each estoppel certificate.

51. **Leasing of Units**

In the leasing of Units, the following provisions shall govern:

- (a) In the event that any Owner desires to lease or rent his Unit or Building he shall furnish to the Corporation an undertaking, in form satisfactory to the Corporation pursuant to Bylaw 62(c), signed by the proposed lessee or Occupant, that the proposed lessee or Occupant of the Unit will comply with the provisions of the Act and of the Bylaws of the Corporation.

The Tenant or Owner, within twenty (20) days of occupancy, must provide to the Corporation, upon request, a certificate of insurance evidencing existence of a Tenant's insurance policy. The Owner shall not be released of any of his obligations and shall be jointly and severally liable with the proposed lessee or Occupant with respect to such obligations.

- (b) The Corporation IS HEREBY AUTHORIZED TO:
 - (i) impose and collect deposits under Section 53 of the Act. If any deposit is used in accordance with the Act or these Bylaws, the Owner shall replace that portion of the deposit used within ten (10) days of being notified, in writing, by the Board of its use;
 - (ii) give notices to give up possession of residential Units under Section 54 of the Act; and
 - (iii) make applications to the Court under Sections 55 and 56 of the Act;
- (c) No Tenant shall be liable for the payment of contributions or assessments or Common Expenses under these Bylaws unless notified by the Corporation that the Owner from whom he rents the Unit is in default of payment of contributions, in which case the Tenant shall deduct from the rent payable to the Owner, such default contributions and shall pay the same to the Corporation. Any such payment by the Tenant shall be deemed to be a rental payment made to the Owner.
- (d) The Board may charge an extra fee for a moving damage deposit, extra security, supervision of move-ins and move-outs and for lessees or Tenants of Owners. The Manager must be given forty eight (48) hours' notice of any such move-in or move-out.

52. **Severability**

The provisions hereof shall be deemed independent and severable and the invalidity in whole or in part of any Bylaw does not affect the validity of the remaining Bylaws, which shall continue in full force and effect as if such invalid portion had never been included herein.

53. **Notices**

Unless otherwise expressly provided in these Bylaws, service of any notice required to be given under the Act or under these Bylaws shall be well and sufficiently given if:

- (a) sent by prepaid registered mail to:
 - (i) the Owner at the address of his Unit or other known address;
 - (ii) the address shown on the Certificate of Title to the Unit at the Land Titles Office;
 - (iii) to the Corporation at its address for service shown on the Condominium Plan; or
 - (iv) a mortgagee at its address supplied to the Corporation;

- (b) left with the Owner or some other adult person at the said address of the Unit;
- (c) put under the front door of the Unit; or
- (d) put in the mailbox of the Unit.

Any notice given by post shall be deemed to have been sent and received forty-eight (48) hours after it is posted. An Owner or a mortgagee may at any time in writing advise the Corporation of any change of address at which notices shall be served or given and thereafter the address specified therein shall be deemed to be the address of such Owner or a mortgagee, as the case may be, for the giving of notices. The word "notice" shall include any request, statement or other writing required or permitted to be given hereunder or pursuant to the Act or these Bylaws. No form of notice under these Bylaws shall be deemed invalid solely because it was transmitted by facsimile or e-mail.

Notwithstanding the foregoing, where an Owner has requested and consented to receive communications from the Corporation by electronic means and has provided an electronic address for this purpose, the Corporation shall send notices including, without limitation, minutes, notices of meetings or non-compliance with the By-laws and notifications of new rules by electronic means to that address. Where the Corporation provides notices to an electronic address, the notices and any attachments to the notices must be sent in a manner that is capable of being indefinitely retained by the recipient. The Corporation is required to send notices to electronic addresses only if the electronic address is an e-mail address, or any other type of electronic address that is acceptable to the Board, as signified by a written resolution. A notice or notification sent in accordance with the foregoing shall be deemed to have been received by the Owner 24 hours after it is sent by electronic means to the electronic address of such Owner.

54. **Notice of Default to Mortgagees**

Where a mortgagee has notified the Corporation of its interest, any notice of default sent to an Owner shall also be sent to the mortgagee, if such default continues for a period of ninety (90) days.

55. **Debt Retirement on Termination**

Subject to the provisions of the Act, upon termination of the condominium status for any purpose, all debts of the Corporation shall first be paid out of the assets, and the balance of the assets, if any, shall be distributed to the Owners in proportion to their Unit Factors or otherwise in accordance with the principles set forth in Bylaws 47(b)(ii), subject to the interests of any mortgagees.

56. **Company Which is Member of Board**

A company which is a member of the Board may by proxy, power of attorney or resolution of its directors appoint such person as it thinks fit to act as its representative on the Board and to attend meetings thereof and vote at such meetings on behalf of the company and such representative shall be entitled to so act provided notice in writing thereof shall have been given to the Board. Where a company is the only member of the Board a minute or resolution signed by its representative or by the alternate of its representative duly appointed pursuant to the Bylaw next following shall be deemed to be a resolution of the Board.

57. **Alternate Board Representative**

A representative of a company on the Board may appoint any person whether another Owner or not and whether a member of the Board or not to serve as his alternate representative on the Board and as such to attend and vote in his stead at meetings of the Board and to do anything specifically provided for in these Bylaws. Such alternate shall, if present, be included in the count for quorum and if he be a member of the Board he shall be entitled to two votes, one as a member of the Board and the other as an alternate representative of a member of the Board. If the representative so directs, notice of meetings of the Board shall be sent to the alternate representative of a member of the Board. If and when the appointing representative vacates the office of a representative of a member of the Board or removes the alternate representative from office as alternate representative, any appointment or removal under this Bylaw shall be made in writing under the hand of the representative making the same.

58. **Privacy Areas and Parking Areas**

Privacy and parking areas shall be governed by the following terms:

- (a) The Board may, in addition to other restrictions set out in these Bylaws, specify and limit the nature and extent of the use or uses of any exclusive use area assigned or designated by it hereunder.
- (b) While any such exclusive use area is not included in the Condominium Plan as part of a Unit, and shall not be deemed to be an area leased pursuant to Section 50 of the Act, any such exclusive use area shall be maintained at the sole expense of the Owner to whom it has been assigned PROVIDED THAT the Board shall be responsible for clearing slush and snow from the roadway, outside parking areas and the individual driveways, and mowing all grass which is accessible by power mowers, and structurally maintaining all parking areas, roadway, driveways, decks and patios to a standard considered reasonable by the Board. An Owner shall structurally maintain any Board approved Owner-initiated improvements to any patio or deck immediately adjacent to their Building.
- (c) If the Owner shall fail to properly maintain any such privacy area assigned to him after ten (10) days' notice to him to correct any maintenance problem set forth in said notice from the Board, then the Board or its representative may order the maintenance corrected and the Owner affected shall reimburse the Board for all monies expended and all costs incurred in order to rectify said maintenance problem and pay interest thereon at the Interest Rate after demand for payment.
- (d) The term exclusive use area does not include any fence, rail or similar structure bordering any Unit.
- (e) The Corporation and its servants and agents shall, notwithstanding the grant of any right, licence or privilege of exclusive use of any area to any Owner, have and enjoy free and uninterrupted right at any and all times and from time to time to enter upon, pass and repass over, and occupy any and all parts of such exclusive use area for the purpose of carrying out any of the duties or functions of the Corporation.

59. **Realty Taxes**

- (b) An Owner, Occupant or Tenant SHALL NOT:
- (i) use his residential Unit or any part thereof for any purpose which may be illegal or injurious to the reputation of the Project, for any commercial, professional or other business purpose, or for a purpose involving the attendance of the public at such Unit unless such use constitutes an authorized, permitted or discretionary use or approved "home occupation" as defined in the relevant Municipal Bylaw. No Owner or Occupant shall use a Unit to provide a day care centre or commercial baby-sitting services without the prior written consent of the Board, which consent may be arbitrarily withheld. No garage sale shall be held on any Unit without the prior written approval of the Board;
 - (ii) make or permit noise within or about any Building or Unit or the Common Property or allow any odour to emanate or escape from his Unit or conduct himself in any manner which, in the opinion of the Board, constitutes a nuisance or unreasonably interferes with the use and enjoyment of a Unit or the Common Property by any other Owner or Occupant. No instrument or other device shall be used within a Building or Unit which in the opinion of the Board causes a disturbance or interferes with the comfort of other Owners;
 - (iii) keep any animal, livestock or fowl of any kind, other than household animals and pets as are normally permitted in private homes in urban residential areas and then only if approved by the Board, which approval may be withdrawn on reasonable grounds on fifteen (15) days' notice to that effect. Additionally:
 - (A) no livestock, spiders, snakes, fowl or reptiles will be approved;
 - (B) all dogs and cats approved must be hand leashed outside a Building (except on decks or patios), and kept under control and in the custody of a responsible person at all times;
 - (C) any Municipal Bylaws in effect with respect to pets at any point in time shall have effect within the Managed Property and Common Property and Municipal enforcement officers are hereby authorized to enforce the said Municipal Bylaws in the Managed Property and Common Property;
 - (D) an Owner agrees to pay to the Corporation the cost of any repairs or damage (including the cost of replacement of urination patches) to the Common Property or Managed Property necessitated by and caused by an approved pet. An Owner shall clean up any animal defecation immediately from either the Common Property or the Managed Property; and
 - (E) no more than one (1) dog, not to exceed twenty (20 lbs) pounds in size, and one (1) cat per Unit will be approved, unless prior written approval of the Board acknowledges extraordinary circumstances such that the Owner could have more than the stated limit, with the understanding upon taking ownership that the Owner will not add any dog or cat over and

above the stated limit when a dog or cat is no longer in the possession of the Owner in the Unit.

- (iv) use or permit the use of his Building or Unit other than for residential purposes, except as may be permitted under relevant Municipal Bylaw as per subparagraph (i) hereof;
- (v) permit his Building or Unit to be occupied as a place of residence by more than two (2) persons at any given time without the consent of the Board in writing;
- (vi) do any act or permit any act to be done, or alter or permit to be altered, his Building or Unit (including the driveway) in any manner, which will alter the exterior appearance of the structure comprising his or any other Buildings or Units without the prior written approval of the Board. No surface (including paint or stain) or overhead covering shall be applied to a deck or patio without the prior written consent of the Board. No air-conditioning unit visible from the exterior shall be installed without the prior written consent of the Board;
- (vii) permit laundry, towels, rugs or blankets to be hung other than inside the Building on his Unit;
- (viii) erect or place any Building, structure, improvement, fixture, tent, or trailer, (either with or without living, sleeping or eating accommodation) on the Unit, the Common Property or on the Managed Property without the prior written consent of the Board;
- (ix) permit, erect or hang over or form or cause to be erected or to remain outside any window or door or any other part of the Building, the Unit or on the. Common Property, fences, barriers, partitions, awnings, air-conditioning appliance, extension cords, clotheslines, shades or screens or any other matter or thing without the prior written consent of the Board, which consent the Board may arbitrarily withhold or subsequently withdraw. In the event such consent is withheld or withdrawn, the Owner shall forthwith remove the item. No television, mobile telephone or radio antenna, tower or similar structure or appurtenances thereto shall be erected on or fastened to any Building or on any Unit except as authorized by the Board and then, only in accordance with the regulations therefor which may be established by the Board. All requests for a satellite dish installation must be approved by the Board prior to installation. In addition:
 - (A) no Owner shall install or attach, or cause to be installed or attached, more than one (1) satellite dish on his or her Unit and shall only install a satellite dish in the location permitted by these Bylaws;
 - (B) a satellite dish installed on an Owner's Unit will be placed on a pedestal on the front or rear deck, or on a pedestal within one meter of the deck, or only in the circumstance where reception is not possible from a deck location, on the roof or wall of the Building;

- (C) the installation of a satellite dish will be carried out only by a licensed tradesperson, and the necessary wiring will be conducted into the Building as close as possible to the satellite dish;
- (D) in the event that the installation of a satellite dish causes damage to the exterior of a Building, or results in penetration by water, the costs of repairing any such damage shall be the responsibility of the Owner;
- (E) in the event of the removal of a satellite dish, the cost of the removal, and the restoration of the exterior finish of a Building, shall be the responsibility of the Owner;
- (x) overload existing electrical circuits or store any combustible, flammable or offensive goods, provisions or materials on his Unit or on the Common Property, normal cleaning products, related household goods, and barbeques on decks or patios excepted;
- (xi) do anything or permit anything to be done or bring or keep anything in his Unit, the Building, the Common Property or the Corporation property which will or would tend to increase the risk of fire or flooding or the rate of fire insurance premiums with respect thereto or which would render invalid any insurance maintained by the Corporation;
- (xii) do anything or permit anything to be done by any Occupant within his Building or Unit, or the Common Property that is contrary to any statute, ordinance, bylaw or regulation of any government authority whether Federal, Provincial, Municipal or otherwise;
- (xiii) do or permit anything to be done that may cause damage to trees, plants, bushes, flowers or lawns and shall not place devices or other objects on the lawns and grounds of the Common Property or the Managed Property so as to damage them or to prevent growth or to interfere with the cutting of the lawns or the maintenance of the grounds generally;
- (xiv) deposit customary household refuse and garbage outside the Building of his Unit other than in compliance with the requirements of the Municipality.
- (xv) erect, place, allow, keep or display signs, billboards, advertising matter, "For Sale" signs, or other notices or displays of any kind on the Common Property, or in or about any Building or the Unit in any manner which may make the same visible from the outside of the Unit or the Building without the prior written consent of the Board;
- (xvi) permit any member of his household, guests, visitors or pets to trespass on the Unit of another Owner;
- (xvii) in regard to parking and operating a Private Motor Vehicle on the Project:

- (A) wash any motor vehicles anywhere on the Project other than on a Unit in such a manner as will not cause nuisance or annoyance to the other Owners and in compliance with all environmental requirements of the Municipality, including the use of environmentally acceptable biodegradable soap;
 - (B) carry out any repairs or servicing to Private Motor Vehicles on the Project except in an enclosed garage;
 - (C) allow trailers, campers, boats, snowmobiles, trail bikes, all-terrain vehicles, or any type of motor home or recreational vehicle or equipment to be parked or stored outside the garage of the Building, except an Owner may park a holiday trailer or motorhome on the driveway for purposes of loading and/or unloading for up to forty-eight (48) hours;
 - (D) keep on the Managed Property any Private Motor Vehicle which is not currently licensed, insured and in operating condition without the prior written consent of the Board. Proof of the foregoing shall be provided to the Board upon request;
 - (E) not park or allow any visitor to park any automobile anywhere on the Project which leaks any oil, grease, antifreeze or gasoline or which is, in any other way, offensive or hazardous. If any leak shall occur, the Owner shall clean up such leakage as soon as reasonably possible;
 - (F) park more Private Motor Vehicles on the driveway in front of the garage of a Unit than fit without blocking an adjacent driveway or Unit. No vehicle shall be parked on the grass of the Project at any time;
 - (G) allow an overnight visitor to park anywhere on the Project except on a Unit driveway or in designated visitor parking. No Occupants shall park in visitor parking at any time without prior Board approval. A visitor shall comply with the visitor parking policy at all times;
 - (H) idle a Private Motor Vehicle any longer than is reasonably necessary;
 - (I) park or allow a guest or any other person to park in any manner which obstructs access to a fire hydrant; or
 - (J) park or allow a guest or any other person to park in any manner which hinders the safe, speedy, and unobstructed access to any Unit by any emergency vehicles, such as ambulances, fire department and police vehicles;
- (xviii) obstruct or permit any passage or driveways or parking areas to be obstructed by any Occupant, his family, guests or visitors or their vehicles;

- (xix) allow his Building or Unit to become unsanitary or unsightly in appearance. The Board shall be at liberty to remove any rubbish or clean up a Unit or the Common Property in close proximity to an Owner's premises to its satisfaction and charge the expense to the Owner;
- (xx) make or cause to be made any structural, mechanical, plumbing, drainage, gas system or electrical changes, alterations or additions to the Building which affect other Units or Buildings or any load bearing wall without first having the design and specifications of such alteration or addition approved in writing by the Board. The Owner requesting such approval agrees to pay the cost of any professional reasonably engaged by the Board to review the proposed design and specifications or advise the Board. Any alteration or addition made by an Owner without such approval may be restored or removed by the Board or its duly authorized representative or representatives and any costs incurred by the Corporation as a result thereof shall forthwith be paid by such Owner to the Corporation and shall bear interest at the Interest Rate from the time such costs are incurred until paid;
- (xxi) use a toilet, sink, tub, drain or other plumbing fixture for a purpose other than that for which it is constructed;
- (xxii) be responsible for snow removal other than from the deck or patio on the Unit. An Owner shall not shovel or brush snow, run water or throw anything onto the Unit of another Owner;
- (xxiii) use his deck or patio or other areas outside of his Building for the storage of personal belongings or other goods or chattels or allow or cause any household or personal effects or articles belonging to him to be kept anywhere except inside the Building of his Unit when not in actual use, and each Owner will comply with all reasonable requests of the Board or its representatives that all household or personal effects or articles belonging to an Owner's household be put away inside such Building when not in actual use excluding lawn furniture, neat storage boxes, flower pots with live plants and barbeques which are allowed on decks or patios. When not in use barbeques shall be covered by a suitable barbeque cover that is in good conditions and the gas supply valve shall be turned off. No sofas, freezers, electronics, tires, paints, packing boxes or storage of items are allowed on decks, patios, front lawns or on front driveways;
- (xxiv) prevent or prohibit access to and use of exterior electrical plugs or exterior water taps on a Building for purposes of maintaining Common Property or Managed Property. An Owner shall ensure the exterior water line and tap for the Building are drained and winterized in each calendar year. An Owner shall be responsible to repair and maintain the exterior water line and tap and exterior electrical plug on the Building;
- (xxv) cook on a deck or patio other than using a propane gas, natural gas or electric barbeque. All barbeques shall be used at least eighteen (18") inches away from any building or fence. No charcoal briquette barbeques, wood burning devices,

open fires or fire pits shall be installed or used anywhere on the Project. Patio heaters are permitted on a deck or patio;

- (xxvi) without the prior written consent of the Board, have any right of access to those portions of the Managed Property or Common Property used from time to time for mechanical systems, utilities areas, Building maintenance, storage areas, operating machinery or any other parts of the Managed Property or Common Property used for the care, maintenance or operation of the Project generally;
- (xxvii) use foil, bed sheets, towels, flags, newsprint, or other objectionable material as window or patio door coverings. An Owner shall not apply any window tinting or security film to a window that is visible from the exterior without the prior written consent of the Board;
- (xxviii) feed or harbour birds, squirrels, or other wild animals on any Unit or anywhere on the Common Property except with bird or squirrel feeders which an Occupant must keep clean and free of droppings;
- (xxix) render a Building unfit for human habitation. An Owner shall control all pests inside a Unit (regardless of the origin of such pests) and shall be responsible for the costs associated with such pest control;
- (xxx) install a hot tub outside a Building on a Unit;
- (xxxi) paint, decorate or otherwise alter any portion of a Building or a Unit required to be maintained by the Corporation without the express, prior, written consent of the Board;
- (xxxii) install or put in place, leave in place, allow to be installed or put in place or left in place, any Christmas decorations that will be visible from the exterior of the Unit with the exception of the time period between November 1st of each year to February 28th of the following year. Any other seasonal decorations on Managed Property must be approved by the Board prior to installation. No personal decorations or personal possessions are allowed on Common Property. An Owner shall repair any damage to the exterior of the Building caused by the installation of any decorations;
- (xxxiii) smoke or allow smoking on the Common Property or Managed Property except on a deck or patio with such Owner disposing of smoking material into a fire retardant receptacle placed on such deck or patio which receptacle shall be filled with either sand or water. An Owner shall not throw cigarette butts, matches or other smoking or combustible materials out of windows, over decks, off patios, or anywhere on the Common Property or Managed Property, except as aforesaid;
- (xxxiv) plant any tree or shrub on a Unit or Common Property, without the prior written approval of the Board;

- (xxxv) prune, trim, top, or otherwise alter the appearance of a tree on the Managed Property, without the prior written consent of the Board;
 - (xxxvi) install wind chimes or wind socks on the Managed Property;
 - (xxxvii) install any flags on the Managed Property or the Common Property without the prior written approval of the Board, except for displaying the Canadian flag on the Managed Property in a seven (7) day period prior to and including Canada Day; and
 - (xxxviii) leave a Unit vacant or unattended to in excess of seventy-two (72) hours without inspection by the Owner or his/her agent.
- (c) An Owner shall ensure that his Occupants comply with those requirements that the Owner must comply with under Subsection (b) hereof and, upon request of the Corporation, obtain from the Tenants or have the Manager who leases the Units and residential dwellings on behalf of the Owners obtain from the Tenants-an undertaking, in writing, to the following effect:
- “I, _____, covenant and agree that I, ____all Occupants of my Unit and my guests from time to time will, in using the Unit rented by me, any exclusive areas relating to the Unit and all the Managed Property and Common Property, comply with the *Condominium Property Act*, R.S.A. 2000, c. C-22 the Bylaws and all rules and regulations of the Corporation during the term of my tenancy.”

63. **Managed Property**

The following provisions apply to Managed Property:

- (a) Restricted Development, Architectural Standards and Restrictive Covenant
 - (i) No Owner shall improve, develop, construct upon or otherwise modify his Building or Unit unless such development or improvement strictly complies with any and all development restrictions imposed upon the Unit by the Municipal Authority (whether disclosed on title to the Unit or not), and the Architectural Standards.
 - (ii) The Corporation is hereby empowered, and the Board is authorized on behalf of the Corporation, to take whatever procedures are reasonably necessary, in the Board’s opinion, to ensure compliance with Bylaw 63(a)(i) hereof and enforce the Architectural Standards (enforcement to be limited to the extent it is limited by law).
- (b) Elements of Managed Property

Without limiting the definition thereof in Bylaw 1(q), “Managed Property” shall be comprised of those portions of the Units comprised of lawns, landscaping, driveways, patios, Project perimeter fences, the exterior of any and all Buildings on the Units (EXCLUDING the doors and windows on exterior walls of a Building, which are the responsibility of the Owner), including roofs, foundations and structural elements built in accordance and compliance

with this Bylaw and all Municipal and provincial requirements, codes and standards. Without restricting the generality of the foregoing, "Managed Property" includes all parts of the Unit outside and up to, but not including, the interior finishing of the floors, walls and ceilings in all Buildings on the Units and all utility and service lines and facilities outside such interior finishing of a Building, irrigation systems and common light standards.

(c) Duties and Restrictions on Owners Regarding Managed Property

Each Owner shall, in respect to the Managed Property on or in his Unit:

- (i) permit the Corporation (and anyone who is agent for or authorized or directed by the Corporation) to enter his Unit for emergencies, inspection, maintenance, repair, upkeep, cleaning and control (generally) of the Managed Property as if same were Common Property;
- (ii) adhere to, comply with and strictly observe this Bylaw and all rules, regulations, Bylaws, resolutions and other requirements of the Corporation and its insurers as same relate to the Managed Property; provided that in the absence of anything expressly to the contrary, the rules, regulations, Bylaws, resolutions and other requirements as shall apply to the Common Property shall apply to the Managed Property;
- (iii) not, in any manner whatsoever, interfere with, prohibit or hinder the Corporation in carrying out its duties, powers, obligations and responsibilities arising hereunder or in connection with any of the Corporation's inspection, maintenance, repair, upkeep, cleaning or control of the Managed Property; and
- (iv) not in any manner whatsoever without first obtaining the written consent of the Board, change, improve, alter, adjust, remove, disfigure or otherwise disturb the Managed Property or any part or component thereof.

(d) Powers, Duties and Restrictions of the Corporation

The Corporation shall:

- (i) in addition to and without limiting its powers relating to the management and control of Common Property, BE EMPOWERED TO:
 - (A) enact rules and regulations relating to the management and control of the Managed Property and the Unit, provided at all times at least 30 days before a new rule and regulation is to come into effect, the Corporation shall provide written notice of the new rule by either (i) delivering it to each occupied Unit, or (ii) posting it in an open and conspicuous common area on the parcel to which all owners and occupants have access, and (b) serve written notice of the new rule on all Owners who do not reside on the parcel. The Corporation may establish a rule that comes into effect immediately on notice being provided by the Corporation to the foregoing persons if the rule addresses a safety concern, a security concern or an

emergency (such rule to remain in effect for the duration of such safety concern, security concern or emergency). Subject to rules in respect of safety concerns, security concerns or emergencies, a rule is of no force or effect until the 30-day notice period has expired;

- (B) employ and contract for services for repair, maintenance, replacement, cleaning and other similar services (INCLUDING painting, gardening, lawn mowing and snow clearance) necessary to properly maintain the Managed Property;
 - (C) as part of and in accordance with its general power of levying assessments, assess the Owners for their respective shares in the costs of the Corporation carrying out of its duties hereunder; and
 - (D) generally manage, operate and control the Managed Property in accordance with such election as if and to same extent as if the Managed Property was Common Property;
- (ii) shall, in addition to and without limiting its obligations generally relating to the maintenance, management, repair and control of Common Property, control, manage, maintain, repair and administer the Managed Property unless otherwise directed by Special Resolution of the Corporation, provided that such duties and obligations may, from time to time, be amended and adjusted (INCLUDING without limitation, by increasing or reducing same) by Special Resolution of the Corporation. If, pursuant to Special Resolution, it is resolved that the Corporation shall be relieved and is not, from the effective date thereof, to be responsible for the management, repair, maintenance, upkeep, replacement and control of the Managed Property, all such duties and responsibilities shall therefor be performed by the Unit Owners and these Bylaws shall be interpreted accordingly PROVIDED NEVERTHELESS THAT the Corporation shall continue to be responsible for and perform its insurance and replacement reserve fund obligations under these Bylaws and its duties to maintain, repair, replace and manage the Common Property; and
- (iii) to the extent that the Board shall determine practicable, insure the Managed Property (or such part or parts thereof as the Board determines is reasonable, feasible and economic) as the Board is otherwise required by these Bylaws.

64. **Change of Legislation**

Should the Act be amended and changed in the future, then these Bylaws shall be deemed to have been amended accordingly to adopt any and all such changes to the Act which are required to be adopted to enable the Corporation to operate at all time with the full powers of the Act and to use all remedies available to it under the Act.

65. **Arbitration and Mediation**

Any dispute respecting any matter arising under these Bylaws may, with the agreement of the parties to the dispute, be dealt with by means of mediation, conciliation or similar techniques to encourage settlement of the dispute or be arbitrated under the *Arbitration Act*, R.S.A. 2000, c. A-43.

66. **Party Wall Agreement - Bare Land Units**

Each Owner acknowledges that each Building constructed on each Bare Land Unit has or will have at least one common wall with a Building constructed on an adjoining Unit and that the common wall is located as nearly as practicable upon the lot line between the two adjoining Bare Land Units. Each Owner agrees with each other Owner as follows:

- (a) the common wall constructed or to be constructed on or about the lot line between the adjoining Bare Land Units has been or will be constructed as a party wall to be used for the joint purposes of the adjoining Building so erected by the Owners and shall be used and maintained as a party wall in such manner as to ensure to each Owner in respect of his adjoining Building the enjoyment of a right to support and use, all to the intent that no portion or part of the party wall erected shall, for any purpose whatsoever, be construed or deemed to be an encroachment on any adjoining Bare Land Unit and shall continue as a party wall perpetually and, to the extent that any portion or part of the party wall shall encroach upon any Bare Land Unit, the Owner of such Unit grants and conveys to each adjoining Owner an easement for the purpose of such encroachment;
- (b) each Owner grants and conveys to each adjoining Owner an easement in support of the party wall and of any vertical or near extension thereof in respect of the width of the party wall constructed upon that Owner's Bare Land Unit, to the intent such easement shall be annexed to and run with such Unit in accordance with the provisions herein set forth;
- (c) if the party wall at any time following construction requires any repair or maintenance (either external or internal), then, to ensure any Owner the right to the convenient enjoyment of his right to support and use, the Corporation shall be at liberty to cause the party wall to be repaired or maintained, provided that notwithstanding the foregoing, in the event such repair or maintenance (either external or internal) is required or necessitated due to damage to such party wall caused by the willful or wanton act or acts of any Owner or invitee or licensee of such Owner, it is agreed by each Owner that the cost of such repairs and maintenance shall be solely borne by the Owner or any invitee or licensee of such Owner whose willful or wanton act of acts required or necessitated the repair or maintenance;
- (d) each Owner shall afford the Corporation and its agents or workmen all such reasonable access as may be necessary to enable the party wall to be speedily and effectively built and/or maintained (provided that in connection with such access reasonable notice shall be given) and as little damage as possible will be occasioned to the property of the Owners and that in the event of any damage being occasioned to the property of the Owner, such damage will be repaired to the satisfaction of the Owner at no cost to the Owner.

67. **Easement Rights**

Subject to the Act, easement rights shall be governed as follows:

- (a) There is hereby created in respect of each Unit shown in the Condominium Plan in favour of the Owner of that Unit, and as appurtenant thereto, easements for the provision of water (INCLUDING irrigation water), sewerage and sanitary disposal, drainage, gas, electricity, garbage, artificially heated or cooled air and other services including telephone, radio and television through or by means of any pipes, wires, cables or ducts for the time being existing in the Parcel to the extent to which those pipes, wires, cables or ducts are capable of being used in connection with the enjoyment of the Unit.
- (b) There is created, in respect of each Unit shown in the Condominium Plan as against the Owner of that Unit, easements to which the Unit is subject for the passage or provisions of water (INCLUDING irrigation water), sewerage and sanitary disposal, drainage, gas, electricity, garbage, artificially heated or cooled air and other services including telephone, radio and television services through or by means of any pipes, wires, cables or ducts appurtenant to the Common Property and also to every other Unit capable of enjoying those easements.
- (c) The local authority and owner of any utility service who is providing services to the Parcel or to any Unit on it and the Corporation, is entitled to benefit of these easements that are appropriate to the proper provision of service provided but not to the exclusion of any other utility service.
- (d) All ancillary rights and obligations which are reasonably necessary to make this easement effective, apply in respect of the easements created herein, including the right of an Owner of a dominant tenement to enter a servient tenement to install, maintain, replace, renew or restore anything from which the dominant tenement is entitled to benefit.
- (e) Any Unit Owner, the Corporation or the local authority shall, in carrying out any operations pursuant to sub clause (d) hereof, do so in a good and workmanlike manner and will cause or do as little damage and inconvenience to the Owner or Occupant of a Unit as is reasonably possible and any excavations or workings made or done in connection therewith shall, so far as is reasonably practicable, be restored to its former condition.
- (f) This easement does not affect the ownership or the maintenance obligations of any utility services located within the Parcel. In other words, all utilities are to be treated as if the Parcel was a conventional condominium development.
- (g) The benefit and the burden of this easement shall run with the Land. “**Land**” means the Parcel comprised in the Condominium Plan including all Units and the Common Property.
- (h) As each of the Units is both a dominant and servient tenement, this Private Utility Easement shall be construed so that each Unit Owner shall have granted this easement in respect of each Unit to the benefit of each Unit Owner in respect of the Parcel save for that Unit.
- (i) This easement cannot be changed without the express written consent of any utility owner, including, but not limited to, the Municipality, any communication company and any gas company.

68. **Age Restrictions**

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Regarding the age of an Occupant:

- (a) A Unit shall be occupied only by a Senior unless:
 - (i) that person lives with his or her spouse who is a Senior;
 - (ii) that person has been predeceased by a spouse who was a Senior; or
 - (iii) Notwithstanding the a foregoing restriction, the Board may permit a person to occupy a Unit for a specified period not exceeding twelve (12) months upon compassionate grounds, and thereafter for such further periods of time as **may be approved**, each not to exceed twelve (12) months by way of application accompanied by a doctor's note. The permission granted by the Board may be revoked by an Ordinary Resolution at a General Meeting of the Corporation.
- (b) "**Occupation**" means a regular and ordinary presence in the Unit whether or not the person is frequently absent by reason of employment or ill health. A person shall be deemed to be an Occupant if his or her Occupation of the Unit exceeds sixty (60) days in any twelve (12) month period.
- (c) A person shall not be deemed an Occupant if that person is required to provide medical assistance to the regular Occupant of the residential unit.

69. **Life Leases**

As of the date of these Bylaws, there exists one or more Life Leases in respect of the Residential Units. It is the intention of the Owners and the Board that fee simple title to any Residential Unit to which a Life Lease applies shall be transferred to the respective Owner of such Life Lease and the respective Life Lease shall thereafter be terminated and of no further force or effect. Upon the termination of the final Life Lease applicable to the Residential Units, any reference to "Life Lease" or related reference in these Bylaws shall have no further force or effect, provided that so long as any Life Lease has not been terminated the Owner of such Life Lease shall remain an Owner of a Residential Unit and shall be bound by the terms of these Bylaws.

SCHEDULE "A" - REPAIR, MAINTENANCE AND REPLACEMENT

ITEM	INCLUDED (Corporation responsible)	EXCLUDED (owner responsible)
APPLIANCES		Washer, dryer, stove, refrigerator & dishwasher. Broken or leaky connections. Broken or leaky water pipes inside the interior finishing of Building
BASEMENT FLOORS		Cracks and floor itself
CEILING EXHAUST FANS	Outside caps for venting	Repair and installation of new bath and stove exhaust fans.
DRYERS	Outside caps for venting	
ELECTRICAL/ LIGHTS	Exterior fixtures	Light bulbs (interior and exterior), interior fixtures, ballasts and tracks inside Building
NATURAL GAS FIRE PLACES	Chimney	Maintenance, cleaning, repair and replacement of fire place
FLOWER BEDS		Front, side and rear beds: gravel or vegetation maintenance, including weeding and watering. If neglected, will be maintained by Board and billed to owner
FOUNDATIONS	Water seepage in walls	Basement and garage floors
FURNACE	Repair and replace the furnace and all its components	Furnace filters, cleaning of furnace and ducts, bi-annual checks
GARAGE DOOR		Door repair or replacement, interior door painting, electric eye adjustments, track & door adjustments, springs, motor repair, adjustments and replacement. Paint. Trim/Seals
GARAGE FLOORS		Cracks and floor itself
GAS LINES	Gas lines inside interior finishing of Building to furnace and hot water heater.	Gas lines inside interior finishing of Building to gas stove, to clothes dryer and fireplace
HOT WATER TANK	Repair and replacement to same standard as original	
HUMIDIFIER		Maintenance, repair & replacement

PATIO SCREENS		Installation and repair (need Board approval for installation)
SCREEN/STORM DOORS		Installation and repair (need Board approval for installation)
SEWER SYSTEM	Leaking pipes or connections outside the interior finishing of Building	Leaking pipes or connections inside the interior finishing, Broken pipes, plugged toilets, sinks and drains
SIDING	Repair and replacement	Wash if necessary
SUMP PUMP	Repair and replacement to same standard as original	
UNIT EXTERIOR	Siding, shingles, foundation walls, eavestroughs, downspouts, sump pump pipes, cleaning of eavestroughs	Doors and windows and their related hardware (no approval required for hardware)
WATER PIPES	Leaking pipes or connections outside the interior finishing of Building.	Toilets — plugged or broken, mechanical adjustments and replacement (innards), broken or worn out showers, leaking tile, sink & tub stoppers, tap adjustment and replacement
WINDOWS AND DOORS		Replacement (need Board approval for exterior windows and doors). Washing
ASPHALT DRIVEWAYS, COVERED WALKWAY CONCRETE PADS	Repair of cracks in asphalt and concrete	Resurfacing or replacement of asphalt or concrete

SCHEDULE "B" - STANDARD INSURABLE UNIT DESCRIPTION

The Standard Insurable Unit Description for Residential Units is as follows:

ITEM	TYPICAL STANDARD FIXTURES AND FINISHING
Floor coverings, wall coverings and ceiling coverings:	
Electrical lines and fixtures, including lighting fixtures:	
Plumbing lines and fixtures:	
Natural gas lines and fixtures:	
Fixtures with respect to air exchange and temperature control:	
Walls that do not form the unit's boundaries, and any windows and doors located in those walls:	
Cabinets and countertops:	
Non-chattel appliances:	

COMPARE VERSION OF BYLAWS

~~ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE~~

~~IMAGE OF DOCUMENT REGISTERED AS:~~

~~162092137~~

~~ORDER NUMBER: 33067823~~

ADVISORY

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~~FORM 3
CONDOMINIUM PROPERTY ACT
SECTION 32
NOTICE OF CHANGE OF BY-LAWS~~

~~The Owners: Form 3
Condominium Plan Property Act
Section 32~~

Condominium Corporation No. 0020672 (the "**Corporation**") hereby certifies that, by a special resolution passed on the 25th day of January, 2016, _____, 20, the by-laws of the Corporation were added to, amended or repealed as follows:

1. The by-laws of the Corporation registered as instrument number ~~002-259-904~~ 162.092.137 at the Alberta Land Titles office are hereby repealed;
2. The by-laws attached to this notice as Schedule "A" are hereby enacted and adopted.

The seal of the Corporation was affixed on the 25th day of January, 2016, _____, 20, in the presence of Marvin Mutschler _____.

~~Director~~ ~~(e/s)~~ (Officer/Board Member)(c/s)

ScheduleSCHEDULE "A"
Bylaws
(see attached)

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BYLAWS OF ~~THE OWNERS~~: CONDOMINIUM ~~PLAN~~CORPORATION NO. 0020672

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IN SUBSTITUTION AND REPLACEMENT FOR THE BYLAWS REGISTERED IN THE NORTH ALBERTA LAND REGISTRATION DISTRICT AS INSTRUMENT #~~002-259-904~~.162 092 137.

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Personal Information Protection Act, S.A. 2003, c. P-6.5 ("**PIPA**"): the Board of Directors shall endeavour to keep individual Owners' personal information confidential and will not disclose same without their consent, as set forth in PIPA, however, the Unit Owners agree and specifically consent to give the Board discretion to release any information which the Board, in its sole discretion, deems to be in the best interest of the Corporation.

NOTE: These Bylaws have been passed by ~~The Owners:~~ Condominium [Plan Corporation](#) No. 0020672 for the purpose of repealing, replacing and substituting the Bylaws registered in the North Alberta Land Registration District as instrument #~~002-259-904~~.[162.092.137](#).

SHEPHERD'S VILLAGE

BYLAWS OF ~~THE OWNERS:~~ CONDOMINIUM PLAN CORPORATION NO. 0020672

1. DEFINITIONS AND INTERPRETATION Definitions and Interpretation

In these Bylaws, where capitalized and unless the context or subject matter requires a different meaning:

- (a) **"Act"** means the *Condominium Property Act*, Revised Statutes of Alberta, 2000, Chapter C-22, as amended from time to time or any statute or statutes passed in substitution therefor;
- (b) **"Architectural Standards"** means those specifications for exterior design and appearance of the Buildings and the Units as prescribed by the Board from time to time;
- (c) **"Bare Land Unit"** means a Unit as defined in Bylaw 1(~~ff~~gg) below;
- (d) **"Board"** means the Board of Directors of the Corporation;
- (e) **"Building"** means any residential dwelling constructed on a Unit and forming an integral part thereof;
- (f) **"Bylaws"** means the Bylaws of the Corporation, as amended from time to time;
- (g) **"Capital Replacement Reserve Fund"** means a fund established in accordance with the provisions of the Act, to be used for major repairs and replacements of any portions of the Units for which the Corporation is responsible, any real and personal property of the Corporation, the Managed Property and the Common Property;
- (h) **"Common Expenses"** (elsewhere commonly referred to as "condominium fees" or "special assessments") means the expense of performing the objects and duties of the Corporation and any other expenses specified as common and reserve expenses in these Bylaws and may include expenses incidental to the property of the Corporation or the Common Property or the Managed Property or expenses incurred by the Corporation behalf of all Owners;
- (i) **"Common Property"** means all of the following from time to time: (i) Common Property Unit, and (ii) the personal property and equipment owned by the Corporation.
- (j) **"Common Property Unit"** means any Unit or real property from time to time that is (i) not a Residential Unit, (ii) is owned or intended to be owned by the Corporation, and (iii) is for the use or benefit of the Owners;
- (k) **"Condominium Plan"** means the bare land condominium plan registered at the Land Titles Office under the Act as No. 0020672, and also includes all subsequent condominium plans of redivision, ~~including, without restriction, plan no.'s 0221044, 0620433 and 0925762;~~

- (l) **“Corporation”** means the Corporation constituted under the Act by the registration of the bare land Condominium Plan whose legal name is ~~“The Owners: Condominium Plan Corporation~~ [No. 0020672](#)”;
- (m) **“Developer”** means Shepherd’s Village Ministries Ltd. and its successors or assigns specifically designated as such by the Developer;
- (n) **“General Meeting”** includes both annual and extraordinary General Meetings and means those meetings, held upon notice to all members of the Corporation, at which all such members or their proxies are entitled to be present, and if qualified, to vote;
- (o) **“Insurance Trustee”** means an entity authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on resolution of the Board, whose duties include the receiving, holding and disbursing of proceeds of policies of insurance pursuant to these Bylaws and the Act. If no Insurance Trustee is appointed, then the Insurance Trustee shall be the Board;
- (p) **“Interest Rate”** means eighteen (18%) percent per annum, calculated annually, or such lesser or greater rate as is equal to the maximum rate permitted under the Regulation to the Act;
- (q) [“Life Lease” means a life lease in respect of a Residential Unit granted to an Owner, the terms of which are set forth in one or more written life lease agreements made between Shepherd’s Village Ministries Ltd., as landlord, and an Owner, as life resident;](#)
- (r) ~~(e)~~ **“Managed Property”** means such part or parts of the Units, as by its Bylaws, the Corporation is to administer, control, manage, maintain and repair as it would the Common Property, being the improvements to the lands within the boundaries of the Units, including the structure of the Buildings, foundations, roofs, decks, patios, driveways and such other parts of the Units to be managed, maintained and repaired by the Corporation as provided by its Bylaws;
- (s) ~~(f)~~ **“Manager”** means any property manager contractually appointed by the Board;
- (t) ~~(e)~~ **“Municipality”** or **“Municipal”** means Town of Valleyview, [in the Province of Alberta](#);
- (u) ~~(f)~~ **“Occupant”** or **“Tenant”** means (i) a person present in or on, or a person in possession of a Unit or of the real property of the Corporation or the Common Property with the permission of an Owner or the Corporation, as the case may be, whether or not the Occupant or Tenant is an Owner, and includes all family members, invitees, licensees, servants and guests of such Occupant or Tenant, and (ii) who is in occupation thereof in excess of thirty (30) days in any calendar year;
- (v) ~~(u)~~ **“Ordinary Resolution”** means a resolution:
- (i) passed at a properly convened meeting of the Corporation by a majority of all the persons present or represented by proxy at the meeting and entitled to exercise the powers of voting conferred by the Act or these Bylaws; or

- (ii) signed by a majority of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or these Bylaws and representing more than 50% of the total Unit Factors for all of the Units;

(w) ~~(v)~~ “**Owner**” or “**Owners**” means a person or persons who is or are registered as the Owner(s) of the fee simple estate or ~~life lease~~Life Lease in a Unit and where the term “Owner” is used in Bylaw 62, that term includes a Tenant;

(x) ~~(w)~~ “**Parcel**” means the land comprised in the Condominium Plan;

(y) ~~(x)~~ “**Private Motor Vehicle**” means cars, station wagons, light trucks up to three-quarter (3/4) ton size with single rear wheels, mini-vans, golf carts, motorcycles and sport utility vehicles;

(z) ~~(y)~~ “**Project**” means all of the real and personal property and fixtures comprising the Parcel, land and Buildings which constitute the Units and Common Property;

(aa) ~~(z)~~ “**Regulation**” or “**Regulations**” means the *Condominium Property Regulation* currently being Alberta Regulation 168/2000 and any other Regulation made from time to time in substitution, replacement or addition thereto by the Lieutenant Governor in Council in Alberta pursuant to the Act;

(bb) ~~(aa)~~ “**Representative(s) of the Owner**” means an adult person who is at least eighteen (18) years of age and is duly authorized by the Owner to act on behalf of the Owner;

(cc) “**Residential Unit**” means a Unit which is used or intended to be used for residential purposes, together Building constructed on that Unit;

(dd) ~~(bb)~~ “**Senior**” means a person who has attained his or her 55th birthday;

(ee) ~~(cc)~~ “**Special Business**” means any resolution to be voted upon at a General Meeting of the Owners of which advance notice is required to be given under these Bylaws; Special Business may or may not require to be passed by a Special Resolution;

(ff) ~~(dd)~~ “**Special Resolution**” means a resolution:

- (i) passed at a properly convened meeting of the Corporation by a majority of not less than 75% of all the persons entitled to exercise the powers of voting conferred by the Act or these Bylaws and representing not less than 75% of the total Unit Factors for all the Units; or
- (ii) agreed to in writing by not less than 75% of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or these Bylaws and representing not less than 75% of the total Unit Factors for all the Units;

- (gg) ~~(ee)~~ “**Spouse**” includes a person who holds that position usually enjoyed by a Spouse whether or not he or she is legally married;
- (hh) “Standard Insurable Unit Description” means the standard features found in the Residential Units as set forth in Schedule “B” attached hereto;
- (ii) ~~(ff)~~ “**Unit**” means land that is situated within the Parcel and is described as a Unit in the Condominium Plan by reference to boundaries governed by monuments placed pursuant to the provisions of the *Surveys Act*, R.S.A. 2000, c. S-26, respecting subdivision surveys but does not include any Common Property Units;
- (jj) ~~(gg)~~ “**Unit Factor**” means that fraction expressed in ten-thousandth shares that each Unit owns in the Common Property, if any, and as is more particularly specified or apportioned and described in and set forth on the Condominium Plan; and
- (kk) ~~(hh)~~ “**Unit Share**” means the square footage, not including the attached garage square footage, of the Building on the Unit divided by the total square footage of all Buildings on all Units.

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these Bylaws and other expressions used in these Bylaws and not defined in the Act or in these Bylaws have the same meaning as may be assigned to them in the *Land Titles Act*, R.S.A. 2000, c. L-4 or the *Law of Property Act*, R.S.A. 2000, c. L-7, as amended from time to time or in any statute or statutes passed in substitution therefor.

Words importing the singular number also include the plural, and vice versa, and words importing the masculine gender include the feminine gender or neuter, and vice versa, and words importing persons include firms and corporations and vice versa, where the context so requires.

2. ~~MISCELLANEOUS PROVISIONS~~ Miscellaneous Provisions

In addition:

- (a) ~~HEADINGS~~ Headings
- The headings used throughout these Bylaws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of any Bylaw.
- (b) ~~RIGHTS OF OWNERS~~ Rights Of Owners
- The rights and obligations given or imposed on the Corporation or the Owners under these Bylaws are in addition to any rights or obligations given or imposed on the Corporation or the Owners under the Act.
- (c) ~~CONFLICT WITH ACT~~ Conflict With Act

The rights and obligations given or imposed on the Corporation or the Owners under these By-laws are in addition to any rights or obligations given or imposed on the Corporation or the Owners under the Act. If there is any conflict between the Bylaws and the Act, the Act prevails.

(d) ~~EXTENDED MEANINGS~~ Extended Meanings

If and whenever reference hereunder is made to "repair", it is hereby implied and extended to include in its meaning the making of improvements or betterments or the enhancement or replacement with a better thing of or for anything to which such repair could be made.

3. ~~DUTIES OF THE OWNERS~~ Duties of the Owners

An Owner SHALL:

- (a) subject always to the Act, permit the Corporation and its agents, at all reasonable times on a minimum of twenty-four (24) hours' written notice (except in case of emergency when no notice is required), to come onto his Unit and to enter any Building thereon for the purpose of:
- (i) inspecting the Unit and maintaining, repairing, renewing, operating or to ensure the operation of, either or both, the Common Property or Managed Property, including all party walls and pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities;
 - (ii) maintaining, repairing or renewing Common Property and Managed Property;
 - (iii) ensuring that the Bylaws are being observed;
 - (iv) doing any work for the benefit of the Corporation generally; or
 - (v) gaining access to meters monitoring the use of any utility;

PROVIDED THAT:

- (vi) a notice in writing stating the reason for the entry, and noting the date and time of entry, shall be served on the Owner of the Unit or an adult person in possession of the Unit at least twenty-four (24) hours before the time of entry;
- (vii) the entry is between 8:00 a.m. and 8:00 p.m.;
- (viii) entry is to be on a day that is not a holiday, except that the person may enter on a Sunday if the day of religious worship of the adult person in possession of the Unit is not Sunday and that the adult person has provided to the person wishing to enter the Unit a written notice of the adult person's day of religious worship;

- (ix) in the event the Corporation must gain access to a Building for the aforesaid purposes by using a locksmith, the cost of such locksmith shall be borne by the Unit Owner; and
 - (x) where the Corporation is required to enter a Unit or Building under this section, the Corporation and its servants, employees, and agents shall, in carrying out any work or repairs, do so in proper and workmanlike manner, and shall make good any damage to the Unit occasioned by such work, and restore the Unit or Building to its former condition.
- (b) forthwith:
- (i) carry out all work that may be ordered by the Municipality or public authority in respect of his Unit; and
 - (ii) pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his Unit;
- (c) duly and properly clean, wash, repair and maintain and when required, replace (subject to the prior written approval of the Corporation as to the type and specifications for any window, door, garage door, patio door, screen door, air-conditioning equipment, flower garden or improvements to any deck or patio) in accordance with Schedule "A" attached to these Bylaws and made a part hereof, and:
- (i) the interior of the Building on his Unit and all the improvements and additions thereto including the basement concrete floor and garage concrete floor;
 - (ii) all windows located on the exterior and interior walls of the Building on his Unit, including all glazing, frames, sash, sills, all window casing, trim or mouldings, all window hardware (INCLUDING all cranks, hinges and latches) and all weather stripping and weather seals. An Owner shall be responsible to wash the exterior surface of all windows, sliding glass doors, and exterior siding;
 - (iii) all doors that are located on the exterior and interior walls of the Building on his Unit, including all garage doors, sliding glass doors and patio doors, all frames, door assembly components, the door casing, trim and mouldings, and all door hardware (INCLUDING all door hinges, doorknobs, locking devices, security viewers and garage door tracks, openers and remotes) and adjustments thereto;
 - (iv) all screen doors and window screens;
 - (v) all thermostats and all exhaust fans located within the Building;
 - (vi) the garage door, including the motor and motor adjustments as well as electrical eye adjustments;
 - (vii) the approved doorbell buttons and mailboxes;
 - (viii) all bulbs in exterior light fixtures attached to a Building;

- (ix) the furnace cleaning, filter changes and regular maintenance check-ups;
- (x) the fireplace and chimney (inside the interior finishing of the Building) relating to their Unit;
- (xi) any air-conditioning equipment installed by the Owner with the prior written consent of the Board; and
- (xii) any Board approved flower garden or bed planted by an Owner at the front, side or back of a Building which is to be maintained by such Owner.

BUT EXCLUDING the painting of all outer boundaries, walls and other outside surfaces and roofs and eavestroughs affecting the appearance, usability, value or safety of the Unit, and keep his Unit in a state of good repair, except such maintenance, repairs and damages as are insured against by the Corporation or for which the Corporation is responsible pursuant to these Bylaws;

- (d) maintain and keep in a neat, clean and tidy state and appearance consistent with and in total integrity with the balance of the Project, his Unit and all Buildings, improvements and additions thereon and if an Owner shall not maintain his Unit to a standard similar to that of the remaining Project, the Corporation may give ten (10) days' notice to the Owner to this effect and if such notice has not been complied with at the end of that period, then the Corporation may carry out such work ~~and the provisions of Bylaw 58 shall apply;~~
- (e) not paint the exterior of the Unit or Building nor make any repairs, additions or alterations to the Common Property, the Managed Property, the exterior of the Building (INCLUDING interior and exterior load bearing, support columns and partition walls excluding interior decoration) or to the common plumbing, common mechanical or common electrical systems within the Building or to his Unit or to the landscaping or grade of his Unit or the exterior improvements thereon without first obtaining the written consent of the Corporation;
- (f) use and enjoy his Unit and the Common Property in accordance with these Bylaws and all rules and regulations prescribed by the Corporation and in such a manner as to not to unreasonably interfere with the use and enjoyment thereof by other Owners, their families or visitors;
- (g) not use his Unit or permit it to be used in any manner for any purpose which may be illegal, injurious or that will cause nuisance or hazard to any Occupant of another Unit (whether an Owner or not) or the family of such an Occupant;
- (h) notify the Corporation forthwith upon any change of ownership or of any transfer, mortgage, lease or other dealing in connection with his Unit;
- (i) not plant any trees or shrubs on a Unit or Common or Managed Property without prior written consent of the Board. Any placement of trees or shrubs or change of species of trees or shrubs must be approved by the Board;

- (j) comply strictly with these Bylaws and with such rules and regulations as may be adopted pursuant thereto from time to time and cause all Occupants of and visitors to his Unit to similarly comply;
- (k) pay to the Corporation (or if requested to the Manager) when due all contributions levied or assessed against his Unit and all other amounts due from him to the Corporation under these Bylaws, together with interest on any arrears thereof at the Interest Rate calculated from the due date until paid, and the Corporation is hereby permitted to charge such interest in accordance with Sections 39 and 40 of the Act and Section 76 of the Regulation;
- (l) pay to the Corporation all legal expenses incurred as a result of having to take proceedings to collect any Common Expenses levied or assessed against his Unit and all other amounts due from him to the Corporation under these Bylaws, and such expenses shall be paid on solicitor and his own client full indemnification basis;
- (m) indemnify the Corporation for damage to or the cost of repairing or replacing damage to any part of the Building, Managed Property, Common Property or any Unit caused or aggravated by such Owner, his Occupants, invitees, or by any default under these Bylaws by such Owners, his Occupants and invitees up to the amount of the insurance deductible of the Corporation (whether an insurance claim is made by the Corporation or not);
- (n) if he wishes the Corporation to respond to his suggestions, questions or complaints, express them in writing sent by electronic mail or placed in an envelope delivered to the Manager. The Board shall not be required to act on any suggestion, complaint or question that is not in writing and properly submitted;
- (o) deposit with the Corporation, as directed by the Corporation, either duly executed post-dated cheques or monthly bank debit authorization for duly assessed condominium contributions for the appropriate forthcoming or remaining budgetary term;
- (p) pay to the Corporation on demand any bank charges or Corporation charges for any late or "NSF" cheque written or missed payment made by such Owner;
- (q) adhere to, comply with and observe strictly these Bylaws and all rules, regulations, Bylaws, resolutions, and other requirements of the Corporation and its insurers, as they relate to the Managed Property, provided that, in the absence of anything expressly to the contrary, the rules, regulations, Bylaws, resolutions, and other requirements as shall apply to the Common Property shall apply to the Managed Property;
- (r) not, in any manner whatsoever, interfere with, prohibit, or hinder the Corporation in carrying out its duties, powers, obligations, and responsibilities arising hereunder, or in connection with any of the Corporation's inspection, maintenance, repair, upkeep, cleaning, and control of the Managed Property; and
- (s) not, in any manner whatsoever, without first obtaining the written consent of the Board, change, improve, alter, adjust, remove, disfigure, or otherwise disturb the Managed Property or any part or component thereof.

4. DUTIES OF THE CORPORATION Duties of the Corporation

In addition to the duties of the Corporation set forth in the Act, the Corporation, through its Board, SHALL:

- (a) control, manage, maintain, repair, replace and administer the Common Property (except as hereinbefore and hereinafter set forth) and the Managed Property as further defined and set forth in Schedule "A" attached to these Bylaws, and all real property, chattels, personal property or other property owned by the Corporation for the benefit of all of the Owners and for the benefit of the entire Project;
- (b) enforce any restrictive covenant and any easement or similar agreement in which it is named a party, and take all steps it deems necessary to manage, maintain and administer the Common Property and do all things required of it by the Act, these Bylaws and any other rules and regulations in force from time to time and shall take all steps it deems necessary to uphold and enforce these Bylaws;
- (c) maintain and repair (INCLUDING renewal where reasonably necessary) all common lighting, all pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities outside the interior finishing of a Building or on Common Property;
- (d) maintain and repair (INCLUDING renewal, where reasonably necessary and to a minimum of the same standard of the original) the furnace, sump pumps and hot water tank (EXCLUDING cleaning, filter changes, and regular maintenance check-ups);
- (e) provide and maintain in force all such insurance as is required by the Act and by the provisions of these Bylaws and enter into any insurance trust agreements from time to time as required by any Insurance Trustee and approved by the Board and, on the written request of an Owner or registered mortgagee of a Unit, or the duly authorized agent of such Owner or mortgagee, produce to the Owner or mortgagee, a copy of the policy or policies of insurance effected by the Corporation or a certificate or memorandum thereof;
- (f) subject to any obligations imposed by the Bylaws or by the Corporation upon any Owners to maintain any part of the Common Property or a Unit, maintain and repair:
 - (i) the exterior or outside surfaces and structure of the Buildings including roofing materials, eavestroughs, exterior drains, exterior beams and trim and foundations of the Building (EXCLUDING all windows and doors of a Building and all garage doors, which the Owner is required to repair and maintain under Bylaw 3(c));
 - (ii) any exterior caulking around windows;
 - (iii) all other outside accoutrements affecting the appearance, usability, value or safety of the Parcel or the Buildings and the Managed Property and the Common Property including the structural maintenance of any area outside the interior finishing of a Building;

- (iv) all landscaping, grass, and trees (except any plants or trees or flower/garden beds placed by the Owners, all of which required approval of the Board), and all driveways;
 - (v) all house numbers;
 - (vi) any gazebos and benches, storage sheds and any fitness equipment for use by Owners, installed now or in the future, in relation to the Project;
 - (vii) Project signage;
 - (viii) all exterior light fixtures (excluding bulbs) on a Building;
 - (ix) the vents on the roof or on the exterior of the Building; and
 - (x) all utility services outside the interior finishing of the floors, walls and ceilings of a Building; all common utilities in, through and on the Units and Buildings; and all utilities on Common Property;
- (g) collect or cause to be collected and receive or cause to be received all contributions towards the Common Expenses and deposit same in a separate account, in the Province of Alberta, with a chartered bank or trust company or Province of Alberta Treasury Branch or Credit Union incorporated under the *Credit Union Act*, R.S.A. 2000, c. C-32;
- (h) subject always to and in accordance with the Act and any Regulation, establish and maintain out of the contributions to be levied by the Corporation towards the Common Expenses or otherwise such amount as the Board may determine from time to time to be fair and prudent for the Capital Replacement Reserve Fund to be used to provide sufficient funds that can reasonably be expected to provide for major repairs and replacements of any portions of the Units for which the Corporation is responsible, any real and personal property owned by the Corporation, Managed Property and the Common Property where the repair or replacement is of a nature that does not occur annually. Funds shall not be taken from a Capital Replacement Reserve Fund for the purposes of making capital improvements not contemplated by the Capital Replacement Reserve Fund report of the Corporation unless such additions are authorized by Special Resolution. The Capital Replacement Reserve Fund shall be an asset of the Corporation and no part of that money shall be refunded or distributed to any Owner of a Unit except where the Project ceases to be governed by the Act. The Board shall:
- (i) prepare an annual report for each fiscal year respecting the Capital Replacement Reserve Fund, setting out at least the following:
 - (A) the amount of the reserve fund as of the last day of the immediately preceding fiscal year;
 - (B) all the payments made into and out of the reserve fund for that year and the sources and uses of those payments; and

- (C) a list of the depreciating property that was repaired or replaced during that year and the costs incurred in respect of the repair or replacement of that property;
 - (D) the amount of the Capital Replacement Reserve Fund projected for the current fiscal year;
 - (E) total payments by ordinary or special resolutions into, and payments out of, the Capital Replacement Reserve Fund for the current fiscal year; and
 - (F) a list of the depreciating property projected to be repaired or replaced during the current fiscal year and the projected costs of the repairs and replacements.
- (ii) engage such reserve fund study provider in order to prepare the Capital Replacement Reserve Fund plan in accordance with the requirements, if any, of the Act and the Regulation. In conducting the Capital Replacement Reserve Fund plan, the Corporation shall ensure that the reserve fund study provider complies with the requirements of the Act and Regulation, as applicable;
 - (iii) ~~(ii)~~ supply a copy of the approved Capital Replacement Reserve Fund plan to each Owner prior to the collection of any funds for the purpose of those matters dealt with in the reserve fund report;
 - (iv) ~~(iii)~~ no later than five (5) years from the day that the most recent Capital Replacement Reserve Fund plan was approved, carry out a new reserve fund study, prepare a new reserve fund report, approve a new reserve fund plan, and provide a copy of the newly approved plan to each Owner prior to the collection of any further funds for the purposes of the reserve fund; and
 - (v) ~~(iv)~~ upon written request, at the expense of the person requesting, provide the most recent reserve fund report, most recent reserve fund plan and most recent annual report prepared under Section 29 of the Regulation to any person purchasing a Unit or any mortgagee of a Unit;
- (i) pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to or for the benefit of the Parcel, the Corporation and the Owners as the Board may deem justifiable in the management or administration of the entire Project;
 - (j) clear snow, slush and debris from and keep and maintain in good order and condition all areas of the Common Property and driveways in front of the buildings in the Managed Property, any area designated for outside visitor parking and keep and maintain and repair (INCLUDING renewal where reasonably necessary) all grassed and landscaped areas, including the mowing of grass on Managed Property which is accessible by power mowers and exterior lighting of the Common Property; PROVIDED THAT an Owner shall be responsible to clear snow, slush and debris from the back deck or patio immediately adjacent to the Unit;

- (k) at all times keep and maintain for the benefit of the Corporation and all Owners copies of all warranties, guarantees, drawings and specifications, plans, written agreements, certificates and approvals provided to the Corporation as may be required pursuant to ~~Section 46 of~~ the Act;
- (l) not plant any trees or substantial landscaping or make any unauthorized grade changes within any lands which are the subject of an easement or similar grant to any utility company, Municipality or local authority;
- (m) establish and maintain lawns, trees and shrubs and other landscaping on the Common Property which the Corporation is to maintain, and replace, in the sole discretion of the Board, any lawns, trees or shrubs which die; and
- (n) repair, replace and maintain party walls separating Units. If the Owner is responsible for the reason or cause for such repair, replacement or maintenance, the cost of such repair, replacement or maintenance (or the amount of the insurance deductible if an insured loss) will be charged back to the responsible Owner.

5. ~~POWERS OF THE CORPORATION~~ Powers of the Corporation

In addition to the powers of the Corporation set forth in the Act, the Corporation through its Board, MAY and IS HEREBY AUTHORIZED TO:

- (a) purchase, hire or otherwise acquire personal property and/or real property for use by Owners in connection with the maintenance, repair, replacement or enjoyment of the real and personal property of the Corporation or the Common Property, or their Units or any of them, provided that real property shall only be acquired or disposed of by Special Resolution of the Corporation;
- (b) borrow monies required by it in the performance of its duties or the exercise of its powers provided that each such borrowing :
 - (i) in excess of ~~fifteen (15%) percent~~ of the current year's Common Expenses budget has been approved by Special Resolution; and
 - (ii) which is the greater of (A) in excess of 15% of the Corporation's revenues as set out in the most recent financial statements prepared under section 30(4)(a) of the Act, or (B) the maximum amount of borrowing for the Corporation for that fiscal year, as adopted by a previous resolution to authorize borrowing, has been approved by Special Resolution.
- (c) secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, or mortgage of unpaid contributions (whether levied or not), or mortgage of any property vested in it, or by any combination of those means;
- (d) invest as it may determine any contributions towards the Common Expenses SUBJECT TO the restrictions set forth in Section 43 of the Act;

- (e) make an agreement with an Owner, Tenant or other Occupant of a Unit for the provision of amenities or services by it to the Unit or to the Owner, Tenant or Occupant thereof;
- (f) generally assign, designate or grant to an Owner the right to exclusive use, enjoyment or special privileges in respect of that part of the Common Property adjoining or-related to such Owner's Unit for such consideration and on such terms and conditions as it deems requisite, any such grant to be terminable on reasonable notice, unless the Corporation by Special Resolution otherwise resolves and the Corporation may delegate its responsibility to care for and maintain that area or those areas to that Owner;
- (g) make such rules and regulations as it may deem necessary or desirable from time to time in relation to the use, enjoyment and safety of the Managed Property and the Common Property and do all things reasonably necessary for the enforcement of these Bylaws and for the control, management and administration of the Common Property generally including the commencement of an action under Section 36 and/or Section 67 of the Act and all subsequent proceedings relating thereto;
- (h) determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;
- (i) raise the amounts of money so determined by levying contributions on the Owners in proportion to the Unit Shares for their respective Units or as otherwise provided herein;
- (j) charge interest under Sections 39 and 40 of the Act and Section 76 of the Regulation on any contribution or Common Expenses owing to it by an Owner at the Interest Rate;
- (k) pay an annual honorarium, stipend or salary to members of the Board in the manner and in the amounts as may be from time to time determined by Ordinary Resolution at a General Meeting;
- (l) provide and maintain a fund to pay expenses not properly chargeable to the Capital Replacement Reserve Fund or maintenance expenses. The fund shall be called a contingency fund and shall be used to cover the cost of unexpected or abnormal repair or expense not budgeted or not covered by the operating budget or the Capital Replacement Reserve Fund to a maximum of Twenty Thousand Dollars (\$20,000);
- (m) join any organization serving the interests of the Corporation and assess the membership fee in such organization as part of the Common Expenses;
- (n) do all things which are, either or both, incidental or conducive to the exercise of its powers granted under the Act and the Bylaws;
- (o) subject to any limitations and prohibitions contained in the Act, these Bylaws or otherwise by law, have such powers and do all such things which any body corporate shall be empowered and authorized to do under the *Business Corporations Act*, R.S.A. 2000, c. B-9 (as amended and replaced from time to time) and do all things and have such rights, powers and privileges of a natural person; and

- (p) levy penalties by way of monetary sanctions, or commence such other proceedings as may be available, for the contravention of any Bylaw ~~including, but not limited to, the right of the Corporation to obtain an order of the Court restricting or prohibiting the occupancy of a Unit by an Owner~~ as permitted under the Act.

6. ~~THE CORPORATION AND THE BOARD~~ The Corporation and the Board

The powers and duties of the Corporation shall, subject to any lawful restriction imposed or direction given at a General Meeting, be exercised and performed by the Board.

7. ~~COMPOSITION OF THE BOARD~~ Composition of the Board

The composition of the Board shall provide that:

- (a) The Board shall consist of not fewer than three (3) nor more than five (5) Owners, ~~Spouses~~ Representative of the ~~Owners~~ Owner, representatives of corporate Owners or representatives of mortgagees who have notified their interests to the Corporation. The number of members of the Board for the next ensuing year shall be fixed by resolution at the annual General Meeting just prior to the election of the Board, ~~PROVIDED ALWAYS that so long as the Developer is the owner of a Unit, the Developer shall be entitled, but not required, to appoint one (1) member to the Board (not to exceed a total of 5 members on the Board at any time) and the Owners shall be deemed to have unanimously elected the member of the Board so appointed by the Developer.~~
- (b) A Board member must be eighteen (18) years of age or older.
- (c) Where a Unit has more than one (1) Owner, only one (1) Owner in respect of that Unit may sit on the Board at any point in time.
- (d) Any member of the Board shall make full disclosure of any potential conflict of interest and any direct or indirect relationships he or she may have with the Corporation either contractual, financial or employment related.
- (e) Every member of the Board shall exercise the powers and discharge the duties of the office of member of the Board honestly and in good faith.
- (f) No Owner who is indebted to the Corporation for a contribution, assessment or levy that is more than thirty (30) days overdue shall be eligible for election to or membership on the Board.
- (g) If the Board consists of three (3) or less members, only one (1) Representative of the Owner shall be permitted to sit on the Board at any point in time. If Board consists of four (4) or more members, only two (2) Representatives of the Owner shall be permitted to sit on the Board at any point in time.

8. ~~TERM OF OFFICE AND RETIREMENT FROM BOARD~~ Term of Office and Retirement From Board

Board members shall be elected for a one (1) year term. At each annual General Meeting of the Corporation, all the members of the Board shall retire from office and the Corporation shall elect new Board members accordingly.

9. ~~ELIGIBILITY FOR RE-ELECTION TO BOARD~~ Eligibility For Re-Election To Board

A retiring member of the Board shall be eligible for re-election.

10. ~~REMOVAL FROM BOARD~~ Removal From Board

The Corporation may, by Ordinary Resolution at an extraordinary General Meeting, remove any member of the Board before the expiration of his term of office and appoint another Owner in his place, to hold office until the next annual General Meeting.

11. ~~CASUAL VACANCY ON BOARD~~ Casual Vacancy On Board

Where a vacancy occurs on the Board under Bylaw 20, the remaining members of the Board may appoint a person to fill that office for the remainder of the former member's term provided such person qualifies for membership pursuant to Bylaw 7.

12. ~~QUORUM FOR BOARD~~ Quorum For Board

A quorum of the Board is two (2) where the Board consists of four (4) or less members, three (3) where the Board consists of five (5) or six (6) members and four (4) where it consists of seven (7) members. Any member of the Board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting. If at any time during a meeting the quorum requirement is absent, no business of the Board shall be conducted except for procedural actions.

13. ~~OFFICERS OF THE CORPORATION~~ Officers of the Corporation

At the first meeting of the Board held after each annual General Meeting of the Corporation, the Board shall elect from among its members a President, a Vice-President, a Treasurer and/or a Secretary who shall hold their respective offices until the conclusion of the next annual General Meeting of the Corporation or until their successors are elected or appointed. The President shall be the chairman of the Board and shall have a casting vote to break a tie in addition to his original vote. A person ceases to be an officer of the Corporation if he ceases to be a member of the Board. Where a person ceases to be an officer of the Corporation, the Board shall designate from its members a person to fill that office for the remainder of the term, in which case, a person may simultaneously hold two (2) offices, but for no more than the remainder of the term.

14. ~~CHAIRMAN OF BOARD MEETINGS~~ Chairman of Board Meetings

The President shall act as chairman of every meeting of the Board where he/she is present. Where the President is absent from any meeting of the Board or vacates the chair during the course of any meeting, the Vice-President shall act as the chairman and shall have all the duties and powers of the chairman while so acting. In the absence of both the President and the Vice-President the members present shall from among themselves appoint a chairman for the meeting who shall have all the duties

and powers of the chairman while so acting. Each meeting of the Board shall be held within the Municipality unless the Owners agree by Ordinary Resolution, at an annual General Meeting, to hold the meeting in another location.

15. ~~DUTIES OF OFFICERS~~ Duties of Officers

The other duties of the officers of the Board shall be as determined by the Board from time to time.

16. ~~VOTES OF BOARD~~ Votes of Board

Voting by Board members shall be governed as follows:

- (a) At meetings of the Board all matters shall be determined by simple majority vote.
- (b) A resolution of the Board in writing signed by a majority of the members shall have the same effect as a resolution passed at a meeting of the Board duly convened and held.
- (c) Where a Board member has a material interest in any agreements or transactions to which the Corporation is to become a party, that Board member must disclose his interest and refrain from voting on such agreement or transaction.
- (d) All meetings of the Board shall be conducted in accordance with the rules of procedure as established by the Board.

17. ~~FURTHER POWERS OF BOARD~~ Further Powers of Board

The Board MAY:

- (a) meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, and it shall meet when any member of the Board gives to the other members of the Board not less than three (3) days' notice of a meeting proposed by him, specifying the reason for calling the meeting, provided that the Board shall meet at the call of the President on such notice as he may specify without the necessity of the President giving reasons for the calling of the meeting;
- (b) appoint or employ for and on behalf of the Corporation such agents or servants as it thinks fit in connection with the control, management and administration of the Common Property and Managed Property and the exercise and performance of the powers and duties of the Corporation;
- (c) subject to any valid restriction imposed or direction given at a General Meeting of Owners, delegate to one or more members of the Board such of its powers and duties as it thinks fit, and at any time revoke such delegation;
- (d) obtain and retain by contract the services of a Manager or of any professional real property management firm or professional condominium Manager or agent for such purposes (INCLUDING, but not so as to limit the generality of the foregoing, the supervision, management and performance of any or all of the duties of the Corporation)

and upon such terms as the Board may from time to time decide SUBJECT ALWAYS to the control and direction of the Corporation and the Board, such Manager to be reasonably fit and suited to perform such duties. The Manager employed by the Board need not devote its full time to the performance of duties of the Corporation so long as those duties are performed in a good and sufficient fashion. If under such contract the Manager holds funds for the Corporation and is a sole signing authority for the Corporation, the contract shall require the Manager to arrange or maintain crime coverage insurance to protect the Corporation or a fidelity bond owned by, paid for by and in the name of the Corporation and for the benefit of the Corporation, and such crime coverage insurance or bond shall be in an amount required by the Corporation but in any event not less than:

- (i) the total amount of any replacement reserve funds in the hands of or controlled by the Manager;
 - (ii) one month's total condominium contributions of the Corporation or 1/12 of the total annual condominium contributions for all Units in the Project (EXCLUDING any special contributions) whichever is greater; and
 - (iii) a sum representing the average monthly amount of cash in the control of the Manager;
- (e) enter into an insurance trust agreement in form and on terms as required by any Insurance Trustee; and
 - (f) set and charge for and on behalf of the Corporation reasonable fees to compensate the Corporation for expenses it incurs in producing and providing any documents or copies required to be issued by it under the Act or pursuant to these Bylaws.

18. ~~ADDITIONAL DUTIES OF THE BOARD~~ Additional Duties of the Board

The Board SHALL:

- (a) subject to any valid restrictions imposed or directions given at a General Meeting of the Owners, carry on the day to day business and affairs of the Corporation;
- (b) keep minutes of its proceedings and, upon written request at the expense of the person requesting, provide copies thereof to Owners and to mortgagees who have notified their interests to the Corporation;
- (c) keep minutes of General Meetings of the Owners and, upon written request at the expense of the person requesting, provide copies thereof to Owners and to mortgagees who have notified their interests to the Corporation;
- (d) cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure shall take place;

- (e) prepare, or cause to be prepared, proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each annual General Meeting;
- (f) maintain financial records of all the assets, liabilities and equity of the Corporation;
- (g) on written application of an Owner or mortgagee, or any person authorized in writing by him, make the books of account available for inspection at a time convenient to such Board member;
- (h) at least once a year, cause the books and accounts of the Corporation to be audited or reviewed by an independent chartered accountant, certified general accountant or certified management accountant to be selected at each annual General Meeting of the Corporation and cause to be prepared and distributed to each Owner and to each mortgagee who has notified its interest to the Corporation in writing, a copy of the audited Financial Statement or Notice to Reader Report of the receipts of contributions of all Owners towards the Common Expenses and disbursements made by the Corporation and a copy of the Auditor's Report or Notice to Reader Report within one hundred twenty (120) days of the end of the fiscal year of the Corporation. The report of the Auditor or Reviewer shall be submitted to each annual General Meeting of the Corporation. Any obligations under this paragraph may be waived upon the passing of an Ordinary Resolution to that effect;
- (i) keep a register noting the names and addresses of all Owners and any mortgagees who have given notice of their interests to the Corporation;
- (j) at all times, keep and maintain in force, all insurance required hereunder and by the Act to be maintained by the Corporation;
- (k) within thirty (30) days of a person becoming or ceasing to be a member of the Board, file or cause to be filed at the Land Titles Office a notice in the prescribed form stating the name and address of that person and the day that the person became or ceased to be, as the case may be, a member of the Board;
- (l) file or cause to be filed at the Land Titles Office a notice in the prescribed form of any change in the address for service of the Corporation; and
- (m) file or cause to be filed at the Canada Customs and Revenue Agency, a Statement of GST, if required, and an annual notice of the non-profit status of the Corporation.

19. ~~DEFECTS IN ELECTION OR APPOINTMENT TO BOARD~~ Defects in Election or Appointment to Board

All acts done in good faith by the Board are, notwithstanding it be afterwards discovered that there was some defect in the election, appointment or continuance in office of any member of the Board, as valid as if the member had been duly elected, appointed or had duly continued in office.

20. ~~VACATING OFFICE OF BOARD MEMBER~~ Vacating Office of Board Member

The office of a member of the Board shall be vacated if the member:

- (a) by notice in writing to the Corporation resigns his office;
- (b) dies;
- (c) is in arrears more than thirty (30) days of any contribution, levy or assessment required to be made by him as an Owner;
- (d) becomes bankrupt;
- (e) is a represented adult as defined in the *Adult Guardianship and Trusteeship Act*, S.A. 2008, c. A-4.2, or is the subject of a Certificate of Incapacity that is in effect under the *Public Trustee Act*, S.A. 2004, c. P- 44.1;
- (f) is convicted of an indictable offence for which he is liable to imprisonment;
- (g) is absent from meetings of the Board for two (2) consecutive meetings without the consent of the remaining members of the Board and a majority of the remaining members of the Board resolve at the next subsequent meeting of the Board that his office be vacated;
- (h) ceases to qualify for membership pursuant to Bylaw 7;
- (i) in the case of a company which is a member of the Board, if the company is in arrears as set forth in sub-paragraph (c) above, if it becomes bankrupt or makes an assignment for the benefit of creditors or if proceedings are commenced to wind up the company, otherwise than for the purpose of amalgamation or reconstruction;
- (j) is refused bonding, at a reasonable premium, by a recognized bonding institution; or
- (k) his Spouse, commences any legal proceedings against the Board or the Corporation.

21. ~~SIGNING AUTHORITIES~~ Signing Authorities

The Board shall determine, by resolution from time to time, the manner in which an officer or officers shall sign cheques, drafts, notes and other instruments and documents, including banking forms and authorities not required to be under corporate seal and may authorize the Manager to sign the same with or without co-signing by any officer or officers.

22. ~~CORPORATE SEAL~~ Corporate Seal

The Corporation shall have a common seal, which shall be adopted by resolution and which shall at no time be used or affixed to any instrument except in the presence of at least one member of the Board or by the persons as may be authorized from time to time by resolution of the Board.

23. ~~ANNUAL GENERAL MEETINGS~~ Annual General Meetings

An annual General Meeting shall be held once in each calendar year, and not more than fifteen (15) months shall elapse between the date of one annual General Meeting and that of the next. Each annual general meeting shall occur within 90 days after the beginning of the fiscal year. Each such meeting shall be held within the Municipality unless the Owners agree, by Ordinary Resolution, to hold the meeting in another location. Within 60 days after an annual general meeting, the Corporation shall provide an owner or Mortgagee who has given written notice under section 26(3) of the Act (or any provisions passed in substitution therefor) with the approved minutes, or draft minutes if no minutes have been approved, of the annual general meeting. The approved minutes or draft minutes provided in accordance with the foregoing must include records of the votes held at the annual general meeting, recording the following:

- (a) if an ordinary resolution was proposed, the results of the vote, or
- (b) if a special resolution was proposed, (i) the number of persons entitled to exercise the power of voting who voted in favour of the resolution and the number of Unit Factors represented by these persons, and (ii) the number of persons entitled to exercise the power of voting who did not vote in favour of the resolution and the number of Unit Factors represented by these persons; and
- (c) for an election of Board members determined by a vote, the number of votes in favour of each candidate.

24. ~~EXTRAORDINARY GENERAL MEETINGS~~ Extraordinary General Meetings

All General Meetings other than annual General Meetings shall be called extraordinary General Meetings.

25. ~~CONVENING EXTRAORDINARY GENERAL MEETINGS~~ Convening Extraordinary General Meetings

The Board may whenever it thinks fit and shall upon a requisition in writing by Owners representing not less than fifteen (15%) percent of the total Unit Factors for all the Units or upon the request in writing from mortgagees holding registered mortgages (and who have notified their interests to the Corporation) against Units in respect of which corresponding Unit Factors represent not less than fifteen (15%) percent of the total Unit Factors or a combination of such Owners or mortgagees entitled to vote with respect to fifteen (15%) percent of the total Unit Factors convene an extraordinary General Meeting, which meeting shall be held within ~~sixty~~thirty (~~60~~30) days of the Board's receipt of the said requisition. The agenda for such meeting shall include any legally valid items specified by the requisitioners.

26. ~~NOTICE OF GENERAL MEETINGS~~ Notice of General Meetings

A minimum of ~~ten~~fourteen (~~10~~14) days' notice of every General Meeting specifying the place, the date and the hour of meeting (and in the case of Special Business the general nature of such business), shall be given to all Owners and mortgagees who have notified their interests to the Corporation. Notice shall be given to the Owner and to such mortgagees in the manner prescribed in these Bylaws, but the accidental omission to give notice to an Owner or mortgagee or non-receipt by an Owner or mortgagee does not invalidate the meeting or any proceedings thereat. In computing the number of the days of

notice of a General Meeting required under these Bylaws, the day on which the notice is deemed to have been received and the day of the meeting shall be counted. Notice of any meeting may be waived either at, before or after the meeting by persons entitled to vote at the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

27. ~~PROCEEDINGS AT GENERAL MEETINGS~~Proceedings at General Meetings

Proceedings at General Meetings shall include that:

- (a) All business that is transacted at any extraordinary meeting or at an annual General Meeting, with the exception of the consideration of accounts and financial statements, appointment of auditors and solicitors, election of members to the Board, election of the chairman, calling of the roll, certification of proxies and proving notice of meeting, shall be deemed Special Business.
- (b) Items of Special Business must be set forth in the notice of General Meeting in sufficient detail so as to permit an Owner or mortgagee to form a reasoned judgment on the nature of that business. Items of Special Business may or may not require a Special Resolution.
- (c) All General Meetings of the Corporation shall be conducted in accordance with the rules of procedure established by the Board.
- (d) If at any time during a General Meeting the quorum requirement is absent, no business of the meeting shall be conducted except for procedural actions.

28. ~~QUORUM FOR GENERAL MEETINGS~~Quorum for General Meetings

Save as in these Bylaws otherwise provided, no business shall be transacted at any General Meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business and ~~fifteen~~twenty-five (~~15~~25%) percent of the persons entitled to vote representing not less than ~~1500~~2500 of the Unit Factors present in person or by proxy shall constitute a quorum.

29. ~~ADJOURNMENT FOR LACK OF QUORUM~~Adjournment for Lack of Quorum

If a quorum is not present for a General Meeting within ~~ten~~thirty (~~10~~30) minutes of the time set for the meeting, the meeting shall stand adjourned for fifteen (15) minutes to allow further Owners to attend. If at the adjourned meeting a quorum is not present immediately following the fifteen (15) minutes adjournment, the persons entitled to vote who are present shall constitute a quorum.

30. ~~CHAIRMAN FOR GENERAL MEETINGS~~Chairman for General Meetings

The President of the Board shall be the chairman of all General Meetings or in his/her absence from the meeting or in case he/she shall vacate the chair, the Vice-President of the Board shall act as chairman provided always that if the President and Vice-President be absent or shall vacate the chair or refuse to act, the meeting shall elect a chairman.

31. ~~ORDER OF BUSINESS FOR GENERAL MEETINGS~~Order of Business for General Meetings

The Order of Business at General Meetings, and as far as is appropriate at all extraordinary General Meetings, shall be:

- (a) if the President or Vice-President of the Board shall be absent or elects to vacate the chair or refuses to act, the election of the chairman of the meeting;
- (b) call to order by the chairman and establish quorum;
- (c) proof of notice of meeting or waiver of notice;
- (d) [approval or amendment of agenda](#);
- (e) ~~(d)~~ reading and disposal of any unapproved minutes;
- (f) ~~(e)~~ reports of officers;
- (g) ~~(f)~~ reports of committees;
- (h) ~~(g)~~ financial report;
- (i) ~~(h)~~ appointment of auditors;
- (j) ~~(i)~~ election of Board members whose term have expired;
- (k) ~~(j)~~ unfinished business;
- (l) ~~(k)~~ new business; and
- (m) ~~(l)~~ adjournment.

32. ~~VOTING BY SHOW OF HANDS~~ [Voting by Show of Hands](#)

At any General Meeting a resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is demanded by any Owner or registered mortgagee present in person or by proxy. Unless a poll be so demanded, a declaration by the chairman that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution. Except for matters requiring a Special Resolution, all matters shall be determined by Ordinary Resolution.

33. ~~POLL VOTES~~ [Poll Votes](#)

A poll, if demanded, shall be taken in whatever manner the chairman thinks fit, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In the case of equality in the votes, whether on a show of hands or on a poll, the chairman of the meeting is entitled to a casting vote to break a tie in addition to his original vote. A demand for a poll may be withdrawn.

34. ~~VOTING CALCULATION~~ [Voting Calculation](#)

On a show of hands, each person entitled to vote for any Unit shall have one vote for that Unit. On a poll, the votes of persons entitled to vote for such Unit shall correspond with the number of Unit Factors for the respective Units owned or mortgaged to them. Notwithstanding anything to the contrary herein contained, the chairman, if he determines such procedure is prudent, may hold a vote by secret ballot (one vote per Unit) in regard to election to the Board.

35. ~~VOTES PERSONALLY OR BY PROXY~~ Votes Personally or by Proxy

Votes at any General Meeting may be given either personally or by proxy.

36. ~~PROXIES~~ Proxy

(a) Proxies

(i) ~~An~~ Subject to the terms of this Section, an instrument appointing a proxy shall be in writing ~~under the hand of the appointer or his attorney~~ and may be given to any individual by an Owner or mortgagee who has given written notice under section 26(3) of the Act (or any provisions passed in substitution therefor), and may be either general or for a particular meeting. ~~A, but a~~ proxy need not be an Owner or Mortgagee. A non-Owner carrying a proxy from an Owner is not eligible for election to the Board as a non-Owner.

(ii) A proxy is invalid if it is given to a minor or a person other than an individual. A proxy is invalid if it is given to a manager or employee of either the Corporation or a management company retained by the Corporation, unless the proxy contains a limitation that it was given only for the purposes of establishing quorum for a meeting.

(iii) An Owner that is not an individual may be represented in a vote (A) by a member of the board of directors of the Owner, or, if there is no board of directors, by a member of a similar body in respect of that Owner, or (B) by an individual to whom the Owner has given a proxy. Where 2 or more proxies are presented to a corporation in respect of the same Unit by the same Owner, only the most recently given proxy is valid.

(b) Written Proxy Requirements

A proxy is invalid unless it is in an electronic or hard copy format and contains at least the following elements: (A) the name and unit number of the Owner or Mortgagee giving the proxy; (B) the name of the individual to whom the proxy is given; (C) the date the proxy is given; and (D) the signature of the Owner or Mortgagee giving the proxy, or in the case of an Owner or Mortgagee that is not an individual, the signature of a person authorized to sign for that Owner or Mortgagee. A proxy may be revoked in an electronic or hard copy format.

(c) Restrictions Respecting Proxies

A proxy is subject to (A) any limitations, restrictions or instructions imposed by the person who gave the proxy, and (B) any reasonable procedural restrictions set out in these By-laws or the rules of the Corporation. A proxy shall not be exercised by an individual who is not named in the proxy. A proxy expires on the earliest of (C) the expiry date set out on the proxy, (D) 6 months from the date on which the proxy was given, and (E) the date on which the person who gave the proxy ceases to be an Owner or mortgagee of the Unit in respect of which the proxy was given.

(d) Rules Respecting Proxies

Except to the extent that a matter is already dealt with in these Bylaws, the Corporation may adopt rules respecting the use of proxies, including, without limitation, procedures respecting the presentation, verification and registration of proxies, provided that said rules may be adopted only as may be reasonably necessary for the expedient conduct of meetings or votes. Proxies must be certified before or at the outset of the general meeting at which an individual is seeking to exercise the proxy.

37. ~~ELIGIBILITY TO VOTE~~ Eligibility to Vote

An Owner is not entitled to exercise the power of voting conferred on the Owner by the Act or the Regulation where any contribution payable in respect of his Unit or any other obligation owing to the Corporation in respect of the Owner's Unit or Common Property is in arrears for more than thirty (30) days prior to the day that the power of voting may be exercised but the presence of any such defaulting Owner shall be included in the count for quorum constitution purposes pursuant to Bylaw 28.

38. ~~VOTE BY CO-OWNERS~~ Vote by Co-Owners

Votes by Co-Owners will be governed by the following terms:

- (a) Co-Owners may vote by proxy but only if the proxy is jointly appointed by them or by one of the Co-Owners appointed by the other or all others, as the case may be, and in the absence of such proxy, Co-Owners are not entitled to vote separately on a show of hands but any one Co-Owner may demand a poll.
- (b) On any poll, each Co-Owner is entitled to such part of the vote applicable to a Unit as is proportionate to his interest in the Unit. The joint proxy (if any) on a poll shall have a vote proportionate to the interests in the Unit of the joint Owners as do not vote personally or by individual proxy.

39. ~~RESOLUTION OF THE OWNERS~~ Resolution of the Owners

A resolution of the Owners in writing signed by each Owner or his duly appointed proxy shall have the same effect as a resolution passed at a meeting of the Owners duly convened and held.

40. ~~SUCCESSIVE INTERESTS~~ Successive Interests

Where Owners are entitled to successive interests in a Unit, the Owner entitled to the first interest (or if his interest is mortgaged by registered first mortgage notified to the Corporation, the mortgagee under such mortgage) is alone entitled to vote, whether on a show of hands or a poll.

41. ~~TRUSTEE VOTE~~ Trustee Vote

Where an Owner is a trustee, he shall exercise the voting rights in respect of the Unit to the exclusion of persons beneficially interested in the trust, and those persons shall not vote.

42. ~~VOTING RIGHTS OF MORTGAGEE~~ Voting Rights of Mortgagee

Notwithstanding the provisions of these Bylaws with respect to appointment of a proxy, where the Owner's interest is subject to a registered mortgage and where the mortgage or these Bylaws or any statute provides that the power of vote conferred on an Owner may or shall be exercised by the mortgagee and where the mortgagee has given written notice of its mortgage to the Corporation, no instrument or proxy shall be necessary to give the mortgagee the said power to vote. The mortgagee's power to vote shall be limited by the Owner's failure to pay contributions as set forth in the Act.

43. ~~VIOLATION OF BYLAWS~~ Violation of Bylaws

Where there is a violation of these Bylaws:

- (a) Any infraction or violation of or default under these Bylaws or any rules and regulations established pursuant to these Bylaws on the part of an Owner, his servants, agents, licensees, invitees or Tenants that has not been corrected, remedied or cured within ten (10) days of having received written notification from the Corporation to do so, may be corrected, remedied or cured by the Corporation and any costs or expenses incurred or expended by the Corporation including costs as between a solicitor and his own client, in correcting, remedying or curing such infraction, violation or default shall be charged to such Owner and shall be added to and become part of the assessment of such Owner for the month next following the date when such costs or expenses are expended or incurred (but not necessarily paid) by the Corporation and shall become due and payable on the date of payment of such monthly assessment and shall bear interest both before and after judgment at the Interest Rate until paid.
- (b) The Corporation may recover from an Owner by an action for debt in any court of competent jurisdiction any sum of money which the Corporation is required to expend as a result of any act or omission by the Owner, his servants, agents, licensees, invitees or Tenants, which violates these Bylaws or any rules or regulations established pursuant to these Bylaws and for which ten (10) days prior written notice has been given by the Corporation and there shall be added to any judgment, all costs of such action including costs as between a solicitor and his own client.
- (c) If the Board determines that a breach of any Bylaw has occurred, it may, by resolution, cause a notice to be delivered to the Owner alleged to be in breach specifying the nature and the particulars of the breach, ~~and~~ specifying a reasonable time in which the breach is

to be rectified, and containing all other information as required under Section 73.7 of the Regulations. The time specified shall be no earlier than ten (10) days from the date the notice is delivered to the Owner allegedly in breach. Upon resolution, the Board may impose a reasonable non-monetary or monetary sanction, ~~the minimum monetary sanction to be Fifty (\$50.00) Dollars to a maximum monetary sanction of Ten Thousand (\$10,000.00) Dollars~~ (up to the maximum amounts permitted under the Act and Regulation, as amended from time to time), to be leviable upon the expiry of the time specified to rectify the breach if the breach has not been rectified. The notice alleging the breach shall also specify the non-monetary or monetary sanction to be levied if the breach is not rectified. If a Tenant of an Owner is alleged to be in breach, the notice shall also be served on the Tenant and it shall specify whether the Owner, the Tenant, or both are liable for payment of the monetary sanction. Each day of a continuing breach shall be deemed a contravention of the applicable Bylaw(s). The Board shall comply with the requirements set forth in the Act and the Regulation when imposing sanctions, including without limitation providing the required notices, response times and abiding by the maximum amounts prescribed for monetary sanctions. No monetary sanctions may be imposed for a failure to comply with any of the rules and regulations.

- (d) Where a person fails to abide by a non-monetary sanction or to pay to the Corporation a monetary sanction imposed hereunder, the Corporation may proceed under Section 36 and/or Section 67 of the Act to enforce the sanction.
- (e) A sanction may not be imposed that has the effect of prohibiting or restricting the devolution of Units or any transfer, lease, mortgage or other dealing with the Units or of destroying or modifying any easement implied or created by the Act.
- (f) Any member of the Board who observes that an Owner or his agents, licensees or invitees are violating the provisions of Bylaw 62(b)(xvii) may contact the Municipal Authority requesting that any vehicle parked or left on the Common Property in violation of the said Bylaw may be removed therefrom and be impounded in a pound maintained for that purpose. The Unit Owner will be responsible for all costs including towing charges and recovery of the impounded vehicle. The Corporation will not be responsible for any damage caused to the Common Property by such towing, or to the violator's vehicle while on the Common Property or at any time while the infraction is being remedied.

44. ~~AMENDMENT OF BYLAWS~~ Amendment of Bylaws

These Bylaws, or any of them, may be added to, amended or repealed by Special Resolution of the Corporation and not otherwise. The Corporation shall cause to be prepared and distributed to each Owner and mortgagee who has notified its interest to the Corporation, a notice or memorandum of any proposed amendments, additions or repeal at least ~~fourteen~~ thirty (30) days prior to the date of any such Special Resolution.

45. ~~DAMAGE OR DESTRUCTION~~ Damage or Destruction

Damage or destruction shall be governed by the Board in the following manner:

- (a) In the event of damage or destruction as a result of fire or other casualty, the Board shall determine within sixty (60) days of the occurrence whether there has been substantial damage. For the purpose of this paragraph, substantial damage shall mean damage to the extent of twenty-five (25%) percent or more of the replacement value of all Buildings on the Units and Managed Property and Common Property immediately prior to the occurrence. Prior to making any determination under this subparagraph the Board shall obtain the opinion of an independent insurance appraiser to the effect that substantial damage has or has not occurred. If there has been substantial damage the Board shall convene an extraordinary General Meeting to advise the Owners that substantial damage has occurred. At least ~~seven~~fourteen (~~7~~14) days' notice of such meeting must be given by registered mail to all Owners and mortgagees who have given notice.

Unless there has been substantial damage and the Owners resolve by Special Resolution not to proceed with repair or restoration within one hundred and twenty (120) days after the damage or destruction, the Board shall arrange for prompt repair and restoration using proceeds of insurance for that purpose. The Board shall cause the proceeds of all insurance policies to be disbursed to the contractors engaged in such repair and restoration in appropriate progress payments. Any costs of such repairs and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board may assess all the Unit Owners for such deficiency as part of the Common Expenses. Costs of repair and restoration within the deductible of any insurance coverage shall constitute a Common Expense, unless otherwise charged to an Owner under Bylaw 46.

Where there has been substantial damage and the Owners resolve by Special Resolution within one hundred and twenty (120) days after the damage or destruction not to repair, the Board shall on behalf of the Owners make application to terminate the condominium status of the Parcel in accordance with the provisions of the Act, and each of the Owners shall be deemed to consent to such application. Upon termination of the condominium status:

- (i) any liens or charges affecting any of the Units shall be deemed to be transferred in accordance with their existing priorities to the interests of the respective Owners in the Parcel; and
 - (ii) the proceeds of insurance shall be paid to the Insurance Trustee, if any, the Owners and mortgagees, as their respective interests may appear, in proportion to their respective interests in the Parcel in accordance with the terms of any insurance trust agreement in effect.
- (b) The Corporation is not responsible for any damage or loss whatsoever caused by or to any property or contents of any nature or kind in or upon any Unit or Building or in or upon any part of the Common Property designated for the exclusive use of any Unit Owner.
- (c) No Owner shall be entitled to claim any compensation from the Corporation for any loss or damage to the property or person of the Owner arising from any defect or want of repair of the Common Property or any part thereof, unless such loss or damage is covered by the insurance held or required to be held by the Corporation pursuant to the Act or these Bylaws, whichever is the greater.

- (d) Where the Corporation is required to enter a Unit or a Building for the purpose of maintaining, repairing or renewing pipes, wires, cables and ducts for the time being existing in the Unit or Building, and capable of being used in connection with the enjoyment of any other Unit or Building or the Common Property, the Corporation and its servants, employees and agents shall in carrying out any work or repairs do so in a proper and workmanlike manner and shall make good any damage to the Unit occasioned by such work and restore the Unit or Building to its former condition, leaving the Unit and Building clean and free from debris.
- (e) Notwithstanding anything to the contrary herein expressed or implied, each Owner shall be responsible for damage caused to all items in any Unit or the Common Property by himself, members of his family, his Tenants or members of their families, his invitees and contractors or licensees that are not required by these Bylaws to be insured against by the Corporation (or in fact insured against by it whether required or not but only up to the amount of the insurance deductible). Should any Owner fail to repair such damage in a manner satisfactory to the Board or its representative then the Board or its representative may do or cause to be done such repair; and the Owner affected agrees to and shall reimburse the Corporation for all monies expended for labour, materials, normal overhead and profit and all costs incurred in collection in respect of the doing of such repairs and the Board or its representative may use all or any of the remedies open to it as hereinafter set out to recover such monies for the Corporation together with interest thereon as herein provided for overdue assessments and such monies shall be a charge upon his Unit to the same extent as they would be if they were Common Expense charges assessed upon his Unit.

46. ~~INSURANCE~~Insurance

The insurance of the Corporation shall be governed by the following terms:

- (a) The Board, on behalf of the Corporation, shall obtain and maintain, subject always to the Act, and in particular, Section 47 thereof, the following insurance:
 - (i) Fire insurance with extended coverage endorsement for such perils as set forth in the Act and its Regulation (the perils insured against shall be "all risks" as that term is generally understood, in the insurance business, of physical loss or damage) insuring:
 - (A) all of the insurable Common Property;
 - (B) all insurable property of the Corporation, both real and personal of any nature whatsoever;
 - (C) all of the Units, including all Buildings (BUT EXCLUDING all improvements and betterments made to the Buildings and all furnishings and other personal property of each Owner whether or not installed in the Building or Unit), for the full replacement cost thereof, without deduction for depreciation, and insuring the interests of and naming as insureds:
 - (i) all Owners from time to time;

- (ii) all mortgagees who have given written notice of their interests to the Corporation;
- (iii) the Corporation; and
- (iv) the Board of Directors ~~and any person referred to in Bylaw 17 hereof;~~

(hereinafter collectively called the "Insureds") as their respective interests may appear; PROVIDED THAT for the Residential Units the following additional terms shall apply:

(v) for the Residential Units, other than those owned by the Developer, insurance shall provide for the replacement value of the Residential Units and of the fixtures and finishing in the Residential Units, as if all Residential Units contained the features as described in the Standard Insurable Unit Description; and

(vi) for the Residential Units owned by the Developer, insurance shall provide for the replacement value of the Residential Units and of the fixtures and finishing as they existed at the time of the registration of the Condominium Plan;

- (ii) Public liability insurance insuring the Insureds against any liability to the public and/or to the Owners and their invitees, licensees or Tenants, incidental to the ownership and/or use of the Common Property and such insurance shall be limited to liability in an amount not less than Two Million (\$2,000,000.00) Dollars inclusive for bodily injury and/or property damage per occurrence;
- (iii) Directors and Officers liability insurance, including errors and omissions coverage, in such amounts and with such deductibles as the Board may determine, insuring the Board and every member thereof from time to time and all employees of the Corporation from and against all loss, costs, and expenses, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a member or officer of the Board;
- (iv) Liability insurance for the Corporation arising out of a breach of duty as the Occupant of the Common Property;
- (v) Liability insurance for the Corporation arising out of the ownership, use or operation of any machinery, equipment, and vehicles;
- (vi) Such other insurance and coverage for such other risks or causes as the Board may determine or as may be determined by Special Resolution; and

- (vii) For the purposes of any insurance obtained and maintained by the Corporation pursuant to this Bylaw 46 or pursuant to the Act, it is reasonable in the circumstances of this Corporation for that insurance coverage to contain, among other limitations, exceptions, exclusions or restrictions, a deductible in an amount agreed to by the Board and the insurer.
- (b) Each and every said policy of insurance shall name the Insureds and shall, as available and where applicable, provide:
 - (i) that in no event shall insurance coverage be brought into contribution with insurance purchased by any Owner or mortgagee and such Corporation insurance shall be deemed as primary insurance;
 - (ii) standard mortgage endorsements (from the Insurance Bureau of Canada or its equivalent) attached to each such policy;
 - (iii) a waiver by the insurer of its rights of subrogation against the Corporation, its Manager, agents, employees and servants, and the Owners and any member of the household of any Owner, except for arson, fraud and vehicle impact;
 - (iv) the policy shall be written on a stated amount basis; and
 - (v) a cross liability endorsement wherein the rights of any Insured shall not be prejudiced with respect to another Insured and the insurance indemnifies each insured as if a separate policy had been issued to each Insured.
- (c) Annually, or at such other timeframe as determined by the Board, but in any event not less than every five (5) years, the Board shall obtain an appraisal or appraisal update from a duly qualified appraiser setting out the full replacement cost of the Common Property, Units, Buildings and all of the property of the Corporation. Upon request, a copy of such appraisal or appraisal update shall be delivered to each mortgagee who has given written notice of his mortgage to the Corporation. The Board shall forthwith obtain insurance coverage under any and all such policies of insurance in accordance with such appraisal or appraisal update to insure the full replacement value as set forth in such appraisal or appraisal update. In addition to such insurance coverage for the replacement value of the Common Property, Units, Buildings and any other property of the Corporation, the Board shall review and adjust the level of insurance coverage for other risks (INCLUDING liability) to such amounts and levels required by and as would be maintained by an Owner of similar property in the locality in which the condominium property is situate.
- (d) A certificate or memorandum of all insurance policies and endorsements thereto shall be provided by the Board, or by the Manager on its behalf, as soon as practicable to each of the Insureds upon written request therefor, and a duplicate original of each such policy shall be forwarded upon request to each mortgagee who has in writing notified the Board of its interest. Further, a renewal certificate or memorandum of new insurance policies shall be furnished to each Insured upon request. The original policies of all insurance coverage shall be retained by the Corporation in its offices, and shall be available for inspection by any and all of the Insureds upon reasonable request.

- (e) Notwithstanding anything aforesaid, and subject to the terms of any Insurance Trust Agreement, all proceeds of insurance on loss or claim shall be paid to the Insurance Trustee (if any) or the Corporation, and exclusive authority to adjust losses and settle proceeds under all insurance policies shall be vested in the Board or its authorized representative, and the Insurance Trustee (if any) and any expenses of the Insurance Trustee shall be treated as Common Expenses of the Corporation AND PROVIDED FURTHER that neither the Corporation nor the Board shall be required or have any duty to insure the interests of Tenants against liability or the interests of Tenants or Owners for their improvements or betterments, belongings, contents, personal property, rental revenue or related losses. The insuring of any improvements, betterments, contents, personal property, rental revenue and related losses within a Building or on a Unit is the sole responsibility of the Owner, Tenant or Occupant of the Unit and they shall not require the Corporation or the Board to repair any damage to any improvements, betterments, contents or personal property within a Building or on the Unit however caused.
- (f) In the event a claim is made under any insurance policy of the Corporation and the Board, in its sole discretion and acting reasonably, determines that the Owner (or members of his family, his Tenants or members of their families, his invitees, contractors or licensees) is responsible for the loss or damage that gave rise to the claim or if the loss originated from the Owners Unit, the Corporation may recover the deductible portion of the claim from that Owner and such amount shall be recoverable by the Corporation as a contribution due to the Corporation from the Owner for the amount of the deductible and all costs, charges and liabilities associated therewith, and with the collection thereof, incurred by the Corporation.
- (g) Each Owner shall purchase insurance with respect to deductibles that may be payable to the Corporation under Section 62.4 of the regulations to the Act in respect of the Corporation's insurance policy in an amount equal to the maximum recoverable amount permitted under the Act and regulation, as may be amended from time to time. Upon demand by the Corporation or the Manager, each Owner shall provide to the Corporation or the Manager a certificate of insurance confirming that the Owner has obtained and kept in force the insurance required by this Section.

47. ~~CONTRIBUTIONS FOR COMMON EXPENSES AND BUDGETS~~ Contributions for Common Expenses and Budgets

The particulars that govern the contributions for Common Expenses and budgets shall include that:

- (a) The Common Expenses of the Corporation shall be paid by the Unit Owners in proportion to the Unit Shares for their respective Units or as otherwise provided herein and, without limiting the generality hereof, shall include the following:
- (i) All levies or charges on account of any service that is supplied or provided by the Corporation, including, without restriction, any garbage and/or recycling removal, electricity, water, sewer, gas and fuel services supplied to the Corporation for the Project and for the benefit of all Owners and not charged directly to any one Owner either by meter or otherwise. For clarity, this Bylaw 47(a)(i) does not

obligate the Corporation to offer or provide any specific services, other than as required by these Bylaws;

- (ii) Management fees and Insurance Trustee fees, and if any, wages, salaries, taxes and other expenses payable to or on account of employees or independent contractors of the Corporation;
- (iii) All the charges on account of lawn maintenance and landscaping and for snow and debris clearance from the Managed Property or Common Property;
- (iv) All charges on account of lighting fixtures situated on the Managed Property or Common Property excluding the bulbs in the light fixtures on the exterior of the Building;
- (v) All charges on account of maintenance for those portions of a Unit, Buildings, Managed Property, or Common Property for which the Corporation is responsible under these Bylaws;
- (vi) All insurance costs in respect of the insurance for which the Corporation is responsible under these Bylaws and/or the Act;
- (vii) All charges incurred by the Corporation on account of maintenance, operation, repair or restoration of any Unit or Managed Property for which it is responsible or the Common Property, either in the absence of insurance coverage or within the deductible of insurance coverage;
- (viii) All costs of and charges for all manner of consultation, professional and servicing assistance required by the Corporation including without limiting the generality of the foregoing all legal, accounting, auditing and engineering fees and disbursements;
- (ix) All reserves for repairs and replacement of Common Property and portions of Units or Buildings the repair or replacement of which is the responsibility of the Corporation;
- (x) Maintenance of the outside of exterior walls and other structural costs of the Building;
- (xi) The cost of maintaining fidelity bonds or crime coverage insurance as provided in these Bylaws;
- (xii) The cost of borrowing money for the purpose of carrying out the duties and objects of the Corporation; and
- (xiii) The allocable or pro rata portion of the cost of any electricity taken from any exterior plug which is billed directly to an Owner by the provider of such electricity and which is used by the Corporation for purposes of operating or maintaining Common Property.

- (b) At least ~~fifteen~~thirty (~~15~~30) days prior to the ~~end~~start of each fiscal year the Corporation shall deliver by hand or mail by Canada Post to each Owner at the municipal address of his Unit:
- (i) a copy of the budget for the ensuing fiscal year; and
 - (ii) a notice of the assessment for the Owners' contribution towards the Common Expenses of the Corporation for said ensuing fiscal year. Said assessment shall be made to the Owners in proportion to the Unit Shares for their respective Units EXCEPT, in the sole discretion of the Board, acting reasonably:
 - (A) any expenses which should be paid on a per Unit basis to be fair and equitable may be so charged;
 - (B) any expenses that relate directly and solely to the maintenance, operation, repair or restoration of all or part of the Common Property or of any one or more Units and not all the Units may be charged and shall be paid solely by the recipient Units of such maintenance, operation, repair or restoration, as the Board may determine.
- (c) The budget shall set out by categories an estimate of the Common Expenses of the Corporation for the next fiscal year. The budget shall include a reasonable provision for contingencies and for the Capital Replacement Reserve Fund.
- (d) The Capital Replacement Reserve Fund may be used for the repair or replacement of any real and personal property owned by the Corporation, the Buildings, the Managed Property and the Common Property, but is not intended to be used to cover annually recurring maintenance and repair costs which are to be set out and provided for in the annual budget.
- (e) The Common Expenses set forth in each contribution shall be payable to the Corporation, or to any other person, firm or corporation to whom the Corporation shall direct payment to be made from time to time, in twelve (12) equal consecutive monthly instalments payable, in advance on the first day of each month, the first instalment to be made on the 1st day of the month immediately following receipt of such notice of assessment, or such other time as may be prescribed by the Corporation. All contributions shall be payable either by the provision of post-dated cheques or by preauthorized debit from the Owner's bank account, at the direction of the Corporation.
- (f) All payments of whatsoever nature required to be made by each Owner and not paid within ten (10) days from the due date for payment shall bear interest at the Interest Rate from the date when due until paid. All payments on account shall first be applied to interest and then to the contribution payment first due.
- (g) The Corporation shall, on the application of an Owner, purchaser or mortgagee or the solicitor of an Owner, purchaser or mortgagee or any person authorized in writing by any of those persons, certify within ten (10) days:

- (i) the amount of any contribution determined as the contribution of the Owner;
- (ii) the manner in which the contribution is payable;
- (iii) the extent to which the contribution has been paid by the Owner; and
- (iv) the interest owing, if any, on any unpaid balance of a contribution;

and, in favour of any person dealing with that Owner the certificate is conclusive proof of the matters certified therein.

- (h) Upon the written request of an Owner, purchaser or mortgagee of a Unit the Corporation shall, within ten (10) days of receiving that request, provide to the person making the request one or more of the following as requested by that person:
 - (i) a statement setting forth the amount of the monthly contributions and the basis on which that amount was determined;
 - (ii) the particulars of:
 - (A) any action commenced against the Corporation and served upon the Corporation;
 - (B) any unsatisfied judgment or order for which the Corporation is liable; and
 - (C) any written demand made upon the Corporation for an amount in excess of Five Thousand (\$5,000.00) Dollars that, if not met, may result in an action being brought against the Corporation;
 - (iii) the particulars of or a copy of any subsisting management agreement;
 - (iv) the particulars of or a copy of any subsisting recreational agreement;
 - (v) a copy of the current budget of the Corporation;
 - (vi) a copy of the most recent financial statements, if any, of the Corporation;
 - (vii) a copy of the Bylaws of the Corporation;
 - (viii) a copy of any minutes of proceedings of a General Meeting of the Corporation or of the Board;
 - (ix) a copy of any lease agreement or exclusive use agreement with respect to the possession of a portion of the Common Property;
 - (x) a statement setting forth the amount of the Capital Replacement Reserve Fund;
 - (xi) a statement setting forth the Unit Factors and the criteria used to determine Unit Factor allocation;

- (xii) a statement setting forth any structural deficiencies that the Corporation has knowledge of at the time of the request in any of the Buildings that are included in the Condominium Plan; ~~and~~
 - (xiii) in the case of a mortgagee, the records pertaining to the management or administration of the Corporation as prescribed in Section 45 of the Act; and
 - (xiv) any other documents to be provided pursuant to Section 44 of the Act.
- (i) The omission by the Board to fix the contributions hereunder for the next ensuing fiscal year or other period provided for herein, shall not be deemed a waiver or modification in any respect of the provisions of these Bylaws or release of the Owner or Owners from their obligation to pay the contributions or special assessments, or any instalments thereof for any year or period, but the contributions fixed from time to time shall continue until new contributions are fixed. No Owner can exempt himself from liability for his contributions toward the Common Expenses by waiver of the use or enjoyment of any of the Common Property or—by vacating or abandoning his Unit.
 - (j) The Board or the Manager supplying any documents required to be provided in these Bylaws or under Section 44 of the Act, shall be entitled to charge a reasonable fee for the production thereof.

48. ~~SPECIAL ASSESSMENTS~~ Special Assessments

If at any time it appears that the annual contributions towards the Common Expenses will be insufficient to meet the Common Expenses, the Corporation may assess and collect a special contribution or assessment against each Unit in an amount sufficient to cover the additional anticipated Common Expenses. The Corporation shall give notice of such further assessment to all Owners which shall include a written statement setting out the reasons for the assessment and each assessment shall be due and payable by each Owner in the manner and on the date or dates specified in the notice. Each such special assessment shall be determined and assessed against the Owners in proportion to the Unit Shares for their respective Units or as set forth in Bylaw 47(b)(ii) above. Unless otherwise provided, all such special assessments shall be payable within ten (10) days of the due date for payment as specified in the notice and if not paid shall bear interest at the Interest Rate from the due date until paid.

49. ~~DEFAULT IN PAYMENT OF ASSESSMENTS~~ Default in Payment of Assessments

Default in payment of assessments and lien for unpaid assessments, instalments and payments:

- (a) The Corporation shall and does hereby have a lien on and a charge against the estate or interest of any Owner for any unpaid contribution, assessment, instalment or payment due to the Corporation, which lien shall be a lien against such estate or interest subject only to the rights of the Municipal or any local authority in respect of unpaid realty taxes, assessments or charges of any kind against the Unit title or interest of such Owner. The Corporation shall have the right to file a caveat or encumbrance against the Unit title or interest of such Owner in respect of the lien or charge for the amount of such unpaid contribution, assessment, instalment or payment as hereinbefore mentioned, and for so long as such unpaid contribution, assessment, instalment or payment remains unpaid,

provided that each such caveat or encumbrance shall not be registered until after the expiration of thirty (30) days following the due date for the first payment in arrears. As further and better security, each Owner responsible for any such unpaid contribution, assessment, instalment or payment which is in arrears for more than thirty (30) days, shall give to the Corporation a mortgage or encumbrance for the full amount thereof and all contributions, assessments, instalments and/or payments, and interest thereon at the Interest Rate from the due date or dates for payment of the same, and the Corporation shall be entitled to enforce its lien, charge and security and pursue such remedies as may be available to it at law or in equity, from time to time including the recovery by the Corporation of its legal fees and disbursements on a solicitor and his own client basis from such defaulting Owner;

- (b) The Owners acknowledge and agree that amounts payable other than in proportion to Unit Factors under Section 39 of the Act include, without limitation, solicitor and his own client legal fees on a full indemnity basis and administrative expenses and fees (including NSF charges) incurred by the Corporation in respect of recovery of unpaid contributions, assessments, instalments or payments due to the Corporation, and that they shall be deemed to be payable on a basis other than in proportion to the Unit Factors of the Owner's respective unit pursuant to Section 39(1)(~~ea~~)(ii) of the Act. The Owners acknowledge and agree that these expenses are incurred as a result of the failure of an Owner to pay contributions, assessments, special assessments, instalments or payments due to the Corporation and as a result, the Owner of the subject Unit shall be solely responsible to pay these expenses and they shall be charged to the Owner's Unit and shall be added to and become part of the contribution and assessment of such Owner for the next month following the date when such costs or expenses are expended or incurred by the Corporation, and shall bear interest both before and after judgment at the Interest Rate until paid;
- (c) Any other Owner or person, firm, or corporation whatsoever may pay any unpaid contribution, assessment, instalment or payment after the expiration of thirty (30) days following the due date for payment by the Owner in default, with respect to a Unit, and upon such payment, such party, person, firm or corporation shall have a lien, subject to the estates or interests hereinbefore mentioned and shall be entitled to file a caveat or encumbrance in respect of the amount so paid on behalf of the Owner in default, and shall be entitled to enforce his lien, thereby created, in accordance with the other terms and conditions of this Bylaw;
- (d) Notwithstanding and in addition to any other term, condition or provision herein contained or implied, each unpaid contribution, assessment, instalment or payment shall be deemed a separate, distinct and personal debt and obligation of the Owner against whom the same is assessed and collectible as such. Any action, suit or proceeding to recover such debt or to realize on any judgment therefore shall be maintainable as a separate action, suit or proceeding without foreclosing or waiving the lien, charge or security, securing the same;
- (e) In the event of any contribution, assessment against or instalment or payment due from an Owner remaining due and unpaid for a period of thirty (30) days, the Board, at its election, may accelerate the remaining monthly contributions, assessments, instalments

and payments for the fiscal year then current upon notice to the Owner in arrears, and thereupon all such unpaid and accelerated monthly contributions, assessments, instalments and payments shall become payable on and as of the date of the said notice, PROVIDED THAT such acceleration shall not be binding upon any registered mortgagee; and

- (f) All reasonable costs of the Manager, administration costs and legal costs and disbursements incurred by the Corporation (INCLUDING costs on a solicitor and his own client basis) which either the Manager or the Corporation expends as a result of any act or omission of an Owner, his servants, agents, licensees, invitees or Tenants which violates these Bylaws or any rules or regulations established pursuant thereto or incurred or in any way for securing or enforcing its interests hereunder or the taking of any remedies to cure any default hereunder shall constitute a payment due the Corporation.

50. ~~ESTOPPEL CERTIFICATE~~ Estoppel Certificate

Any certificate as to an Owner's position with regard to contributions, expense assessments or otherwise, issued by an officer of the Corporation or the Manager shall be deemed to be an Estoppel Certificate and the Corporation and all of the Owners shall be estopped from denying the accuracy of such certificate against any mortgagee, purchaser or other person dealing with the Unit Owner but this shall not prevent the enforcement against the Unit Owner incurring the said expense of all obligations of the said Unit Owner whether improperly stated in such Estoppel Certificate or not. The Corporation authorizes the Manager to issue an Estoppel Certificate certifying payment of all contributions upon receipt by the Manager of payment of such contributions notwithstanding that such payment is subsequently dishonoured or stopped by a financial institution. The cost of an estoppel certificate requested shall not exceed \$200.00 (or such greater amount permitted under the Act) for each estoppel certificate.

51. ~~LEASING OF UNITS~~ Leasing of Units

In the leasing of Units, the following provisions shall govern:

- (a) In the event that any Owner desires to lease or rent his Unit or Building he shall furnish to the Corporation an undertaking, in form satisfactory to the Corporation pursuant to Bylaw 62(c), signed by the proposed lessee or Occupant, that the proposed lessee or Occupant of the Unit will comply with the provisions of the Act and of the Bylaws of the Corporation. The Tenant or Owner, within twenty (20) days of occupancy, must provide to the Corporation, upon request, a certificate of insurance evidencing existence of a Tenant's insurance policy. The Owner shall not be released of any of his obligations and shall be jointly and severally liable with the proposed lessee or Occupant with respect to such obligations.
- (b) The Corporation IS HEREBY AUTHORIZED TO:
 - (i) impose and collect deposits under Section 53 of the Act. If any deposit is used in accordance with the Act or these Bylaws, the Owner shall replace that portion of the deposit used within ten (10) days of being notified, in writing, by the Board of its use;

- (ii) give notices to give up possession of residential Units under Section 54 of the Act; and
- (iii) make applications to the Court under Sections 55 and 56 of the Act;
- (c) No Tenant shall be liable for the payment of contributions or assessments or Common Expenses under these Bylaws unless notified by the Corporation that the Owner from whom he rents the Unit is in default of payment of contributions, in which case the Tenant shall deduct from the rent payable to the Owner, such default contributions and shall pay the same to the Corporation. Any such payment by the Tenant shall be deemed to be a rental payment made to the Owner.
- (d) The Board may charge an extra fee for a moving damage deposit, extra security, supervision of move-ins and move-outs and for lessees or Tenants of Owners. The Manager must be given forty eight (48) hours' notice of any such move-in or move-out.

52. ~~SEVERABILITY~~Severability

The provisions hereof shall be deemed independent and severable and the invalidity in whole or in part of any Bylaw does not affect the validity of the remaining Bylaws, which shall continue in full force and effect as if such invalid portion had never been included herein.

53. ~~NOTICES~~Notices

Unless otherwise expressly provided in these Bylaws, service of any notice required to be given under the Act or under these Bylaws shall be well and sufficiently given if:

- (a) sent by prepaid registered mail to:
 - (i) the Owner at the address of his Unit or other known address;
 - (ii) the address shown on the Certificate of Title to the Unit at the Land Titles Office;
 - (iii) to the Corporation at its address for service shown on the Condominium Plan; or
 - (iv) a mortgagee at its address supplied to the Corporation;
- (b) left with the Owner or some other adult person at the said address of the Unit;
- (c) put under the front door of the Unit; or
- (d) put in the mailbox of the Unit.

Any notice given by post shall be deemed to have been sent and received forty-eight (48) hours after it is posted. An Owner or a mortgagee may at any time in writing advise the Corporation of any change of address at which notices shall be served or given and thereafter the address specified therein shall be deemed to be the address of such Owner or a mortgagee, as the case may be, for the giving of notices. The word "notice" shall include any request, statement or other writing required or permitted to be given

hereunder or pursuant to the Act or these Bylaws. No form of notice under these Bylaws shall be deemed invalid solely because it was transmitted by facsimile or e-mail.

Notwithstanding the foregoing, where an Owner has requested and consented to receive communications from the Corporation by electronic means and has provided an electronic address for this purpose, the Corporation shall send notices including, without limitation, minutes, notices of meetings or non-compliance with the By-laws and notifications of new rules by electronic means to that address. Where the Corporation provides notices to an electronic address, the notices and any attachments to the notices must be sent in a manner that is capable of being indefinitely retained by the recipient. The Corporation is required to send notices to electronic addresses only if the electronic address is an e-mail address, or any other type of electronic address that is acceptable to the Board, as signified by a written resolution. A notice or notification sent in accordance with the foregoing shall be deemed to have been received by the Owner 24 hours after it is sent by electronic means to the electronic address of such Owner.

54. ~~NOTICE OF DEFAULT TO MORTGAGEES~~ Notice of Default to Mortgagees

Where a mortgagee has notified the Corporation of its interest, any notice of default sent to an Owner shall also be sent to the mortgagee, if such default continues for a period of ninety (90) days.

55. ~~DEBT RETIREMENT ON TERMINATION~~ Debt Retirement on Termination

Subject to the provisions of the Act, upon termination of the condominium status for any purpose, all debts of the Corporation shall first be paid out of the assets, and the balance of the assets, if any, shall be distributed to the Owners in proportion to their Unit Factors or otherwise in accordance with the principles set forth in Bylaws 47(b)(ii), subject to the interests of any mortgagees.

56. ~~COMPANY WHICH IS MEMBER OF BOARD~~ Company Which is Member of Board

A company which is a member of the Board may by proxy, power of attorney or resolution of its directors appoint such person as it thinks fit to act as its representative on the Board and to attend meetings thereof and vote at such meetings on behalf of the company and such representative shall be entitled to so act provided notice in writing thereof shall have been given to the Board. Where a company is the only member of the Board a minute or resolution signed by its representative or by the alternate of its representative duly appointed pursuant to the Bylaw next following shall be deemed to be a resolution of the Board.

57. ~~ALTERNATE BOARD REPRESENTATIVE~~ Alternate Board Representative

A representative of a company on the Board may appoint any person whether another Owner or not and whether a member of the Board or not to serve as his alternate representative on the Board and as such to attend and vote in his stead at meetings of the Board and to do anything specifically provided for in these Bylaws. Such alternate shall, if present, be included in the count for quorum and if he be a member of the Board he shall be entitled to two votes, one as a member of the Board and the other as an alternate representative of a member of the Board. If the representative so directs, notice of meetings of the Board shall be sent to the alternate representative of a member of the Board. If and when the appointing representative vacates the office of a representative of a member of the Board or removes the

alternate representative from office as alternate representative, any appointment or removal under this Bylaw shall be made in writing under the hand of the representative making the same.

58. ~~PRIVACY AREAS AND PARKING AREAS~~Privacy Areas and Parking Areas

Privacy and parking areas shall be governed by the following terms:

- (a) The Board may, in addition to other restrictions set out in these Bylaws, specify and limit the nature and extent of the use or uses of any exclusive use area assigned or designated by it hereunder.
- (b) While any such exclusive use area is not included in the Condominium Plan as part of a Unit, and shall not be deemed to be an area leased pursuant to Section 50 of the Act, any such exclusive use area shall be maintained at the sole expense of the Owner to whom it has been assigned PROVIDED THAT the Board shall be responsible for clearing slush and snow from the roadway, outside parking areas and the individual driveways, and mowing all grass which is accessible by power mowers, and structurally maintaining all parking areas, roadway, driveways, decks and patios to a standard considered reasonable by the Board. An Owner shall structurally maintain any Board approved Owner-initiated improvements to any patio or deck immediately adjacent to their Building.
- (c) If the Owner shall fail to properly maintain any such privacy area assigned to him after ten (10) days' notice to him to correct any maintenance problem set forth in said notice from the Board, then the Board or its representative may order the maintenance corrected and the Owner affected shall reimburse the Board for all monies expended and all costs incurred in order to rectify said maintenance problem and pay interest thereon at the Interest Rate after demand for payment.
- (d) The term exclusive use area does not include any fence, rail or similar structure bordering any Unit.
- (e) The Corporation and its servants and agents shall, notwithstanding the grant of any right, licence or privilege of exclusive use of any area to any Owner, have and enjoy free and uninterrupted right at any and all times and from time to time to enter upon, pass and repass over, and occupy any and all parts of such exclusive use area for the purpose of carrying out any of the duties or functions of the Corporation.

59. ~~REALTY TAXES~~Realty Taxes

The realty taxes and other Municipal and governmental levies or assessments against land, including Buildings and improvements, comprising all or any part of the Units and the Common Property comprising the Project shall be assessed and imposed in accordance with provisions of the Act.

60. ~~INDEMNIFICATION OF OFFICERS AND MANAGERS~~Indemnification of Officers and Managers

The Corporation shall indemnify every member of the Board, Manager, officer, authorized volunteer or employee and his or her heirs, executors and administrators against all loss, costs and

expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Board member, Manager or officer of the Corporation, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for fines or penalties imposed in a criminal suit or action or for unjustified profit or advantage or for any illegal act done or attempted in bad faith or dishonesty. All liability, loss, damage, costs and expenses incurred or suffered by the Corporation by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Corporation as Common Expenses. The Corporation ~~may by Ordinary Resolution,~~shall require that all members of the Board be bonded by a recognized bonding institution in an amount not less than the total amount of the Capital Replacement Reserve Fund of the Corporation, the cost of such bonding to constitute a Common Expense of the Corporation.

61. ~~NON-PROFIT CORPORATION~~Non-Profit Corporation

The Corporation is not organized for profit. No Owner, member of the Board or person from whom the Corporation may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof. The foregoing, however, shall neither prevent nor restrict the following:

- (a) reasonable compensation may be paid to any member of the Board or Owner while acting as an agent or employee of the Corporation for services rendered in effecting one or more of the purposes of the Corporation;
- (b) any member of the Board or Owner may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation; and
- (c) members of the Board may receive an annual honorarium, stipend or salary established pursuant to Bylaw 5(k).

62. ~~USE AND OCCUPANCY RESTRICTIONS~~Use and Occupancy Restrictions

Use and occupancy of Units shall be governed by the following terms:

- (a) In this Bylaw:
 - (i) "Occupant" or "Tenant" means the rightful and lawful Occupant or lessee of a Building or Unit, whether or not the Occupant is an Owner, who is in occupation of a Building for more than thirty (30) days in any calendar year; and
 - (ii) "Owner" includes a Tenant.
- (b) An Owner, Occupant or Tenant SHALL NOT:
 - (i) use his residential Unit or any part thereof for any purpose which may be illegal or injurious to the reputation of the Project, for any commercial, professional or other business purpose, or for a purpose involving the attendance of the public at such Unit unless such use constitutes an authorized, permitted or discretionary use or

approved "home occupation" as defined in the relevant Municipal Bylaw. No Owner or Occupant shall use a Unit to provide a day care centre or commercial baby-sitting services without the prior written consent of the Board, which consent may be arbitrarily withheld. No garage sale shall be held on any Unit without the prior written approval of the Board;

- (ii) make or permit noise within or about any Building or Unit or the Common Property or allow any odour to emanate or escape from his Unit or conduct himself in any manner which, in the opinion of the Board, constitutes a nuisance or unreasonably interferes with the use and enjoyment of a Unit or the Common Property by any other Owner or Occupant. No instrument or other device shall be used within a Building or Unit which in the opinion of the Board causes a disturbance or interferes with the comfort of other Owners;
- (iii) keep any animal, livestock or fowl of any kind, other than household animals and pets as are normally permitted in private homes in urban residential areas and then only if approved by the Board, which approval may be withdrawn on reasonable grounds on fifteen (15) days' notice to that effect. Additionally:
 - (A) no livestock, spiders, snakes, fowl or reptiles will be approved;
 - (B) all dogs and cats approved must be hand leashed outside a Building (except on decks or patios), and kept under control and in the custody of a responsible person at all times;
 - (C) any Municipal Bylaws in effect with respect to pets at any point in time shall have effect within the Managed Property and Common Property and Municipal enforcement officers are hereby authorized to enforce the said Municipal Bylaws in the Managed Property and Common Property;
 - (D) an Owner agrees to pay to the Corporation the cost of any repairs or damage (including the cost of replacement of urination patches) to the Common Property or Managed Property necessitated by and caused by an approved pet. An Owner shall clean up any animal defecation immediately from either the Common Property or the Managed Property; and
 - (E) no more than one (1) dog, not to exceed twenty (20 lbs) pounds in size, and one (1) cat per Unit will be approved, unless prior written approval of the Board acknowledges extraordinary circumstances such that the Owner could have more than the stated limit, with the understanding upon taking ownership that the Owner will not add any dog or cat over and above the stated limit when a dog or cat is no longer in the possession of the Owner in the Unit.
- (iv) use or permit the use of his Building or Unit other than for residential purposes, except as may be permitted under relevant Municipal Bylaw as per subparagraph (i) hereof;

- (v) permit his Building or Unit to be occupied as a place of residence by more than two (2) persons at any given time without the consent of the Board in writing;
- (vi) do any act or permit any act to be done, or alter or permit to be altered, his Building or Unit (including the driveway) in any manner, which will alter the exterior appearance of the structure comprising his or any other Buildings or Units without the prior written approval of the Board. No surface (including paint or stain) or overhead covering shall be applied to a deck or patio without the prior written consent of the Board. No air-conditioning unit visible from the exterior shall be installed without the prior written consent of the Board;
- (vii) permit laundry, towels, rugs or blankets to be hung other than inside the Building on his Unit;
- (viii) erect or place any Building, structure, improvement, fixture, tent, or trailer, (either with or without living, sleeping or eating accommodation) on the Unit, the Common Property or on the Managed Property without the prior written consent of the Board;
- (ix) permit, erect or hang over or form or cause to be erected or to remain outside any window or door or any other part of the Building, the Unit or on the. Common Property, fences, barriers, partitions, awnings, air-conditioning appliance, extension cords, clotheslines, shades or screens or any other matter or thing without the prior written consent of the Board, which consent the Board may arbitrarily withhold or subsequently withdraw. In the event such consent is withheld or withdrawn, the Owner shall forthwith remove the item. No television, mobile telephone or radio antenna, tower or similar structure or appurtenances thereto shall be erected on or fastened to any Building or on any Unit except as authorized by the Board and then, only in accordance with the regulations therefor which may be established by the Board. All requests for a satellite dish installation must be approved by the Board prior to installation. In addition:
 - (A) no Owner shall install or attach, or cause to be installed or attached, more than one (1) satellite dish on his or her Unit and shall only install a satellite dish in the location permitted by these Bylaws;
 - (B) a satellite dish installed on an Owner's Unit will be placed on a pedestal on the front or rear deck, or on a pedestal within one meter of the deck, or only in the circumstance where reception is not possible from a deck location, on the roof or wall of the Building;
 - (C) the installation of a satellite dish will be carried out only by a licensed tradesperson, and the necessary wiring will be conducted into the Building as close as possible to the satellite dish;
 - (D) in the event that the installation of a satellite dish causes damage to the exterior of a Building, or results in penetration by water, the costs of repairing any such damage shall be the responsibility of the Owner;

- (E) in the event of the removal of a satellite dish, the cost of the removal, and the restoration of the exterior finish of a Building, shall be the responsibility of the Owner;
- (x) overload existing electrical circuits or store any combustible, flammable or offensive goods, provisions or materials on his Unit or on the Common Property, normal cleaning products, related household goods, and barbeques on decks or patios excepted;
- (xi) do anything or permit anything to be done or bring or keep anything in his Unit, the Building, the Common Property or the Corporation property which will or would tend to increase the risk of fire or flooding or the rate of fire insurance premiums with respect thereto or which would render invalid any insurance maintained by the Corporation;
- (xii) do anything or permit anything to be done by any Occupant within his Building or Unit, or the Common Property that is contrary to any statute, ordinance, bylaw or regulation of any government authority whether Federal, Provincial, Municipal or otherwise;
- (xiii) do or permit anything to be done that may cause damage to trees, plants, bushes, flowers or lawns and shall not place devices or other objects on the lawns and grounds of the Common Property or the Managed Property so as to damage them or to prevent growth or to interfere with the cutting of the lawns or the maintenance of the grounds generally;
- (xiv) deposit customary household refuse and garbage outside the Building of his Unit other than in compliance with the requirements of the Municipality.
- (xv) erect, place, allow, keep or display signs, billboards, advertising matter, "For Sale" signs, or other notices or displays of any kind on the Common Property, or in or about any Building or the Unit in any manner which may make the same visible from the outside of the Unit or the Building without the prior written consent of the Board;
- (xvi) permit any member of his household, guests, visitors or pets to trespass on the Unit of another Owner;
- (xvii) in regard to parking and operating a Private Motor Vehicle on the Project:
 - (A) wash any motor vehicles anywhere on the Project other than on a Unit in such a manner as will not cause nuisance or annoyance to the other Owners and in compliance with all environmental requirements of the Municipality, including the use of environmentally acceptable biodegradable soap;
 - (B) carry out any repairs or servicing to Private Motor Vehicles on the Project except in an enclosed garage;

- (C) allow trailers, campers, boats, snowmobiles, trail bikes, all-terrain vehicles, or any type of motor home or recreational vehicle or equipment to be parked or stored outside the garage of the Building, except an Owner may park a holiday trailer or motorhome on the driveway for purposes of loading and/or unloading for up to forty-eight (48) hours;
- (D) keep on the Managed Property any Private Motor Vehicle which is not currently licensed, insured and in operating condition without the prior written consent of the Board. Proof of the foregoing shall be provided to the Board upon request;
- (E) not park or allow any visitor to park any automobile anywhere on the Project which leaks any oil, grease, antifreeze or gasoline or which is, in any other way, offensive or hazardous. If any leak shall occur, the Owner shall clean up such leakage as soon as reasonably possible;
- (F) park more Private Motor Vehicles on the driveway in front of the garage of a Unit than fit without blocking an adjacent driveway or Unit. No vehicle shall be parked on the grass of the Project at any time;
- (G) allow an overnight visitor to park anywhere on the Project except on a Unit driveway or in designated visitor parking. No Occupants shall park in visitor parking at any time without prior Board approval. A visitor shall comply with the visitor parking policy at all times;
- (H) idle a Private Motor Vehicle any longer than is reasonably necessary;
- (I) park or allow a guest or any other person to park in any manner which obstructs access to a fire hydrant; or
- (J) park or allow a guest or any other person to park in any manner which hinders the safe, speedy, and unobstructed access to any Unit by any emergency vehicles, such as ambulances, fire department and police vehicles;
- (xviii) obstruct or permit any passage or driveways or parking areas to be obstructed by any Occupant, his family, guests or visitors or their vehicles;
- (xix) allow his Building or Unit to become unsanitary or unsightly in appearance. The Board shall be at liberty to remove any rubbish or clean up a Unit or the Common Property in close proximity to an Owner's premises to its satisfaction and charge the expense to the Owner;
- (xx) make or cause to be made any structural, mechanical, plumbing, drainage, gas system or electrical changes, alterations or additions to the Building which affect other Units or Buildings or any load bearing wall without first having the design and specifications of such alteration or addition approved in writing by the Board. The Owner requesting such approval agrees to pay the cost of any professional

reasonably engaged by the Board to review the proposed design and specifications or advise the Board. Any alteration or addition made by an Owner without such approval may be restored or removed by the Board or its duly authorized representative or representatives and any costs incurred by the Corporation as a result thereof shall forthwith be paid by such Owner to the Corporation and shall bear interest at the Interest Rate from the time such costs are incurred until paid;

- (xxi) use a toilet, sink, tub, drain or other plumbing fixture for a purpose other than that for which it is constructed;
- (xxii) be responsible for snow removal other than from the deck or patio on the Unit. An Owner shall not shovel or brush snow, run water or throw anything onto the Unit of another Owner;
- (xxiii) use his deck or patio or other areas outside of his Building for the storage of personal belongings or other goods or chattels or allow or cause any household or personal effects or articles belonging to him to be kept anywhere except inside the Building of his Unit when not in actual use, and each Owner will comply with all reasonable requests of the Board or its representatives that all household or personal effects or articles belonging to an Owner's household be put away inside such Building when not in actual use excluding lawn furniture, neat storage boxes, flower pots with live plants and barbeques which are allowed on decks or patios. When not in use barbeques shall be covered by a suitable barbeque cover that is in good conditions and the gas supply valve shall be turned off. No sofas, freezers, electronics, tires, paints, packing boxes or storage of items are allowed on decks, patios, front lawns or on front driveways;
- (xxiv) prevent or prohibit access to and use of exterior electrical plugs or exterior water taps on a Building for purposes of maintaining Common Property or Managed Property. An Owner shall ensure the exterior water line and tap for the Building are drained and winterized in each calendar year. An Owner shall be responsible to repair and maintain the exterior water line and tap and exterior electrical plug on the Building;
- (xxv) cook on a deck or patio other than using a propane gas, natural gas or electric barbeque. All barbeques shall be used at least eighteen (18") inches away from any building or fence. No charcoal briquette barbeques, wood burning devices, open fires or fire pits shall be installed or used anywhere on the Project. Patio heaters are permitted on a deck or patio;
- (xxvi) without the prior written consent of the Board, have any right of access to those portions of the Managed Property or Common Property used from time to time for mechanical systems, utilities areas, Building maintenance, storage areas, operating machinery or any other parts of the Managed Property or Common Property used for the care, maintenance or operation of the Project generally;

- (xxvii) use foil, bed sheets, towels, flags, newsprint, or other objectionable material as window or patio door coverings. An Owner shall not apply any window tinting or security film to a window that is visible from the exterior without the prior written consent of the Board;
- (xxviii) feed or harbour birds, squirrels, or other wild animals on any Unit or anywhere on the Common Property except with bird or squirrel feeders which an Occupant must keep clean and free of droppings;
- (xxix) render a Building unfit for human habitation. An Owner shall control all pests inside a Unit (regardless of the origin of such pests) and shall be responsible for the costs associated with such pest control;
- (xxx) install a hot tub outside a Building on a Unit;
- (xxxi) paint, decorate or otherwise alter any portion of a Building or a Unit required to be maintained by the Corporation without the express, prior, written consent of the Board;
- (xxxii) install or put in place, leave in place, allow to be installed or put in place or left in place, any Christmas decorations that will be visible from the exterior of the Unit with the exception of the time period between November 1st of each year to February 28th of the following year. Any other seasonal decorations on Managed Property must be approved by the Board prior to installation. No personal decorations or personal possessions are allowed on Common Property. An Owner shall repair any damage to the exterior of the Building caused by the installation of any decorations;
- (xxxiii) smoke or allow smoking on the Common Property or Managed Property except on a deck or patio with such Owner disposing of smoking material into a fire retardant receptacle placed on such deck or patio which receptacle shall be filled with either sand or water. An Owner shall not throw cigarette butts, matches or other smoking or combustible materials out of windows, over decks, off patios, or anywhere on the Common Property or Managed Property, except as aforesaid;
- (xxxiv) plant any tree or shrub on a Unit or Common Property, without the prior written approval of the Board;
- (xxxv) prune, trim, top, or otherwise alter the appearance of a tree on the Managed Property, without the prior written consent of the Board;
- (xxxvi) install wind chimes or wind socks on the Managed Property;
- (xxxvii) install any flags on the Managed Property or the Common Property without the prior written approval of the Board, except for displaying the Canadian flag on the Managed Property in a seven (7) day period prior to and including Canada Day; and

(xxxviii) leave a Unit vacant or unattended to in excess of seventy-two (72) hours without inspection by the Owner or his/her agent.

- (c) An Owner shall ensure that his Occupants comply with those requirements that the Owner must comply with under Subsection (b) hereof and, upon request of the Corporation, obtain from the Tenants or have the Manager who leases the Units and residential dwellings on behalf of the Owners obtain from the Tenants-an undertaking, in writing, to the following effect:

"I, _____, covenant and agree that I, ____all Occupants of my Unit and my guests from time to time will, in using the Unit rented by me, any exclusive areas relating to the Unit and all the Managed Property and Common Property, comply with the *Condominium Property Act*, R.S.A. 2000, c. C-22 the Bylaws and all rules and regulations of the Corporation during the term of my tenancy."

63. ~~MANAGED PROPERTY~~Managed Property

The following provisions apply to Managed Property:

(a) Restricted Development, Architectural Standards and Restrictive Covenant

- (i) No Owner shall improve, develop, construct upon or otherwise modify his Building or Unit unless such development or improvement strictly complies with any and all development restrictions imposed upon the Unit by the Municipal Authority (whether disclosed on title to the Unit or not), and the Architectural Standards.
- (ii) The Corporation is hereby empowered, and the Board is authorized on behalf of the Corporation, to take whatever procedures are reasonably necessary, in the Board's opinion, to ensure compliance with Bylaw 63(a)(i) hereof and enforce the Architectural Standards (enforcement to be limited to the extent it is limited by law).

(b) Elements of ~~Manacled~~Managed Property

Without limiting the definition thereof in Bylaw 1(q), "Managed Property" shall be comprised of those portions of the Units comprised of lawns, landscaping, driveways, patios, Project perimeter fences, the exterior of any and all Buildings on the Units (EXCLUDING the doors and windows on exterior walls of a Building, which are the responsibility of the Owner), including roofs, foundations and structural elements built in accordance and compliance with this Bylaw and all Municipal and provincial requirements, codes and standards. Without restricting the generality of the foregoing, "Managed Property" includes all parts of the Unit outside and up to, but not including, the interior finishing of the floors, walls and ceilings in all Buildings on the Units and all utility and service lines and facilities outside such interior finishing of a Building, irrigation systems and common light standards.

(c) Duties and Restrictions on Owners Regarding Managed Property

Each Owner shall, in respect to the Managed Property on or in his Unit:

- (i) permit the Corporation (and anyone who is agent for or authorized or directed by the Corporation) to enter his Unit for emergencies, inspection, maintenance, repair, upkeep, cleaning and control (generally) of the Managed Property as if same were Common Property;
- (ii) adhere to, comply with and strictly observe this Bylaw and all rules, regulations, Bylaws, resolutions and other requirements of the Corporation and its insurers as same relate to the Managed Property; provided that in the absence of anything expressly to the contrary, the rules, regulations, Bylaws, resolutions and other requirements as shall apply to the Common Property shall apply to the Managed Property;
- (iii) not, in any manner whatsoever, interfere with, prohibit or hinder the Corporation in carrying out its duties, powers, obligations and responsibilities arising hereunder or in connection with any of the Corporation's inspection, maintenance, repair, upkeep, cleaning or control of the Managed Property; and
- (iv) not in any manner whatsoever without first obtaining the written consent of the Board, change, improve, alter, adjust, remove, disfigure or otherwise disturb the Managed Property or any part or component thereof.

(d) Powers, Duties and Restrictions of the Corporation

The Corporation shall:

- (i) in addition to and without limiting its powers relating to the management and control of Common Property, BE EMPOWERED TO:
 - (A) enact rules and regulations relating to the management and control of the Managed Property and the Unit, provided at all times at least 30 days before a new rule and regulation is to come into effect, the Corporation shall provide written notice of the new rule by either (i) delivering it to each occupied Unit, or (ii) posting it in an open and conspicuous common area on the parcel to which all owners and occupants have access, and (b) serve written notice of the new rule on all Owners who do not reside on the parcel. The Corporation may establish a rule that comes into effect immediately on notice being provided by the Corporation to the foregoing persons if the rule addresses a safety concern, a security concern or an emergency (such rule to remain in effect for the duration of such safety concern, security concern or emergency). Subject to rules in respect of safety concerns, security concerns or emergencies, a rule is of no force or effect until the 30-day notice period has expired;
 - (B) employ and contract for services for repair, maintenance, replacement, cleaning and other similar services (INCLUDING painting, gardening,

lawn mowing and snow clearance) necessary to properly maintain the Managed Property;

(C) as part of and in accordance with its general power of levying assessments, assess the Owners for their respective shares in the costs of the Corporation carrying out of its duties hereunder; and

(D) generally manage, operate and control the Managed Property in accordance with such election as if and to same extent as if the Managed Property was Common Property;

(ii) shall, in addition to and without limiting its obligations generally relating to the maintenance, management, repair and control of Common Property, control, manage, maintain, repair and administer the Managed Property unless otherwise directed by Special Resolution of the Corporation, provided that such duties and obligations may, from time to time, be amended and adjusted (INCLUDING without limitation, by increasing or reducing same) by Special Resolution of the Corporation. If, pursuant to Special Resolution, it is resolved that the Corporation shall be relieved and is not, from the effective date thereof, to be responsible for the management, repair, maintenance, upkeep, replacement and control of the Managed Property, all such duties and responsibilities shall therefor be performed by the Unit Owners and these Bylaws shall be interpreted accordingly PROVIDED NEVERTHELESS THAT the Corporation shall continue to be responsible for and perform its insurance and replacement reserve fund obligations under these Bylaws and its duties to maintain, repair, replace and manage the Common Property; and

(iii) to the extent that the Board shall determine practicable, insure the Managed Property (or such part or parts thereof as the Board determines is reasonable, feasible and economic) as the Board is otherwise required by these Bylaws.

64. ~~CHANGE OF LEGISLATION~~Change of Legislation

Should the Act be amended and changed in the future, then these Bylaws shall be deemed to have been amended accordingly to adopt any and all such changes to the Act which are required to be adopted to enable the Corporation to operate at all time with the full powers of the Act and to use all remedies available to it under the Act.

65. ~~ARBITRATION AND MEDIATION~~Arbitration and Mediation

Any dispute respecting any matter arising under these Bylaws may, with the agreement of the parties to the dispute, be dealt with by means of mediation, conciliation or similar techniques to encourage settlement of the dispute or be arbitrated under the *Arbitration Act*, R.S.A. 2000, c. A-43.

66. ~~PARTY WALL AGREEMENT – BARE LAND UNITS~~Party Wall Agreement - Bare Land Units

Each Owner acknowledges that each Building constructed on each Bare Land Unit has or will have at least one common wall with a Building constructed on an adjoining Unit and that the common wall

is located as nearly as practicable upon the lot line between the two adjoining Bare Land Units. Each Owner agrees with each other Owner as follows:

- (a) the common wall constructed or to be constructed on or about the lot line between the adjoining Bare Land Units has been or will be constructed as a party wall to be used for the joint purposes of the adjoining Building so erected by the Owners and shall be used and maintained as a party wall in such manner as to ensure to each Owner in respect of his adjoining Building the enjoyment of a right to support and use, all to the intent that no portion or part of the party wall erected shall, for any purpose whatsoever, be construed or deemed to be an encroachment on any adjoining Bare Land Unit and shall continue as a party wall perpetually and, to the extent that any portion or part of the party wall shall encroach upon any Bare Land Unit, the Owner of such Unit grants and conveys to each adjoining Owner an easement for the purpose of such encroachment;
- (b) each Owner grants and conveys to each adjoining Owner an easement in support of the party wall and of any vertical or near extension thereof in respect of the width of the party wall constructed upon that Owner's Bare Land Unit, to the intent such easement shall be annexed to and run with such Unit in accordance with the provisions herein set forth;
- (c) if the party wall at any time following construction requires any repair or maintenance (either external or internal), then, to ensure any Owner the right to the convenient enjoyment of his right to support and use, the Corporation shall be at liberty to cause the party wall to be repaired or maintained, provided that notwithstanding the foregoing, in the event such repair or maintenance (either external or internal) is required or necessitated due to damage to such party wall caused by the willful or wanton act or acts of any Owner or invitee or licensee of such Owner, it is agreed by each Owner that the cost of such repairs and maintenance shall be solely borne by the Owner or any invitee or licensee of such Owner whose willful or wanton act or acts required or necessitated the repair or maintenance;
- (d) each Owner shall afford the Corporation and its agents or workmen all such reasonable access as may be necessary to enable the party wall to be speedily and effectively built and/or maintained (provided that in connection with such access reasonable notice shall be given) and as little damage as possible will be occasioned to the property of the Owners and that in the event of any damage being occasioned to the property of the Owner, such damage will be repaired to the satisfaction of the Owner at no cost to the Owner.

67. ~~EASEMENT RIGHTS~~ Easement Rights

Subject to the Act, easement rights shall be governed as follows:

- (a) There is hereby created in respect of each Unit shown in the Condominium Plan in favour of the Owner of that Unit, and as appurtenant thereto, easements for the provision of water (INCLUDING irrigation water), sewerage and sanitary disposal, drainage, gas, electricity, garbage, artificially heated or cooled air and other services including telephone, radio and television through or by means of any pipes, wires, cables or ducts for the time

being existing in the Parcel to the extent to which those pipes, wires, cables or ducts are capable of being used in connection with the enjoyment of the Unit.

- (b) There is created, in respect of each Unit shown in the Condominium Plan as against the Owner of that Unit, easements to which the Unit is subject for the passage or provisions of water (INCLUDING irrigation water), sewerage and sanitary disposal, drainage, gas, electricity, garbage, artificially heated or cooled air and other services including telephone, radio and television services through or by means of any pipes, wires, cables or ducts appurtenant to the Common Property and also to every other Unit capable of enjoying those easements.
- (c) The local authority and owner of any utility service who is providing services to the Parcel or to any Unit on it and the Corporation, is entitled to benefit of these easements that are appropriate to the proper provision of service provided but not to the exclusion of any other utility service.
- (d) All ancillary rights and obligations which are reasonably necessary to make this easement effective, apply in respect of the easements created herein, including the right of an Owner of a dominant tenement to enter a servient tenement to install, maintain, replace, renew or restore anything from which the dominant tenement is entitled to benefit.
- (e) Any Unit Owner, the Corporation or the local authority shall, in carrying out any operations pursuant to sub clause (d) hereof, do so in a good and workmanlike manner and will cause or do as little damage and inconvenience to the Owner or Occupant of a Unit as is reasonably possible and any excavations or workings made or done in connection therewith shall, so far as is reasonably practicable, be restored to its former condition.
- (f) This easement does not affect the ownership or the maintenance obligations of any utility services located within the Parcel. In other words, all utilities are to be treated as if the Parcel was a conventional condominium development.
- (g) The benefit and the burden of this easement shall run with the Land. “**Land**” means the Parcel comprised in the Condominium Plan including all Units and the Common Property.
- (h) As each of the Units is both a dominant and servient tenement, this Private Utility Easement shall be construed so that each Unit Owner shall have granted this easement in respect of each Unit to the benefit of each Unit Owner in respect of the Parcel save for that Unit.
- (i) This easement cannot be changed without the express written consent of any utility owner, including, but not limited to, the Municipality, any communication company and any gas company.

68. ~~AGE RESTRICTIONS~~ Age Restrictions

Regarding the age of an Occupant:

- (a) A Unit shall be occupied only by a Senior unless:

- (i) that person lives with his or her spouse who is a Senior;
 - (ii) that person has been predeceased by a spouse who was a Senior; or
 - (iii) Notwithstanding the a foregoing restriction, the Board may permit a person to occupy a Unit for a specified period not exceeding twelve (12) months upon compassionate grounds, and thereafter for such further periods of time as **may be approved**, each not to exceed twelve (12) months by way of application accompanied by a doctor's note. The permission granted by the Board may be revoked by an Ordinary Resolution at a General Meeting of the Corporation.
- (b) **"Occupation"** means a regular and ordinary presence in the Unit whether or not the person is frequently absent by reason of employment or ill health. A person shall be deemed to be an Occupant if his or her Occupation of the Unit exceeds sixty (60) days in any twelve (12) month period.
- (c) A person shall not be deemed an Occupant if that person is required to provide medical assistance to the regular Occupant of the residential unit.

69. **Life Leases**

As of the date of these Bylaws, there exists one or more Life Leases in respect of the Residential Units. It is the intention of the Owners and the Board that fee simple title to any Residential Unit to which a Life Lease applies shall be transferred to the respective Owner of such Life Lease and the respective Life Lease shall thereafter be terminated and of no further force or effect. Upon the termination of the final Life Lease applicable to the Residential Units, any reference to "Life Lease" or related reference in these Bylaws shall have no further force or effect, provided that so long as any Life Lease has not been terminated the Owner of such Life Lease shall remain an Owner of a Residential Unit and shall be bound by the terms of these Bylaws.

SCHEDULE "D" – STANDARD INSURABLE UNIT DESCRIPTION

Standard Insurable Unit Description

This publication is intended to provide general information only and is not a substitute for legal advice.

After January 1, 2020, condominium corporations will need to provide a standard insurable unit description (SIUD) to their insurance provider and all unit owners. The SIUD is a description of what the corporation's insurance will cover, including standard fixtures and finishings without taking into account any upgrades that have been made by the owner.

Features such as the unit owner's personal possessions, or any upgrades made to the unit above and beyond what is listed in the SIUD, are not covered by the corporation's insurance. If a condominium plan includes different classes of units (for example, apartment style units or townhouse units), then each class should have its own SIUD and the corporation must state which units fall under which class.

Creating an SIUD

If a condominium corporation's developer has provided an SIUD then the corporation must use that as their SIUD. If a corporation does not have the developer's SIUD, then it will have to create one.

A corporation may adopt an SIUD in one of three ways: either through a board resolution, an ordinary resolution, or a special resolution. If a board approves of an SIUD at a board meeting, it must present it at the next Annual General Meeting for ratification or amendment by an ordinary resolution.

Regardless of how the SIUD is approved, it must be registered with Land Titles using the form provided by Land Titles. Any time that the SIUD changes, the

insurance provider and all unit owners must be notified.

If a corporation amends an SIUD, it must file a draft that contains the most current SIUD applicable to all classes of residential units as, unlike bylaw amendments, new versions will replace the old ones in their entirety.

Information to be included in SIUD



The SIUD should contain information that describes the unit property that the corporation expects its insurer to rebuild or replace following an insurable loss. The SIUD should, at a minimum, describe the following fixtures and finishings:

- floor coverings, wall coverings and ceiling coverings
- electrical lines and fixtures, including lighting fixtures
- plumbing lines and fixtures
- natural gas lines and fixtures
- fixtures with respect to air exchange and temperature control
- walls that do not form the unit's boundaries, and any windows and doors located in those walls
- cabinets and counter tops
- non-chattel appliances

When describing these items, corporations should provide as much detail as necessary to ensure that these features are properly covered by their insurance. A lack of detail or clarity may result in difficulties later.

Corporations are encouraged to work with their insurance company as well as qualified appraisers in order to determine what should be included in their SIUD and to ensure that they are meeting industry expectations.

SIUDs for bare land condominiums

For bare land condominiums, the “units” are typically the individually-owned areas of land on the condominium plan; any dwellings on these plots of land belong to, and are usually insured by, the unit owners.

Some bare land condominiums have “managed property” such as exterior siding on the homes. Managed property is, under bylaw, repaired and replaced by the corporation but is not necessarily covered by the corporation’s insurance where it is not common property.

The list identified in the regulation of what can be included in an SIUD is not exhaustive. A condominium corporation, bare land or otherwise, can adopt or amend its SIUD, in order to add or remove features, according to the list and the procedures to make changes that are described above.

While not required by legislation, a corporation could elect to, for example, amend its SIUD to state that managed property, such as the exterior siding of bare land condominiums, is covered by the SIUD. Accordingly, bare land condominiums unsure about what to include in an SIUD are recommended to speak to their insurance providers about coverage or to legal counsel regarding their bylaws and obligations.

Timelines for completing the SIUD

The requirements for an SIUD will come into effect on January 1, 2020.

Not all corporations will need to develop an SIUD, as some, particularly newer ones, may have sufficient information about the base unit that would take precedence – these corporations will still need to register an SIUD with Land Titles. It is anticipated that if the SIUD is not registered prior to the renewal of the policy, corporations may have difficulties working with their insurers to find the most appropriate insurance coverage for their property.

**SCHEDULE "E" - RESERVE FUND STUDY DATED NOVEMBER 19, 2020 COMMISSIONED BY
MORRISON HERSHFIELD**



MORRISON HERSHFIELD

Reserve Fund Study - FINAL

Shepherds Village Condominium Corporation 092 5762

54 Avenue and 45 Street Valleyview, Alberta



Presented to:

Shepherds Village Ministries Ltd.

c/o Dentons Canada LLP
Afshan Naveed
15th Floor Bankers Court
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APPENDIX D: Cash Flow Plan 1

Table 2.1 – Cash Flow Plan 1 (30 Year Term)

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Graph 1.1 - Summary of Cash Flow Plan 1

1. INTRODUCTION

Morrison Hershfield is pleased to present you with your 2020 Reserve Fund Study report and to assist you in your task of maintaining the fiscal and physical health of your Corporation. This study has been prepared in accordance with our proposal dated August 19, 2020 and your authorization form dated August 20, 2020. This document was prepared in general compliance with the requirements of the *Condominium Property Act* and its Regulations (as of January 1, 2020).

This report is subject to the limitations identified in Appendix B.

Property Description

The property is landscaped and has roadways accessing each garage and additional parking areas. The roadways have been reported to be municipally owned. There are 11, one-storey multiplex buildings and an eight-plex totaling 43 residential units, a maintenance shop and a gazebo, common space areas within the eight-plex (corridor, sunroom, two washrooms, office and basement room) and two common space buildings. The buildings are wood-framed with IFC (insulated concrete form) foundation with vinyl siding, brick veneer, vinyl windows and asphalt shingle roofs. It was reported in the previous RFS that the building ages vary from 2000 to 2009 with the breakdown as follows:

- 2000 – two duplexes and one triplex
- 2001 – eight-plex, the maintenance shop, and the gazebo
- 2002 – one triplex
- 2004 – two triplexes
- 2006 – two fourplexes
- 2007 – one fourplex
- 2008 – one triplex
- 2009 – one fourplex

Additional property details and any assumptions regarding the corporation's responsibilities for capital repairs and replacements is included in Appendix A (Condominium Data Sheet).

PROJECT TEAM AND QUALIFICATIONS

As per Section 23 (3) of the Condominium Property Regulation, the report must provide:

- i) The qualifications of the person to carry out the reserve fund study; and
 - ii) A signed statement that the person is a reserve fund study provider and no grounds of disqualification under sections 21.1 or 21.2 of the Regulation apply.
- a. Morrison Hershfield Limited (MH) prepared this report. MH is a prominent, privately held, multi-disciplinary engineering and management firm. Our mandate is to provide services and solutions that will assist our clients in achieving their objectives in a cost effective, efficient, professional, and friendly manner. The firm was established in 1946 and has a broad range of engineering, architectural and specialist skills that are used to serve clients in the public and private sectors. MH has been in Alberta for over 30 years. Our Building Specialty Services division specializes in investigating the condition of existing buildings, providing solutions, and helping clients implement the solutions. Areas of expertise include cladding systems (roofs, walls, windows, and doors), parkade slabs, post tensioned slabs, paving, landscape issues, mechanical systems, and electrical systems.

This Reserve Fund Study report has been prepared and/or reviewed by various personnel. The following are the personnel, their qualifications, and the respective disciplines for which each was responsible:

- Hafsa Salman, Dip. Architectural Technology, of MH conducted the on-site evaluation and reporting of architectural and structural components.
 - Johnathon Bain, P.Eng., of MH provided building enclosure senior review of the study.
 - Derek Zilke, Dip. Architectural Technology, of MH is the Project Manager.
- b. The required signed statement is included in the Closure section of this report.

2. PHYSICAL ASSESSMENT

This study is based on a review of relevant documents provided by the Condominium Corporation and a visual review of the items for which the Corporation is responsible for repairs and replacements as described in the Condominium Data Sheet (Appendix A). The following documents were reviewed:

- Condominium Plan No. 092 5762 (one sheet), dated May 28, 2009
- Condominium bylaws dated January 25, 2016
- Financial information as provided by KPMG

The visual reviews were completed on September 7, 2020 by Hafsa Salman of Morrison Hershfield. We were accompanied by Carmen Wood, Site Manager and three future board members.

We accessed the following areas:

- Units 2, 3, 4 and 5 in the eight-plex and townhouse unit 103
- Roof attic spaces in units 2, 3, 4 and 103 and sloped roofs reviewed from grade
- Common property areas
- Service rooms
- The site

Current condition and recommendations by component are included in the **Condition Assessment** section of this report, as well as in the attached tables (**Table 1 – Expenditures Table** in Appendix C and **Table 2 – Cash Flow Plan** in Appendix D).

Prior to reading the remaining sections of this report, please see **Appendix B – Reserve Fund Study Information** for information related to: study objectives; report limitations and assumptions; report format and definitions of terms used; explanation of financial terms, assumptions and calculations; Condominium Property Act requirements as related to reserve fund studies; and glossary of building terms.

The component inventory excludes capital expenses less than \$2,000. We assume these smaller items will be addressed in the operating budget. Following accounting standards, we identify a fiscal year by the year in which it ends. For example, the 2017/2018 fiscal year is referred to throughout as 2018. To maintain consistency in calculations, a component's year of acquisition is also shown as the fiscal year rather than the calendar year.

In summary, we recommend planning for the following renewal projects and/or studies over the next six years. Recommended studies / evaluations are highlighted.

Item No.	Recommendations	Fiscal Year of Expenditure	Expenditure Budget (in current fiscal year dollars)
4.1.2.1	Structural/drainage assessment	2021	\$60,000
4.2.3.1a	Replace asphalt shingle roofs built in 2000-2004	2021	\$273,000
4.7.2.1b	Repaint wood decks	2021	\$5,000
4.4.4	Replace furnace	2022	\$5,000
4.7.1.1	Replace asphalt parking lot	2022	\$8,000
4.7.6.1	Repair gazebo	2022	\$10,000
4.2.1.1b	Repair vinyl siding	2023	\$5,000
4.2.1.2	Repoint and repair brick cladding	2025	\$3,000
4.3.1.1a	Replace basement finishes including stair flooring	2025	\$8,000
4.7.1.2b	Replace asphalt driveways	2025	\$17,000
4.7.4.1	Repair retaining wall	2025	\$5,000
4.8.1.1	Complete reserve fund study	2025	\$7,000
4.2.3.1b	Replace asphalt shingle roofs built in 2006-2009	2026	\$245,000
4.4.6.2	Replace sump pump	2026	\$2,000
4.7.6.2	Replace site furniture	2026	\$2,000

It is important to note that any significant project should be preceded with a detailed review of that specific component. For example, a roof review will determine the actual condition of the roof and further refine scope and replacement cost estimates, as well as remaining life. Once this is done, the timing and budget of the replacement project can be adjusted to reflect the analysis findings.

Similarly, regular building envelope assessments will assist in prioritizing renewals as the life expectancies of those components approach. Windows, for example, may be deferred well beyond their useful service life if it is known that they are not contributing to any damage to the wall assembly and owners are satisfied with their appearance and thermal performance.

Further, we note that while a number of large projects in the future may be shown to occur within a single year (due to the nature of assigning many of the service lives in general five-year increments), in reality major projects may be completed in separate years. As the reserve fund study is updated over time, and the timing of these projects become closer, adjustments can be made as necessary.

3. FINANCIAL ANALYSIS

Our findings indicate that your current level of annual reserve fund contributions (\$30,000) in fiscal year (FY) 2020, increased yearly by inflation, will result in a negative balance within the next 30 years and therefore not comply with the Condominium Act. An increase in contributions is required to help ensure a positive reserve fund balance over the next 30 years and to help ensure that you have sufficient funds to finance the anticipated capital repairs and replacements over the report term.

One reserve fund cash flow plan is presented below. It is the Corporation's responsibility to review the plan, and to create a funding plan that is best suited to the Corporation.

CASH FLOW PLAN 1 (see appendix D for tables)

This plan applies a one-time increase in contribution level (from \$30,000 to \$49,696, an increase of 65.7%) to account for anticipated capital expenditures over the next 30 years. After the initial increase, the contribution amount is then increased annually by inflation only (3%) for the first 10 years, thereafter the annual increase is adjusted to 1%.

It should be noted that due to the recommended assessments (structural and drainage) in the near term, it is likely that a special assessment will be required to complete the recommended repairs. The special assessment has not been included in the cash flow plan as the cost of repair is dependant on the findings of the assessments.

A recommended minimum balance (\$16,261 in FY 2027) is maintained over the report term (see the Appendix B for discussion about the recommended minimum balance).

Funding Plan

It is our opinion that the plan meets the needs of the Condominium Act and helps to ensure that the Corporation is planning for the large reserve fund expenditures that are anticipated beyond the minimum-mandated reporting term.

As per the Condominium Property Act, it is the Corporation's responsibility to establish a funding plan based on this study.

As part of your consideration of the funding plan, we recommend that you review the minimum balance amounts, and the approach that we applied in setting these amounts. See Appendix B for an explanation of the "minimum balance". Any concerns that you have should be addressed in your funding plan of choice.

We also recommend that you review this reserve fund study with your accountants as another step to confirm it meets the needs of your Corporation and is in keeping with their accepted principles.

4. CONDITION ASSESSMENT

4.1 Structure

4.1.1 Substructure

4.1.1.1 Foundations

Description/History/Condition

Based on our site observations, the foundation walls appear to be IFC supported on strip footing below.

The foundation walls are generally at the same level as grade. Areas where the foundation walls are higher than the grade (typically only four inches) have exposed waterproofing membrane.

Water penetration at the beam pockets within the foundation walls was observed throughout the units (townhouses and the eight-plex units). It was also reported by the site manager that water is entering the mechanical room through an electrical conduit coming from a transformer at the south east side of the eight-plex and travelling to the floor drain in the mechanical room or towards the sump pump near the south most wall.

Year of Installation	Varies
Typical Life Cycle of Component	100
Component Condition	Fair



Photo 4.1.1.1-1 Water penetration at electrical conduit



Photo 4.1.1.1-2 Typical beam pocket condition



Photo 4.1.1.1-3 Typical exposed waterproofing on IFC foundation



Photo 4.1.1.1-4 Typical level of grade to foundation wall

Recommendations

Generally, the foundations are expected to last the life of the buildings. Further assessments are required to determine the cause and repair strategy of the water penetration. This is further discussed in the Superstructure section.

4.1.1.2 Slab on Grade

Description/History/Condition

At the lowest level in each building, in the garages and the maintenance shop, the floor consists of a concrete slab-on-grade. At units accessed, we noted isolated cracking likely due to settlement; however, no heaving of the slabs was observed.

It was reported by the site manager that there is snow and ice buildup on the floor of the maintenance shop through the winter and during the spring thaw. MH observed a gap between the foundation wall and the floor, varying in size, at the east wall of the complex.

Year of Installation	Varies
Typical Life Cycle of Component	100
Component Condition	Good



Photo 4.1.1.2-1 Typical crack on slab-on-grade



Photo 4.1.1.2-2 Gap between foundation wall and slab-on-grade

Recommendations

The slab-on-grade is expected to last the life of the building. Filling the gap between the slab-on-grade and the foundation walls with a flexible type material is recommended. This repair is expected to be at a cost below the report threshold and is therefore not included in the reserve fund.

Assessments are required to determine the cause and repair strategy of the water penetration. This is further discussed in the Superstructure section.

No funds have been allocated to the reserve fund for this element.

4.1.2 Superstructure

4.1.2.1 Wood Structure

Description/History/Condition

The above grade portion of the buildings are assumed to be of wood frame construction with the majority of the superstructure being concealed by cladding or interior finishes.

It was reported by the site manager that the top of the wall between the bedrooms in units 3 and 5 has shifted down and now there is a gap between the wall and the ceiling. MH observed from the exterior of the units the soffit appears to be angled in towards the building. MH also observed that the gypsum wall board is cracking in many units typically at the tops of door frames and at ceiling joints.

Year of Installation	Varies
Typical Life Cycle of Component	100
Component Condition	Fair



Photo 4.1.2.1-1 Ceiling gap between unit 3 and 5



Photo 4.1.2.1-2 Shifted soffit



Photo 4.1.2.1-3 Crack in gypsum at door head

Recommendations

Generally, the interior protected structural components are expected to last the life of the building. However, based on the observed water penetration at the foundations, cracks in the slab-on-grade, the shifting of the wall at units 3 and 5 and the cracks in the gypsum walls boards, further investigation is recommended. Therefore, funds have been allocated to complete a structural/drainage assessment for the complex.

4.2 Building Envelope

4.2.1 Exterior Walls

4.2.1.1 Vinyl Siding

Description/History/Condition

The exterior walls of each building are clad with vinyl siding.

Generally, the vinyl siding is in fair condition as the bottom of the vinyl siding is damaged likely due to impact damage.

Year of Installation	Varies
Typical Life Cycle of Component	35
Component Condition	Fair



Photo 4.2.1.1-1 Typical vinyl siding



Photo 4.2.1.1-2 Typical damaged vinyl siding

Recommendations

Funds have been allocated to repair the vinyl siding over time (to address local issues such as impact damage).

Funds have also been allocated for replacement of the vinyl siding at the end of its service life. To have a better understanding of replacement timing and expected budget, a detailed condition assessment of the vinyl siding (exterior walls in general) is recommended as it approaches the end of its lifecycle. Funds for evaluations such as this are included in the Miscellaneous Professional Reviews section.

4.2.1.2 Brick Veneer

Description/History/Condition

There is brick veneer at garage facades and at canopy columns. The brick veneer is supported on concrete piles below grade or on the slab-on-grade, per site observations.

Generally, the brick veneer is in good condition, and no issues were reported or observed.

Year of Installation	Varies
Typical Life Cycle of Component	35
Component Condition	Good



Photo 4.2.1.2-1 Typical stone column

Recommendations

Generally, brick cladding is expected to last the life of the building with minor repairs and general maintenance only. Funds have been allocated to repoint and repair the brick veneer periodically.

4.2.2 Windows and Doors

4.2.2.1 Vinyl Windows

Description/History/Condition

There are common property vinyl framed windows in the sunroom, gazebo, and the office. The windows are fixed and operable slider windows with double-glazed units and insect screens. Weather stripping is installed to prevent water and air penetration when the windows are closed.

No issues were reported or observed. Per the bylaws, the windows at individual units are unit owner responsibility. We recommend that windows be included in the reserve fund study as they are integral to the building envelope and their failure can affect the framing (and structure) within the walls.

Year of Installation	2001
Typical Life Cycle of Component	25
Component Condition	Good



Photo 4.2.2.1-1 Typical vinyl windows at the octuplex common areas

Recommendations

Funds have been allocated to replace the windows at the end of their service lives.

Complete repairs and replacements related to weather stripping on an as-needed basis as part of regular maintenance.

4.2.2.2 Entrance Doors and Rear Doors

Description/History/Condition

There are insulated metal doors in wood frames with sidelite windows and insert windows at the main entrance and rear deck of the sunroom. There are also two insulated metal doors in metal frames, one at the west side of the eight-plex and one at the west side of the maintenance shop.

The doors are equipped with lock sets and door closers. Weather stripping is installed to prevent water and air penetration when the doors are closed.

No issues were reported or observed. Per the bylaws, exterior doors part of individual units are unit owner responsibility. We recommend that exterior doors be included in the reserve fund study as they are integral to the building envelope and their failure can affect the framing (and structure) within the walls.

Year of Installation	2001
Typical Life Cycle of Component	25
Component Condition	Good



Photo 4.2.2.2-1 Main entrance door



Photo 4.2.2.2-2 Rear deck sunroom doors



Photo 4.2.2.2-3 Metal exit door

Recommendations

Funds have been allocated to replace the doors at the end of their service lives.

Complete repairs and replacements related to weather stripping are assumed to be completed on an as-needed basis as part of regular maintenance.

4.2.2.3 Overhead Garage Doors

Description/History/Condition

There are three overhead sectional doors at the maintenance shop. Weather stripping is installed at the jambs and bottom of the door to prevent water and air penetration when the doors are closed.

Water penetration from the bottom of the doors was reported by the site manager to occur during the winter and the spring thaw; as discussed in the slab-on-grade section.

Year of Installation	2001
Typical Life Cycle of Component	25
Component Condition	Fair



Photo 4.2.2.3-1 Typical garage door

Recommendations

Funds have been allocated to replace the insulated metal overhead doors at end of their service lives. See the recommendation for a structural/drainage assessment in the Superstructure section for the water penetration issue.

Complete repairs and replacements related to weather stripping are assumed to be completed on an as-needed basis as part of regular maintenance.

4.2.3 Roofs

4.2.3.1 Asphalt Shingle Roofs

Description/History/Condition

There is a steep-sloped roof at each building that is finished with 3-tab asphalt shingles. Attic areas are insulated and vented to the exterior with a perforated aluminum soffit.

MH observed that the shingles are generally cupping and degranulating and in fair to poor condition. Generally, the shingles have either passed their service life or are nearing the end of their service lives.

There was no evidence of water ingress within the attic spaces reviewed. However, water staining was observed at unit 3 over the fireplace. Also, an unsealed vent stack was observed within the attic space at unit 4. An unsealed vent stack allows water to penetrate the attic space through the gap between the vent and the roofing. This may be the cause of the water staining at unit 3.

Year of Installation	Varies
Typical Life Cycle of Component	25
Component Condition	Poor - Fair



Photo 4.2.3.1-1 Typical 2000 / 2004 roof valleys



Photo 4.2.3.1-2 Typical 2006 / 2009 roof



Photo 4.2.3.1-3 Unsealed vent stack

Recommendations

Funds have been allocated to replace the shingles at end of their service lives, including all associated work such as local sheathing replacement, flashing replacement, and joint sealing.

Complete a review of all vent stacks and seal any unsealed penetrations as a maintenance item.

4.2.3.2 Eavestroughs and Downspouts

Description/History/Condition

Roof stormwater drainage is managed by prefinished aluminum eavestroughs and downspouts that discharge at grade level.

MH observed some eavestroughs have evidence of impact damage and some downspout extensions are missing or damaged. It was also reported by the site manager that the north side of the eight-plex eavestroughs are leaking.

Year of Installation	Varies
Typical Life Cycle of Component	25
Component Condition	Poor – Fair



Photo 4.2.3.2-1 Typical eavestroughs and downspout

Recommendations

Funds have been allocated to replace the eavestroughs and downspouts timed to occur with the roof replacements.

4.2.3.3 Fascia

Description/History/Condition

The fascia cladding is prefinished aluminum trim.

No issues were reported or observed.

Year of Installation	Varies
Typical Life Cycle of Component	50
Component Condition	Good



Photo 4.2.3.3-1 Typical fascia cladding

Recommendations

Funds have been allocated to replace the fascia cladding at end of their service lives, timed to occur with every second shingle replacement.

4.2.3.4 Soffits

Description/History/Condition

There are prefinished perforated aluminum panel soffits on the underside of roof overhangs. The perforations are intended to provide ventilation to the attic spaces.

No issues were reported or observed.

Year of Installation	Varies
Typical Life Cycle of Component	50
Component Condition	Good



Photo 4.2.3.4-1 Typical soffit

Recommendations

Funds have been allocated to replace the soffit cladding end of their service lives, timed to occur with the vinyl cladding replacement.

4.3 Interior Finishes

4.3.1 Interior Finishes and Furnishings

4.3.1.1 Eight-plex Common Areas

Description/History/Condition

The eight-plex common areas consist of two washrooms, sunroom, office, basement room and a corridor.

The floor finishes include carpet, tile, linoleum and, laminate hardwood with painted wood baseboards. The ceilings are finished with painted gypsum board and ceiling tile. The walls are generally painted, or wall papered.

There is a small kitchenette with wood cabinets and a dishwasher and various sofas, chairs, and tables in the sunroom area.

Generally, the carpet is showing signs of wear at select areas and the basement area has some gypsum board and flooring removed due to water damage.

Finishes

Year of Installation	2001
Typical Life Cycle of Component	25
Component Condition	Fair

Decor

Year of Installation	2001
Typical Life Cycle of Component	30
Component Condition	Fair



Photo 4.3.1.1-1 Sunroom finishes and furniture



Photo 4.3.1.1-2 Sunroom kitchenette



Photo 4.3.1.1-3 Main floor washroom



Photo 4.3.1.1-4 Basement amenity space

Recommendations

Funds have been allocated to replace the basement finishes that have been removed, and at the end of their service life thereafter.

Funds have also been allocated to refinish the common area spaces and to replace the furniture end of their service lives.

4.3.2 Interior Doors

4.3.2.1 Suite Doors

Description/History/Condition

The interior eight-plex doors are painted wood doors in wood frames.

Door hardware consists of doorknobs and deadbolts. No issues were reported or observed.

Year of Installation	2001
Typical Life Cycle of Component	100
Component Condition	Good

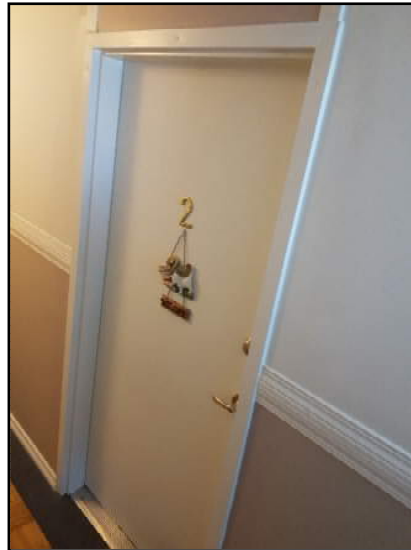


Photo 4.3.2.1-1 Typical interior door

Recommendations

The interior doors are expected to last for the life of the building. We expect that any individual door repairs or replacements will be carried out as needed as part of maintenance.

Refinishing of the doors is included in the eight-plex Common Areas fund.

4.4 Mechanical Systems

4.4.1 Water Supply

Description/History/Condition

Water for domestic service is provided from a water main to the buildings by underground piping.

No drawings were available to confirm the buried water piping layout; however, it is typical for a main distribution line (supplied from a municipality water main) to be located below the roads and for branch lines to connect from this main line to each building. The branch lines typically enter each building at the basement of one unit (where the line will split to serve each unit, and where the water meters will be located). Buried water supply lines located within property boundaries are typically owned by the landowner (Condominium Corporation).

Year of Installation	Varies
Typical Life Cycle of Component	100
Component Condition	Assumed Good

Recommendations

The buried lines are generally expected to last the life of the building. However, if a repair or replacement is required the cost is typically very high given the need for excavation and for replacement of overburden and site finishes. Therefore, a minimum balance has been carried in the reserve fund to allow for unforeseen repairs, such as repairs to buried service lines.

4.4.2 Gas Supply System

Description/History/Condition

Natural gas is supplied to the buildings by buried lines through the exterior walls. There are meters and regulators at the exterior of each unit.

No issues were reported.

Year of Installation	Unknown
Typical Life Cycle of Component	N/A
Component Condition	N/A

Recommendations

No funds have been allocated to the reserve fund for this element as the buried lines, meters and regulators are assumed to be owned by the utility supplier.

4.4.3 Natural Gas Fireplace

Description/History/Condition

There is a double-sided natural gas fireplace in the sunroom.

It was reported by the site manager that the fireplace does not turn on as the pilot light is out.

Year of Installation	2001
Typical Life Cycle of Component	20
Component Condition	Poor



Photo 4.3.2.1-1 Fireplace

Recommendations

Funds have been allocated to replace the fireplace at the end of its service life.

The fireplace and flue should be periodically cleaned and inspected periodically. We assume this will be completed as part of regular maintenance.

4.4.4 Furnace

Description/History/Condition

Heating and ventilation in the eight-plex common areas is provided by a forced air furnace, located in the basement. The details are as follows; "American Standard Inc", model AUD120C954J0 serial P4142F61G natural gas-fired heating (120,000 Btuh input heating capacity).

No issues were reported or observed.

Year of Installation	Installed in 2001 Manufactured in 1999
Typical Life Cycle of Component	20
Component Condition	Fair



Photo 4.3.2.1-1 Furnace

Recommendations

Funds have been allocated to replace the furnace at the end of its service life.

4.4.5 Hot Water Heater

Description/History/Condition

Hot water is supplied to the common area by a hot water heater located in an adjacent unit. We assume this hot water heater is part of common property as it provides common areas with hot water. No issues were reported.

Year of Installation	2001
Typical Life Cycle of Component	20
Component Condition	Assumed good

Recommendations

Funds have been allocated to replace the hot water heater at the end of its service life.

4.4.6 Drainage Systems

4.4.6.1 Stormwater Drainage

Description/History/Condition

Stormwater from roofs and paved areas is generally discharged to the landscaped areas which are generally managed by a swale that typically run to the north side of the site, per site observations. Water is then drained from site via overland drainage to ultimately evaporate or be absorbed into the ground.

The grading and paving have settled throughout the complex, the grading is generally level with the top of the foundation walls and is sloped towards the building. There is one area at the rear of units 201-213 where the grade is sloped away from the buildings.

It has been reported by the site manager that there is severe water ponding at the front of the eight-plex during rain/snow fall and during the spring thaw. The water in this area travels north, then into the basement of the eight-plex (through beam pocket openings as previously discussed) or it travels north-west on Shepherds Way.

Year of Installation	N/A
Typical Life Cycle of Component	100
Component Condition	Poor

Recommendations

Further investigation is recommended for the site storm drainage issues as part of the structural/drainage assessment in the Substructure section. Funds have not been allocated for this component as budgets are contingent on the findings of the assessment.

4.4.6.2 Stormwater Sump Pump

Description/History/Condition

There is one sump pump in the basement of the eight-plex that pumps water out to the north side of the eight-plex toward the lake. There are also sump pumps within units, however these are assumed to be unit-owner responsibility.

No service issues were reported.

Year of Installation	2001
Typical Life Cycle of Component	25
Component Condition	Good

Recommendations

Funds have been allocated to replace the pump at the end of its service life.

4.5 Electrical Systems

4.5.1 Main Electrical Distribution

Description/History/Condition

Electrical power is provided to the buildings from pad-mounted transformers (located throughout the site). Buried electrical conductors provide power to the buildings. Electrical meters are typically located at the exterior wall of each block (one per unit), there are unit meters in the mechanical room of the eight-plex for units and common areas within that building.

No electrical distribution issues were known to the board member interviewed.

Year of Installation	Unknown
Typical Life Cycle of Component	N/A
Component Condition	N/A

Recommendations

No funds have been allocated to the reserve fund for this element as the transformer boxes, buried lines, and townhouse meters are assumed to be owned by the utility supplier.

4.5.2 Main Distribution (Eight-plex)

Description/History/Condition

There is a main distribution has a main fused disconnect switch, a branch circuit panel and main meter centers in the mechanical room of the eight-plex. No service issues were reported.

Year of Installation	2001
Typical Life Cycle of Component	45
Component Condition	Assumed good

Recommendations

Funds have been allocated to replace the main power distribution system at the end of its service life.

4.5.3 Electrical Meters (Eight-plex)

Description/History/Condition

There are meter centre stacks in the mechanical room for each unit within the eight-plex and the common areas. No service issues were reported.

Year of Installation	2001
Typical Life Cycle of Component	45
Component Condition	Assumed good



Photo 4.4.6.2-1 Typical meters

Recommendations

Funds have been allocated to replace the meter centers at the end of its service life.

4.5.4 Electrical Panelboard (Eight-plex)

Description/History/Condition

There is a panelboard manufactured by Federal Pioneer. The panel is used for the common areas within the eight-plex.

No service issues were reported.

Year of Installation	2001
Typical Life Cycle of Component	45
Component Condition	Good

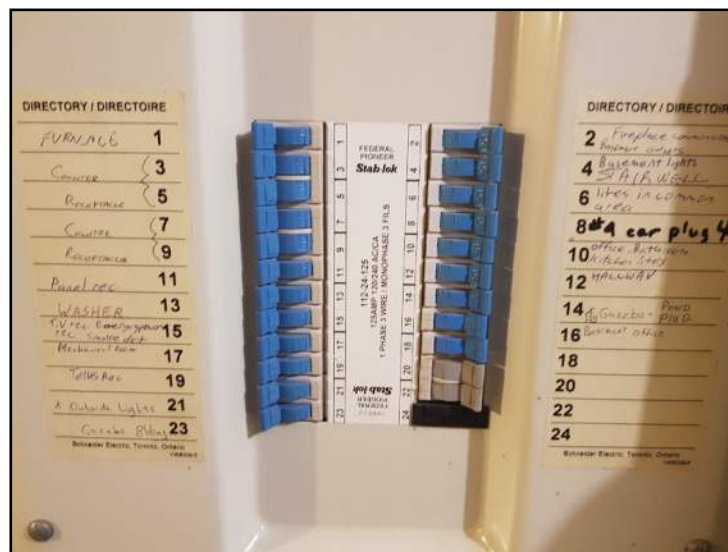


Photo 4.4.6.2-1 Panelboard

Recommendations

Funds have been allocated to replace the distribution and branch circuit panels at the end of their service lives.

4.5.5 Lighting

4.5.5.1 Interior Light Fixtures (Eight-plex)

Description/History/Condition

Interior light fixtures within the eight-plex common areas are generally a mix of wall sconces, pot lights and strip fluorescent fixtures.

No issues were observed or reported.

Year of Installation	2001
Typical Life Cycle of Component	20
Component Condition	Good



Photo 4.5.5.1-1 Typical strip fluorescent fixtures



Photo 4.5.5.1-2 Typical wall sconce

Recommendations

Funds have been allocated to replace the light fixtures with LED fixtures (current industry standard) at the end of their service lives.

We assume bulbs will be replaced individually when needed as part of regular maintenance.

4.5.5.2 Exterior Light Fixtures

Description/History/Condition

There are exterior wall-mounted sconces at the majority of each exterior door (at each unit entrance door, rear door, garage door and common space exits/entrances). There are also exterior pot lights at the underside of the overhang at the rear deck of the sunroom.

Year of Installation	Varies
Typical Life Cycle of Component	30
Component Condition	Good

Recommendations

Funds have been allocated as an allowance to replace the exterior light fixtures as needed.

We assume bulbs will be replaced individually when needed as part of regular maintenance.

4.5.5.3 Exterior Light Posts

Description/History/Condition

The exterior light posts are painted steel controlled by photocells.

No issues were observed.

Year of Installation	2000
Typical Life Cycle of Component	60
Component Condition	Good



Photo 4.5.5.3-1 Typical light post

Recommendations

Funds have been allocated to replace the light poles at the end of their service lives.

4.6 Fire and Life Safety Systems

4.6.1 Suppression Systems

4.6.1.1 Fire Hydrants

Description/History/Condition

There are two fire hydrants throughout the property.

While an annual hydrant inspection report was not provided, no service issues were reported.

Year of Installation	2000
Typical Life Cycle of Component	40
Component Condition	Assumed good



Photo 4.6.1.1-1 Typical fire hydrant

Recommendations

Funds have been allocated to replace the hydrants at the end of their service lives. Failure to replace the hydrants would be a fire safety hazard, and a violation of the Fire Code.

Complete annual inspections as part of regular maintenance.

4.6.2 Detection Equipment

Description/History/Condition

The eight-plex is equipped with smoke alarms in the corridor, sunroom and basement.

The annual fire alarm inspection report was not provided, and no service issues were reported.

Year of Installation	2001
Typical Life Cycle of Component	25
Component Condition	Assumed good

Recommendations

Replace individual devices on an as-needed basis as part of regular maintenance.

Complete annual inspections as required by the Fire Code as part of regular maintenance.

4.6.3 Emergency Lighting

Description/History/Condition

Emergency lights are located throughout the eight-plex to help with egress in emergency situations. They consist of remote head fixtures powered by battery packs.

No service issues were reported.

Year of Installation	2001
Typical Life Cycle of Component	25
Component Condition	Assumed good

Recommendations

Replace emergency lights and battery packs individually on an as-needed basis as part of regular maintenance.

Complete annual inspections as required by the Fire Code as part of regular maintenance.

4.6.4 Exit Signs

Description/History/Condition

There are illuminated exit signs at exit doors at the eight-plex.

No service issues were reported or observed.

Year of Installation	2001
Typical Life Cycle of Component	25
Component Condition	Good

Recommendations

Replace exit signs individually on an as-needed basis as part of regular maintenance.

4.7 Site Improvements

4.7.1 Paving

4.7.1.1 Asphalt Parking Lot

Description/History/Condition

Access to the buildings is via Shepherds Way, Meadow Lane and Still Water Close. There is an asphalt paved parking lot at the south side of the eight-plex.

MH observed dense cracking throughout, heaving/settlement, isolated potholes and a sink hole at the electrical transformer. It was reported that water and ice accumulate throughout the parking area as there is no defined drainage path as previously discusses in the Stormwater Drainage section.

Year of Installation	2001
Typical Life Cycle of Component	30
Component Condition	Poor



Photo 4.7.1.1-1 Typical paving condition

Recommendations

Given the condition of the asphalt surface, we suspect poor compaction and/or washout of the materials supporting the asphalt pavement. Therefore, funds have been allocated to replace the asphalt, the base/sub-base materials and creating a new drainage path. We recommend that prior to this renewal, the assessment recommended in the Superstructure section is completed to assist in accurately designing a drainage path.

Replace individual precast concrete wheel stops as needed as part of regular maintenance.

4.7.1.2 Asphalt Driveways

Description/History/Condition

There is an asphalt-paved driveway at each unit. Some driveways are individual, and some are shared.

MH observed all the driveways have settled below the garage slab-on-grade; however, the paving is generally in fair condition as there are some isolated cracks.

Year of Installation	Varies
Typical Life Cycle of Component	30
Component Condition	Fair



Photo 4.7.1.2-1 Typical driveway

Recommendations

A repair allowance has been allocated to the reserve fund to all for repairs to the driveways as needed. Funds have also been allocated as an allowance to replace the asphalt paved at the driveways as needed over time.

4.7.1.3 Asphalt Walkway

Description/History/Condition

There are on-grade asphalt walkways located around the lake and leading to Shepherds Way.

MH observed isolated cracks in the walkways but with no obvious evidence of differential settlement.

Year of Installation	2000
Typical Life Cycle of Component	30
Component Condition	Fair



Photo 4.7.1.3-1 Typical asphalt walkway

Recommendations

Funds have been allocated to replace the asphalt sidewalks at the end of their service lives.

Funds have also been included as an allowance for minor repairs to asphalt paving (e.g. isolated heaving or settlement, isolated cracks etc.). This allowance is intended to cover all asphalt site components.

4.7.2 Decks

4.7.2.1 Wood Decks

Description/History/Condition

There are three common property wood decks with ramps located at each of the common entrances to the eight-plex.

MH observed that the wood is generally weathered and deteriorating.

Year of Installation	2001
Typical Life Cycle of Component	30
Component Condition	Fair



Photo 4.7.2.1-1 Wood deck at corridor entrance



Photo 4.7.2.1-2 Wood deck at sunroom



Photo 4.7.2.1-3 Wood deck at lake

Recommendations

Funds have been allocated to replace the wood decks and associated exposed wood canopies.

Funds have also been allocated to periodically repaint the exterior decks to protect the wood substrate.

4.7.2.2 Exterior Handrails

Description/History/Condition

There are prefinished metal picket handrails at the lake deck and the main entrance deck.

No issues were observed or reported.

Year of Installation	2001
Typical Life Cycle of Component	50
Component Condition	Good



Photo 4.7.2.2-1 Typical handrails

Recommendations

Funds have been allocated to replace the handrails at the end of their service life.

4.7.3 Signage

4.7.3.1 Exterior Signs

Description/History/Condition

There are informational signs throughout the property and there is also a property identification stone sign at the south side of the property supported on a brick veneer platform.

No issues were reported or observed.

Year of Installation	Varies
Typical Life Cycle of Component	50
Component Condition	Good



Photo 4.7.3.1-1 Main Shepherds Village sign

Recommendations

Replace the informational signage individually as needed as part of regular maintenance. The stone Shepherds Village sign is expected to last the life of the building, and no funds have been allocated to the reserve fund for this element.

4.7.4 Retaining Walls

4.7.4.1 Retaining Walls

Description/History/Condition

There are stacked stone retaining walls behind units 203 to 209 and units 111 to 115. There is also a poured concrete retaining wall around the lake.

MH observed that the stacked stone retaining walls are showing indications of settlement and overturning failure.

Year of Installation	Varies
Typical Life Cycle of Component	100
Component Condition	Fair



Photo 4.7.4.1-1 Stacked stone retaining wall



Photo 4.7.4.1-2 Shifted stacked stone retaining wall

Recommendations

The stacked stone retaining walls are expected to last the life of the complex (assuming proper design and installation). It is recommended that an assessment of the shifting be completed as part of the assessment recommended in the Superstructure section.

In the interim, funds have been allocated as an allowance for local repairs as needed.

4.7.5 Landscaping

4.7.5.1 Soft Landscaping

Description/History/Condition

Soft landscaping includes sod, plantings, trees, topsoil, and planters.

MH observed settlement of the grading around the building throughout the property as discussed previously in this report.

Year of Installation	N/A
Typical Life Cycle of Component	100
Component Condition	Poor

Recommendations

It is recommended to complete the assessment discusses in the Superstructure section of this report. Funds have not been allocated for regrading as the cost will be depend on the findings of the assessments.

4.7.6 Other

4.7.6.1 Lake Gazebo

Description/History/Condition

There is a wood-framed gazebo, clad with vinyl siding, vinyl frame windows, storm door and an asphalt shingle roof.

No issues were reported.

Year of Installation	2001
Typical Life Cycle of Component	30
Component Condition	Good



Photo 4.7.6.1-1 Gazebo

Recommendations

Funds have been allocated to replace the vinyl siding, windows, and the asphalt shingles in their respective sections in the report.

Funds have been allocated to replace the storm door and complete repairs as needed to the gazebo.

4.7.6.2 Exterior Site Furniture

Description/History/Condition

There is a wood bench with metal frame. There are also exterior wicket type chairs and table inside the gazebo.

Year of Installation	Unknown
Typical Life Cycle of Component	20
Component Condition	Good



Photo 4.7.6.2-1 Wicker chairs and table

Recommendations

Funds have been allocated to replace the bench, chairs, and table at the end of their service lives.

4.8 Professional Services

4.8.1 Consulting Services

4.8.1.1 Reserve Fund Studies

Description/History/Condition

The Reserve Fund Study is a dynamic document, which will change over time as repairs/replacements are carried out on the common elements and interest/inflation rates change.

Recommendations

Complete Reserve Fund Study updates in accordance with the Condominium Property Act or earlier, as needed.

5. CLOSURE

This Reserve Fund Study presents possible funding strategies that will provide adequate funding to cover anticipated major repairs and renewals expected in the next 30 years. It has been developed based on the information provided to us by Condominium Corporation 092 5762 and our review of the site.

The undersigned confirm that Morrison Hershfield is a reserve fund study provider and no grounds for disqualification under section 21.1 or 21.2 of Alberta Regulation 168/2000 (Condominium Property Regulation) apply.

The Reserve Fund Study is a dynamic document that will change over time as repairs/renewals are carried out on the common elements and interest/inflation rates change. The repairs and renewals we have forecasted in the Capital Plan do not represent a fixed schedule for renewals; repairs or renewals may be required sooner or later than we have anticipated. Similarly, the opinions of probable cost we have presented can vary due to a number of reasons including changing market conditions, availability of newer materials and systems, and increased or decreased scope of work than we have identified. As such, regular updates to this Reserve Fund Study are necessary to re-assess the needs of your building. At a minimum, you are required to complete a Reserve Fund Study Update within five years of the date of this study.

Thank you for trusting Morrison Hershfield to complete this study. Please contact us at any time if you wish to update this study or to pursue the recommended investigations and/or capital projects. We would be pleased to provide a proposal to perform any of the additional investigations identified. We also provide full engineering design, tender, construction management and contract administration services for major repair or replacement projects required at your site and welcome the opportunity to provide Engineering services to assist you with these undertakings.

If you have any questions, please contact the undersigned.

Yours truly,

MORRISON HERSHFIELD LIMITED



Hafsa Salman, Architectural Technologist
Building Science Consultant

Johnathon Bain, P.Eng.
Building Enclosure Engineer
Seal limited to Building Envelope

APPENDIX A

CONDOMINIUM DATA SHEET

CONDOMINIUM DATA SHEET

Shepherds Village			
Address:	54 Avenue and 45 Street	Constructed:	2000 to 2009
Type / Units:	43 residential units (within on eight-plex and 11 townhome buildings)	Stories:	One
Common Spaces:	Sunroom, basement area, corridor, and gazebo	Parking:	On grade parking lot and driveways
Other Details:	Bareland condominium		
<p>Your condominium is a bareland condominium under plan 092 5762. Bareland condominiums include common property and managed property (as defined by the Condominium Property Act, condominium plan, and bylaws). In a bareland condominium, the Corporation is responsible for repairs and replacement of both the common and managed property.</p>			
<p>ASSUMPTIONS</p> <p>Based on the information provided, our interpretation of the responsibilities for repairs and replacements of the building components and systems includes (but may not be limited to) the following:</p>			
<p>Unit Owners</p> <ul style="list-style-type: none"> • All components within unit boundaries (i.e. from the back of the finishing material on this inside face of the unit inward, per the Condominium Property Act and Condominium Plan) • Exterior windows and doors (per the Condominium Bylaws) 			
<p>Condominium Corporation</p> <ul style="list-style-type: none"> • Building structures • Exterior walls all components from the backside face of the interior gypsum board outward) • Exterior windows and doors (at common areas only) • Wood decks (At common areas only) • Roofing systems • Building common areas • Components related to providing utilities to the units (i.e. water supply, storm and sanitary drainage, electrical supply, etc.) • Mechanical systems and components (that serve more than one residential unit) • Electrical systems and components (that serve more than one residential unit) • Site (outdoor paving and landscaping) 			

APPENDIX B

GENERAL RESERVE FUND STUDY INFORMATION

RESERVE FUND STUDY GENERAL INFORMATION

OBJECTIVES

The objective of this study is to provide the Board of Directors with sufficient information to enable you to:

- a) Contribute to your Capital Replacement Reserve Fund account, to be used for major repair and replacement of common and/or managed property items and assets of the Corporation.
- b) Determine the annual contributions necessary to maintain an adequate balance for the 30 year period of this study.
- c) Satisfy legislation, including the *Condominium Property Act, 2000* and associated regulations, related to Reserve Funds.

LIMITATIONS AND ASSUMPTIONS

This report is intended for the sole use of Condominium Corporation 092 5762, and must not be distributed or used by others without our knowledge (with the exception of disclosure to potential purchasers of units of Condominium Corporation 092 5762). It is based on the documents and information provided to us and the findings at the time of our on-site investigation.

It is a basic assumption that any correspondence, material, data, evaluations, and reports furnished by others are free of latent deficiencies or inaccuracies except for apparent variances discovered during the completion of this report.

Unless specifically noted in this report, no testing, verification of operation of systems, physical review of subsurface conditions or concealed systems and components, review of concealed elements, intrusive openings, opening of system components for internal inspection, detailed analysis or design calculations were conducted, nor were they within the scope of this review.

Some of the findings herein are based on a random sampling visual review of the surface conditions, discussions with The Board and/or their designated representatives, and review of relevant documents. Observations were made only of those areas that were readily accessible during our review. Deficiencies existing but not recorded in this report were not apparent given the level of study undertaken. Components not included have not been reviewed, and if their conditions need to be known, further study will be required.

It is possible that unexpected conditions may be encountered at the building/facility that have not been explored within the scope of this report. Should such an event occur, MH should be notified in order that we may determine if modifications to our conclusions are necessary.

In issuing this report, MH does not assume any of the duties or liabilities of the designers, builders or owners of the subject property. Owners, prospective purchasers, tenants or others who use or rely on the contents of this report do so with the understanding as to the limitations of the documents reviewed and the general visual inspection undertaken, and understand that MH cannot be held liable for damages they may suffer in respect to the purchase, ownership, or use of the subject property.

Professional judgment was exercised in gathering and analyzing the information obtained and in the formulation of the conclusions. Like all professional persons rendering advice, we do not act as insurers of the conclusions we reach, but we commit ourselves to care and competence in reaching those conclusions. No other warranties, either expressed or implied, are made.

REPORT FORMAT

Terms used in our report are defined below:

COLUMN	DESCRIPTION
Description / History / Condition	A brief description of the component, deficiencies observed by MH (if any), and problems or previous repairs reported by site staff or Condominium Corporation representative(s).
Year of Installation	This is assigned based on available data from drawings or reports, readily accessible nameplate information on equipment, or interviews with site staff. Where the year is not known, MH provides an estimate based on observed condition. Year reflects the fiscal year in which the component was acquired, not necessarily the calendar year.
Typical Life Cycle	Standard lifespan, assuming normal maintenance, based on our experience and manufacturer's recommendations. A piece of equipment may have a typical lifespan for complete replacement, as well as a typical lifespan for a recommended repair with a much shorter frequency. A lifecycle of 99 shows a one-time project, or study. A lifecycle of 100 indicates that the component is expected to last the life of the facility.
Component Condition	Excellent Functioning as intended, as new condition. Good Functioning as intended; limited (if any) deterioration observed. Fair Function and operation exhibiting wear or minor deterioration, normal maintenance frequency. Poor Function and operation failing; significant deterioration and distress observed; increased maintenance attention has been required. Not Reviewed –applicable to concealed systems, such as buried services, or where access was not provided to MH to review a component Not Applicable – used for Evaluations/Studies/Reports/Surveys
Recommendations	Our recommended approach for reserve fund budgeting.
Item No.	In the expenditures table, this is the item number that corresponds to the main body of the report (###).
System	System to which the component belongs.
Present Age	Based on current year and the known or estimated year of installation. Provided in years.
Adjustment to Life Expectancy	An adjustment (in number of years) to the "typical service life" based on actual current condition of the component.
Years over which Expenditure is Phased	Normally projects are completed in one year. However, larger projects may be phased over several consecutive years.

COLUMN	DESCRIPTION
Expenditure Budget	<p>This represents our opinion of probable cost, in current fiscal year dollars, including consulting services (design, tendering and construction review) and contingencies where we believe it is appropriate. The cost for these services can vary significantly depending on the size, scope and degree of complexity of the project. Applicable taxes are also included.</p> <p>Opinions of probable cost are provided only as an indication of possible cost of remedial work. The repair or replacement costs are based on published construction cost data, recent bid prices on similar work, information provided by the owner, and our professional judgment. More precise opinions of probable cost would require more detailed investigation to define the scope of work.</p> <p>The costs in this report are typically referred to as Class D estimates ($\pm 50\%$), defined by the Budget Guidelines for Consulting Engineering Services as: "A preliminary estimate which, due to little or no site information, indicates the approximate magnitude of cost of the proposed project, based on the client's broad requirements. This overall cost estimate may be derived from lump sum or unit costs for a similar project. It may be used in developing long term capital plans and for preliminary discussion of proposed capital projects."</p> <p>The opinions of probable cost we have presented can vary due to a number of reasons including changing market conditions, availability of newer materials and systems, and increased or decreased scope of work than we have identified.</p> <p>All opinions of probable cost assume that regular annual maintenance and repairs will be performed to all elements at the facility. All costs in the Condition Assessment and Capital Plan tables are identified in current fiscal year dollars.</p>
Expenditures Table	<p>This table shows MH's opinion of the probable cost to carry out the recommendations (in current fiscal year dollars) during the planning horizon. The repairs and replacements we have forecasted do not represent a fixed schedule for replacements; repairs or replacements may be required sooner or later than we have anticipated.</p>

Table 1 (Expenditures Table) and **Table 2 (Cash Flow Plan Table(s))** in Appendices C and D show MH's opinion of the probable cost to carry out the recommendations (in current fiscal year dollars) during the Reserve Fund Study planning period. The repairs and replacements we have forecasted do not represent a fixed schedule for replacements; repairs or replacements may be required sooner or later than we have anticipated.

Review of the Tables may reveal several "contingency allowances" that occur in a single year of the study period. Though these contingencies will likely not all take place in one year, and may not be required at all, it is prudent to budget for such repairs since failure of some components is unpredictable.

FINANCIAL TERMS, ASSUMPTIONS AND CALCULATIONS

Inflation

The Government of Canada and the Bank of Canada inflation-control policy is aimed at keeping inflations at agreed to target values. At present the target range is 1 to 3 per cent, with the Bank's monetary policy aimed at keeping inflation at the 2 per cent target midpoint. This policy has continued to be renewed since implementation in 1991, and currently extends to December 31, 2021. Inflation of building and site construction work and materials are a small subset of this overall average and may or may not closely reflect it, which is why we default to a recommended 3% conservative long term inflation rate.

The total annual estimated expenditures are shown in the **Expenditures Table and Cash Flow Plan** (Appendices C and D), in current fiscal year dollars. The expenditures shown in the **Cash Flow Scenario** are inflated annually by the inflation percentage shown.

Interest

We have applied an interest rate based on historical averages (i.e. 5%, such that there remains a 2% spread between interest and inflation (the "real rate of return"). While this may not be in line with current rates, it is presumed that the rate over the 30-year reporting term will vary and that the average rate may be more aligned with the historical rate than the current rate.

The interest earned on the Reserve Fund for each year is based on a **Mid-Year Interest Calculation** in accordance with generally accepted accounting practice. Over the 30-year period, the calculated interest is lower than calculating Simple Interest, therefore it is a more conservative method for calculating interest.

With the Mid-Year Interest Calculation, the interest earned on the Reserve Fund is calculated at the middle of the fiscal year assuming that half the expenses have been taken out of the Reserve Fund and half the annual contribution has been deposited into the Reserve Fund. Therefore, Interest is calculated as follows:

$$Interest = InterestRate \times \left(StartingBalance - \frac{Expenses}{2} + \frac{AnnualContribution}{2} \right)$$

Starting Balance

MH requested information regarding the Reserve Fund balance at the start of the current fiscal year in the start-up questionnaire. Where appropriate documents are provided, we confirm the opening balance against the financial statements provided. We assume Board of Directors confirms the starting balance is correct to the best of their knowledge prior to authorizing us to finalize the report.

Contributions

MH requested information regarding the present annual contribution to the Reserve Fund. Where appropriate documents are provided, we confirm the contribution amount against these documents. We assume the Board of Directors confirms the current annual contribution is correct (or near-correct, understanding that there may be a margin of error) to the best of their knowledge prior to authorizing us to finalize the report.

Future annual contributions are calculated based on the estimates of life expectancy and opinions of probable cost, Minimum Reserve Fund Balance, and the assumptions for inflation and interest. Sample annual contributions that would result in an adequate Reserve Fund are indicated in **Table 2 (Cash Flow Plan)**.

When large expenses are anticipated in the near future and the existing Reserve Fund Balance is relatively low, increases to the annual contribution may not be sufficient. Increasing the annual contribution to an amount that can accommodate the major expenses is typically not considered a suitable funding plan since the Reserve Fund Balance often becomes relatively high for the remainder of the study period. Excess funds in a Reserve Fund cannot be used for any other purpose except for the major repairs and replacements for which they have been budgeted.

In such cases, Other Contributions are considered in the Cash-Flow Plan. These contributions can be in the form of special assessments or surplus funds that the Board has indicated will be available from other sources (i.e. transferred from operating budgets or contingency funds).

Minimum Reserve Fund Balance

The minimum balance is the lowest balance that the reserve fund is allowed to go down to within the **Cash Flow Plan**. It typically falls within, or just beyond a year in which numerous and/or very large expenditures are anticipated (the “critical year”). The intent of the minimum balance is to act as a contingency or “buffer” in such years, given the “high-level” nature of estimating in reserve fund studies. The contingency is also for unforeseen issues, such as breakage of buried piping.

We typically recommend carrying a minimum balance that is equal to around 10 to 20% of the expenditures in the critical year. The minimum balance in the Cash Flow Plan follow this recommendation, except where the Board requests otherwise. If the Board requests a minimum balance that is higher than 20% of the critical year, we will carry the higher amount provided it is reasonable.

REQUIREMENTS UNDER THE CONDOMINIUM ACT

Reserve Fund Study Report

As per section 23 (1) of the Condominium Property Regulation (AR 168/2000), the reserve fund study report must include:

- An inventory of all items for which major repairs or replacements will be required in the next 30 years;
- The present condition of these items;
- An estimate as to when each component will need to be repaired or replaced;
- The estimated costs of the repairs or replacements (current year value);
- The life expectancy of the items following the repair or replacement.

The above requirements are met in the **report** and in **Table 1 (Expenditures Table)**.

Reserve Fund Study Process

As per section 23 (2) of the Condominium Property Regulation (AR 168/2000), the reserve fund study process must include:

- On-site visual inspection of all visible components of the depreciating property.
- Interview with members of the board and if considered necessary by the reserve fund provider, the manager or managers for the corporation, or employees of the corporation.
- Review of relevant documents, including the condominium plan, construction documents and maintenance records.

The Condominium Property Act (Section 38 (1)) states that a capital replacement reserve fund is to be used for major repairs and replacements to the property for which the Corporation is responsible, where the repair or replacement is of a nature that does not normally occur annually.

It is our interpretation that “maintenance” type repairs are not intended to be paid for using reserve funds. For the purpose of this study, we have used a threshold of \$2,000 to help separate “major” repairs from “maintenance” type repairs. In some cases, we exclude repairs that have a value greater than \$2,000 if such repairs are completed on an annual or more frequent basis. Repairs or replacements that are considered to be “maintenance” type repairs are not included in this report.

The above requirements are met by the scope of work completed.

Funding Scenario

As per Section 23 (2) of the Condominium Property Regulation (AR 168/2000), the reserve fund study report must:

- a) Determine the current amount of funds, if any, included in the Corporation's reserve fund;
- b) Recommend the amount of funds, if any, that should be included in or added to the Corporation's reserve fund in order to provide the necessary funds to establish and maintain, or to maintain, as the case may be, a reserve fund for the purposes of Section 38 of the Condominium Property Act;
- c) Describe the basis for determining the above.

The above requirements are met in **Table 2 (Cash Flow Plan)**.

Board Responsibilities

As per Section 23 (4) of the Condominium Property Regulation (AR 168/2000), upon receiving the reserve fund study report, the Board must approve a reserve fund plan setting forth the method of and amounts needed for funding and maintaining the reserve fund. This plan must provide that sufficient funds will be available to repair and/or replace the depreciating property in accordance with the reserve fund report. A further duty includes providing copies of the reserve fund plan to the unit owners.

Timing of Studies

The Reserve Fund Study is a dynamic document that will change over time as repairs/replacements are carried out on the common property and interest/inflation rates change. The repairs and replacements we have forecasted do not represent a fixed schedule for replacements; repairs or replacements may be required sooner or later than we have anticipated. Similarly, the opinions of probable cost we have presented can vary due to a number of reasons including changing market conditions, availability of newer materials and systems, and increased or decreased scope of work than we have identified. As such, regular updates to this Reserve Fund Study are necessary to re-assess your needs.

The Corporation is required to complete a Reserve Fund Study every five years maximum (as specified by AR 168/2000, Section 29 (30)). This is the minimum requirement for conducting Reserve Fund Studies.

However, the Board should consider an earlier update if any significant changes in the condition of the common property becomes apparent, or if there are any significant changes to the cash flow due to unforeseen conditions.

GLOSSARY OF BUILDING TERMS

The following is a list of terms and abbreviations which may have been used in the report produced for the noted project. All of the terms and abbreviations used are standard within the industry, but the glossary may be of some aid for those not familiar with construction terms.

Air Barrier	Refers to a combination of materials and components, including joints, that control the flow of air through an assembly, limiting the potential for heat loss and condensation due to air movement.
Air Leakage	Refers to airflow through a space like a wall or roof assembly. The outward leakage of air is known as exfiltration and the inward leakage is known as infiltration. Exfiltration of warm, humid interior air will carry water vapour into the assembly which may condense if it contacts a cool enough surface.
Ampere (A)	The unit of measurement of electric current. The greater the amperage, the larger the size of the conductor required to carry the current.
Annunciator Panel	A lighted panel that provides information about the location of an activated fire alarm in a building, typically located near the main entrance of a building.
Backflow Preventer	A device used in plumbing systems to prevent potentially contaminated water from moving back into the clean water supply.
Balcony	Refers to a horizontal surface exposed to the outdoors but projected from the building so that it is not located over a living space.
Base Coat	Refers to the initial wet state material, either factory or field-mixed, used to encapsulate the reinforcing mesh (e.g., in liquid applied balcony waterproofing or in EIFS applications).
Bitumen	The term covering numerous mixtures of hydrocarbons such as those found in asphalt and mineral pitch.
Building Envelope	Refers to those elements of the building that separate inside conditioned space from outside unconditioned space, and includes walls, windows, doors, roofs, balcony decks (over occupied living space) and foundations. Sometimes referred to as “building enclosure” or an “environmental separator” in building codes.
Building Paper	Refers to a breather-type asphalt sheathing paper which is rated in minutes (15, 30 or 60), based on preventing water flow through it for number of minutes in accordance with a standard test.
Built-Up Roof (BUR)	Refers to a waterproof system constructed of multiple felt layers mopped down with hot bitumen.
Capillary Break	Refers to the gap between parallel layers of material sufficient to break the surface tension of water, which is typically a minimum of 10 mm (3/8”).

Caulking	Material with widely different chemical compositions used to make a seam or joint air-tight or watertight.
CCTV	Closed Circuit Television, a video camera system that transmits video images to specific monitors as opposed to broadcasting the signal over air waves. Typically used in security applications.
CFM	Cubic feet per minute, the common unit of air flow measurement.
Cladding	Refers to a material or assembly that forms the exterior skin of the wall and is exposed to the full force of the environment. Cladding types include stucco, EIFS, metal panels, brick/stone veneer, wood siding, and vinyl siding.
Control Joint	Also, <i>Movement Joint</i> , a continuous joint in a structure or element, used to regulate the amount of cracking and separation resulting from relative movement.
Condenser	A device used to remove heat from refrigerating equipment by circulating hot refrigerant gas through coils in the unit and blowing outdoor air across the coils with a fan. Cooling the gas causes it to condense back into a liquid.
Cooling Tower	A device used to cool condenser water in a chiller by evaporation. Condenser water is sprayed into the top of the cooling tower. The droplets fall through the tower as air is blown upward through the tower, partly evaporating the droplets, which cools the remaining water. Water leaving the cooling tower is typically 10 degrees cooler than when it entered.
Deck	Refers to a horizontal surface exposed to the outdoors, located over a living space, and intended for moderate use but not for access to other areas of the building.
Delamination	Refers to a separation along a plane parallel to the surface.
Dew Point	Refers to the temperature at which air containing a constant amount of water vapour reaches the saturation point. As the temperature decreases, it has a lower capacity to contain moisture. Condensation can occur at or below the dew point temperature.
Direct Expansion	A refrigeration method in which an air cooling coil contains refrigerant rather than a secondary coolant glycol or brine.
Drained (also Rainscreen) Cavity	Refers to a design strategy whereby a positive drainage plane is created immediately behind the exterior cladding material, sufficient in width to break the surface tension of water, and to allow incidental water entering the wall system to drain by gravity with the aid of flashings and membranes.
Drip Edge	Refers to a projection detailed to direct water run-off away from wall, window, balcony or roofing element.

Efflorescence	Refers to the dissolved salts in the material (such as concrete or brick) being transported by water and redeposited on the surface after evaporation.
EIFS	Refers to <i>Exterior Insulated Finish System</i> and generally consists of layers of rigid insulation adhered or fastened to the substrate and finished with thin coats (lamina) of reinforced cementitious material and a finish coat of acrylic stucco.
EPDM (Ethylene Propylene Diene Monomer)	Refers to a waterproofing sheet membrane made of vulcanized rubber. These membranes, usually single-ply applications, may be installed fully bonded to the substrate with an adhesive, or may be “loose-laid” with only the laps and terminations of the membranes adhered.
Exhaust Air	Air mechanically removed from a building to reduce the concentration of moisture, cooking odours, and other contaminants from the building.
Face-seal	Refers to a building envelope strategy where the performance of the exterior wall is dependent on the ability of the exterior surface of the cladding, windows and associated sealant to shed water and prevent its infiltration. This system cannot accommodate water that penetrates past the exterior face since a positive drainage path and/or additional continuous barrier to water penetration are not provided.
Fan Coil Unit	A device consisting of a fan and water coil that can heat an area by circulating hot water through the coil and cool by circulating chilled water through the coil.
Fibre Saturation (of wood)	Refers to the point where the cell walls are fully swollen, but the cells are otherwise empty of liquid water, also known as the <i>fibre saturation point</i> .
Finish Coat	Refers to the final wet state material, which provides colour and texture, applied over the reinforced base coat.
Fire Detector	A fire alarm system component which senses the presence of a possible fire through the presence of smoke particles or heat (i.e. smoke detector, heat detector).
Fishmouth	Refers to a deficiency in the installation of waterproofing membranes (roofing, self-adhering membranes, etc.) which results in a fold in the edge of the membrane, through which water can penetrate.

Flashing	<p>Refers to sheet metal or other material used in roof or wall construction and designed to shed water (typically sloped outwards, with a drip edge to shed water). Used in conjunction with:</p> <ul style="list-style-type: none">• <i>Cap or parapet flashing</i>: top of wall, pier, column or chimney.• <i>Saddle flashing</i> an upturn, sloping transition piece between a horizontal and vertical plane, e.g. balcony cap and wall intersection.• <i>Head/sill flashing</i>: at head or sill of window opening or other penetration.• <i>Base flashing</i>: at bottom edge of wall surface. <p><i>Cross cavity (or through-wall flashing in masonry application)</i>: a flashing which sheds water from the moisture barrier plane to the exterior, through the cladding.</p>
Glazing	<p>A generic term for the transparent, or sometimes translucent, material in a window or door. Often, but not always, glass.</p>
Glazing Bead	<p>A molding or stop around the inside of a frame to hold the glass in place.</p>
Glazing Unit	<p>That part of a window which includes more than one glazing layer sealed around the outside edge to prevent air or moisture from entering the airspace and eliminating dirt and condensation between glazings.</p>
Gum Lip	<p>Refers to a method of sealing a flashing to a wall surface whereby the top edge of the flashing is bent outwards to form a caulk-filled cavity (typically at the termination of a waterproofing membrane).</p>
Heat Exchanger	<p>A device used to heat a fluid or gas with another fluid or gas without the two streams coming in direct contact with each other and mixing. For example, a radiator heats air using hot water. The air and water circulate through the heat exchanger (the radiator) but do are prevented from coming in contact with each other by the radiator.</p>
Heat Pump	<p>A mechanical device designed to provide both winter heating and summer cooling.</p>
HID	<p>High Intensity Discharge, a generic term for mercury, vapour, metal halide and high pressure sodium light fixtures. Light in these fixtures is produced by an electric arc between two electrodes.</p>
House Panelboard	<p>A panelboard which supplies power to common area loads.</p>
Housewrap	<p>Refers to a sheet plastic material which is used as a sheathing paper, generally between the wall sheathing material and the exterior cladding. Although recognized as a proprietary term, in this report <i>housewrap</i> is used to represent a generic group of materials. One common type of housewrap consists of spun-bonded Polyolefin (SBPO), another is made of perforated polyethylene. Their resistance to liquid water is high, but resistance to water vapour is lower than many common “vapour barrier” materials.</p>
Hydronic Heating	<p>A means of heating a space through the use of hot water circulated through heating coils or a radiator in the space.</p>

Initiating Device	A fire alarm system component which initiates a fire alarm (i.e. pull station).
Inverted Roof	Where the roof membrane is located below the insulation and ballast (also Protected Membrane Roof).
Joist	One of several parallel, horizontal and relatively closely spaced concrete, wood or steel members directly supporting a floor or roof slab or deck.
kVA	Kilo-Volt-Ampere, the unit used to measure apparent power. This is what is charged by the utility.
kW	Kilowatt, the unit used to measure real power. This is power that is actually used by the customer.
Lintel	A horizontal structural support above an opening in a wall.
Maintenance	Refers to a regular process of inspection, cleaning and minor repairs of envelope elements and exterior systems such as roof, walls, windows, gutters, downspouts and drains. Cleaning is for normal activities for those items as required on a regular basis, such as leaves from gutters and drains in the fall and cleaning lint from dryer vents. Minor repairs are for small projects for reinstating failed elements such as areas of cracked caulking or peeling paint.
Makeup Air	Fresh, outdoor air that is mechanically introduced to a building to make up for the air removed from buildings by exhaust systems.
Moisture Content (MC)	Refers to the weight of water contained in the wood, expressed as a percentage of the weight of oven-dry wood. The term "oven-dry" indicates there is no moisture in the cell fibres or the cell cavities.
Movement Joint or Control Joint	Refers to a continuous joint in a structure, cladding or other element which allows differential movement of portions of the building structure (expansion joint), or prevents or localizes cracking of brittle materials, such as stucco, concrete or masonry, where movement needs to be controlled (control joint).
Operation	Operation of the building or envelope refers to normal occupancy of the building where the envelope is affected by interior space conditioning, changes to light fixtures, signs, vegetation and planters, and accidental damage or vandalism.
Panelboard	A component of an electrical distribution system which divides an electrical power feed into subsidiary circuits, while providing a protective fuse or circuit breaker for each circuit all contained in a common enclosure.
Penetration	Of the building or envelope refers to normal occupancy of the building where the envelope is affected by interior space conditioning, changes to light fixtures, signs, vegetation and planters, and accidental damage or vandalism.

Punch Window	Refers to the architectural style of the window being expressed as a single “punched” opening surrounded by the cladding material, as opposed to being arranged in vertical or horizontal strips of several window units.
Relative Humidity	Refers to the ratio (expressed as a percentage) of the amount of moisture within the air to the maximum amount of moisture that the air could possibly contain for a given temperature.
Renewals / Replacement	Refers to the replacement of all aged or worn elements of a facility and are typically for components with life cycles in excess of one year. Renewal costs are generally large, occur infrequently and primarily form the basis for a Reserve Fund. A Reserve Fund is required for the major repair and replacement of common elements and assets of the Owner/Operators. The amounts to be contributed to the Fund are calculated on the basis of life expectancy and expected repair and replacement costs.
Retaining Wall	A wall constructed to hold back earth, water or other backfill.
Riser	Pipes or ductwork used to transport water, effluent, air, or service cables vertically through a multi-storey building for distribution of services.
Roof Structural Deck	An elevated platform consisting of a variety of materials such as wood planks or metal pans, often supported by structural joists, beams and columns made of steel or wood, all structurally designed to support loads such as a roofing system.
Saddle	Refers to the transition of small horizontal surfaces, such as the top of a balcony guardrail or parapet wall, with a vertical surface, such as a wall.
Scaling	A degradation of the surface of a concrete element, consisting of local flaking or peeling away of the near-to-surface sand and cement portion of hardened concrete or mortar.
Scupper	Refers to a metal pipe or trough section creating a drainage overflow from a roof or balcony to a downpipe or to a surface below.
Sealant	A flexible material used on the inside (or outside) of a building to seal gaps in the building envelope in order to prevent uncontrolled air infiltration and exfiltration.
Sealed Units	Two pieces (lites) of glass sealed around the perimeter, increasing the thermal resistance of the window.
Shear Wall	A wall that resists horizontal forces applied in the plane of the wall, usually due to wind or seismic effects (also Flexural Wall).
Sheathing	Refers to a material used to provide structural stiffness to the wall framing and to provide structural backing for the cladding and sheathing paper. Typical materials are OSB (oriented strand board), plywood, or gypsum board.

Sheathing Membrane	Refers to a material or combination of materials in an exterior wall whose purpose is to retard penetration of incidental water further into the wall structure once past the cladding. Commonly used materials are building paper or housewrap.
Signaling Device	A fire alarm system component which visually or audibly alarms (i.e. bell, strobe).
Slab-on-Grade	A concrete floor slab placed directly on compacted fill and deriving its support from this fill (also Slab-on-Ground).
Spall	Refers to a fragment of material, such as concrete or masonry, detached from a larger mass by a physical blow, weather action, internal pressure or efflorescence within the mass (sub-fluorescence).
Stack Effect	Refers to air movement caused by warmer air rising over colder air. Warm interior air in a building is trying to rise over the colder exterior air. The resulting pressure differences in building can lead to air leakage and imbalanced mechanical ventilation systems.
Strapping	Refers to the use of wood or other material, typically $\frac{3}{8}$ " to $\frac{3}{4}$ " in thickness, to form a drainage cavity and act as a capillary break behind the cladding.
Stucco	A finish consisting of cement plaster, used for coating exterior building surfaces.
Surfactant	Refers to an agent (e.g., detergent) that, when mixed with water, breaks the surface tension of water drops, thus enabling easier absorption of water through a material. Without surfactants, water would have a greater tendency to remain as drops on the surface of a given material.
Switchboard	A board or panel equipped with apparatus for controlling the operation of a system of electric circuits.
Symptoms	Refers to visual evidence, such as staining or wetting of surfaces, loss of strength, material delamination or cracking, peeling paint, debonded coatings, etc., which suggests a performance problem within the exterior envelope of a building.
Terminal Board	An insulating base on which terminals for wires or cables have been mounted.
Thermal Bridge	Refers to a material with higher thermal conductivity transferring heat through an assembly with lower thermal conductivity. For example, a stud in a wall will transfer more heat than the surrounding insulation, reducing the overall insulative value of the system.
Thermographic Scanning	Also known as infra-red scanning. A photograph that detects hot spots of electrical equipment or temperature differences at building surfaces.

Uninterruptible Power Supply (UPS)	A power electronic device primarily used as a back-up power source for computers and computer networks to ensure on-going operation in the event of a power failure. Sophisticated units also have power conditioning and power monitoring features.
UV	Refers to ultra-violet radiation (from the sun), which has a degrading effect on many membrane and sealing materials (asphalt based) unless protected by an appropriate shielding layer.
Vapour Barrier	A material or combination of materials having a high resistance to water vapour diffusion, used to separate a high water vapour pressure environment from a low water vapour pressure environment.
Vapour Retarder Barrier	Refers to a material having a high resistance to water vapour diffusion that is located within the assembly to control the flow of vapour and limit the potential for condensation due to diffusion.
Vent	An opening placed in a facing wall or window assembly to promote circulation of air within a cavity behind the facing, usually to encourage drying of the cavity and/or to moderate the pressure across the facing.
Volt (V)	A unit of potential energy equal to the potential difference between two points on a conductor carrying a current of 1 ampere.
Weather Strip	A strip of material placed around an operating window or door to reduce air leaks.
Weephole	Refers to an opening placed in a wall or window assembly to permit the escape of liquid water from within the assembly. Weepholes can also act as vents.
Weeping Tiles	Drainage pipes placed at the base of foundation walls.
Window	<p>Refers to a manufactured assembly of a frame, sash, glazing and necessary hardware, made to fit an opening in a wall.</p> <ul style="list-style-type: none">• <i>Windowsill</i>: horizontal member at the base of a window opening• <i>Window head</i>: horizontal member at the top of a window opening• <i>Window jamb</i>: either of the vertical members at the sides of a window opening• <i>Mullion</i>: vertical member between glazed units• <i>Rail</i>: horizontal member between glazed units• <i>Glazing</i>: The glass portion of the window• <i>IGU</i>: Insulated glazing unit. Double or triple panes of glass sealed together to provide insulation value. The still gas between the panes acts as the insulation.• <i>Condensation track</i>: a channel at the interior sill level of the window intended to intercept small amounts of water condensing on the interior surface of the glass.

APPENDIX C

Expenditures Table (Table 1)

Table 1 - Expenditures Table
Shepherds Village RFS - November 19, 2020

Item No.	System	Recommendations	Typical Life Cycle (years)	Present Age (years)	Adjustment To Life Expectancy (years)	Time To Next Expenditure (years)	Time to Subsequent Expenditure (years)	Years Over Which Expenditure is Phased	Expenditure Budget (in current fiscal year dollars)
4.1.2.1	Wood Structure	Structural/drainage assessment	100	99	0	1	100	1	\$60,000
4.2.1.1a	Vinyl Siding	Replace vinyl siding	35	10	1	26	35	2	\$226,000
4.2.1.1b	Vinyl Siding	Repair vinyl siding	5	2	0	3	5	1	\$5,000
4.2.1.2	Brick Veneer	Repoint and repair brick cladding	10	5	0	5	10	1	\$3,000
4.2.2.1	Vinyl Windows	Replace windows	25	19	4	10	25	1	\$22,000
4.2.2.2	Entrance and Rear Doors	Replace exterior doors	25	19	4	10	25	1	\$12,000
4.2.2.3	Overhead Garage Doors	Replace garage doors at maintenance shop	25	19	4	10	25	1	\$6,000
4.2.3.1a	Asphalt Shingle Roofs	Replace asphalt shingle roofs built in 2000-2004	25	19	-5	1	25	2	\$273,000
4.2.3.1b	Asphalt Shingle Roofs	Replace asphalt shingle roofs built in 2006-2009	25	14	-5	6	25	2	\$245,000
4.2.3.2a	Eavestrough and Downspouts	Replace eavestroughs and downspouts installed in 2000-2004	25	19	-5	1	25	2	\$7,000
4.2.3.2b	Eavestrough and Downspouts	Replace eavestroughs and downspouts installed in 2006-2009	25	14	-5	6	25	2	\$7,000
4.2.3.3a	Fascia	Replace fascia installed in 2000-2004	50	19	0	31	50	1	\$6,000
4.2.3.3b	Fascia	Replace fascia installed in 2006-2009	50	14	0	36	50	1	\$7,000
4.2.3.4a	Soffit	Replace soffit installed in 2006-2009	50	14	-10	26	50	1	\$4,000
4.2.3.4b	Soffit	Replace soffit installed in 2006-2009	50	14	-10	26	50	1	\$3,000
4.3.1.1a	Octuplex Common Areas	Replace basement finishes including stair flooring	25	19	0	6	25	1	\$7,000
4.3.1.1b	Octuplex Common Areas	Replace sunroom finishes including kitchenette and corridor	25	19	9	15	25	1	\$15,000
4.3.1.1c	Octuplex Common Areas	Replace washroom finishes and fixtures	25	19	9	15	25	1	\$10,000
4.4.3	Natural Gas Fireplace	Replace fireplace	20	19	9	10	20	1	\$3,000
4.4.4	Furnace	Replace furnace	20	19	1	2	20	1	\$5,000
4.4.5	Hot Water Heater	Replace hot water heater	25	19	1	7	25	1	\$2,000
4.4.6.2	Stormwater Sump Pump	Replace sump pump	25	19	0	6	25	1	\$2,000
4.5.2	Main Distribution	Replace main distribution system	45	19	0	26	45	1	\$7,000
4.5.3	Electrical Meters	Replace electrical meter centers	45	19	0	26	45	1	\$8,000
4.5.4	Electrical Panelboard	Replace electrical panelboard	45	19	0	26	45	1	\$3,000
4.5.5.1	Interior Lighting	Replace interior light fixtures	20	19	10	11	20	1	\$5,000
4.5.5.2	Exterior Lighting	Replace exterior Light Fixtures	5	0	5	10	5	1	\$4,000
4.5.5.3	Exterior Light Posts	Replace light posts	60	19	0	41	60	1	\$14,000
4.6.1.1	Fire Hydrant	Replace fire hydrant	40	20	0	20	40	1	\$3,000
4.7.1.1	Asphalt Parking Lot	Replace asphalt parking lot	30	19	-9	2	30	1	\$8,000
4.7.1.2a	Asphalt Driveways	Repair asphalt driveways	5	0	3	8	5	1	\$5,000
4.7.1.2b	Asphalt Driveways	Replace asphalt driveways	5	0	0	5	5	1	\$17,000
4.7.1.3a	Asphalt Sidewalks	Replace asphalt sidewalk	30	19	-3	8	30	2	\$16,000
4.7.1.3b	Asphalt Sidewalks	Repair asphalt paving	5	0	5	10	5	1	\$2,000
4.7.2.1a	Wood Decks	Replace wood decks	30	19	0	11	30	1	\$10,000
4.7.2.1b	Wood Decks	Repaint wood decks	10	9	0	1	10	1	\$5,000
4.7.2.2	Exterior Handrails	Replace handrails	50	19	0	31	50	1	\$5,000
4.7.4.1	Retaining Walls	Repair retaining wall	10	0	0	10	10	1	\$5,000
4.7.6.1	Lake Gazebo	Repair gazebo	30	19	-9	2	30	1	\$8,000
4.7.6.2	Exterior Site Furniture	Replace site furniture	20	19	7	8	20	1	\$2,000
4.8.1.1	Reserve Fund Study	Complete reserve fund study	5	0	0	5	5	1	\$7,000

APPENDIX D

Cash Flow Plan 1

Table 2.1 – Cash Flow Plan 1 (30 Year Term)

Table 3.1 – Summary of Cash Flow Plan 1

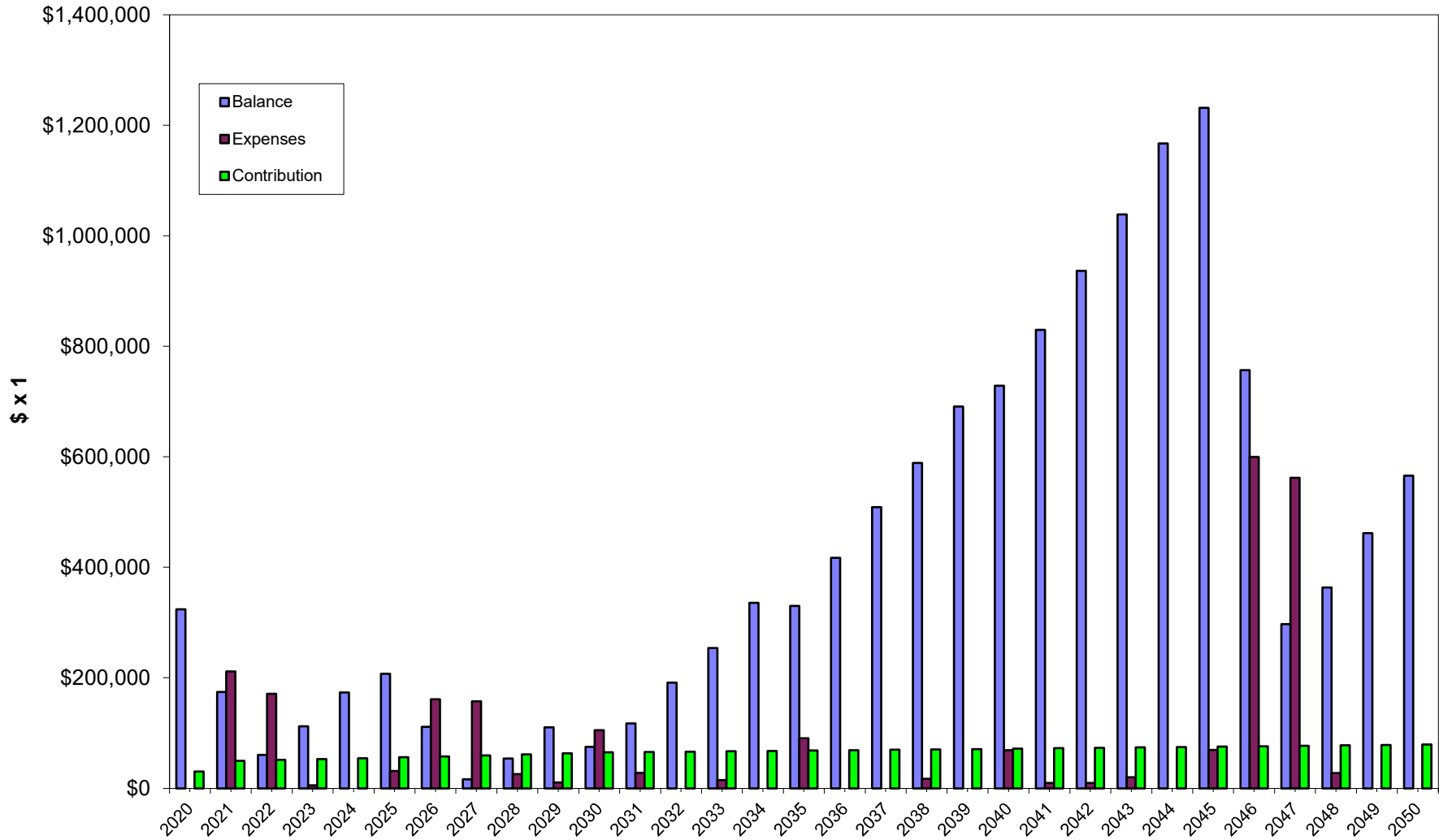
Graph 1.1 - Summary of Cash Flow Plan 1

**Table 3.1
Reserve Fund Summary of
Cash Flow Plan 1
November 19, 2020
Shepherds Village RFS**

Assumed Interest Rate	5.0%
Assumed Inflation Rate	3.0%
Reserve Fund Balance at Start of 2020	\$ 278,935.00
Minimum Reserve Fund Balance (within report term)	\$ 16,260.78
Number of units:	43

Report Year	Fiscal Year	Opening Balance	Annual Contribution	Other Contribution	Monthly Contribution	% annual increase in contribution (over previous year)	Annual contribution per unit (average)	Monthly contribution per unit (average)	Estimated Future Inflated Expenditures	Projected Interest Earned	Closing Balance
0	2020	\$ 278,935	\$ 30,000	\$ -	\$ 2,500	<i>not confirmed</i>	\$ 698	\$ 58	\$ -	\$ 14,697	\$ 323,632
1	2021	\$ 323,632	\$ 49,696	\$ -	\$ 4,141	65.7%	\$ 1,156	\$ 96	\$ 211,150	\$ 12,145	\$ 174,323
2	2022	\$ 174,323	\$ 51,187	\$ -	\$ 4,266	3.0%	\$ 1,190	\$ 99	\$ 170,805	\$ 5,726	\$ 60,431
3	2023	\$ 60,431	\$ 52,723	\$ -	\$ 4,394	3.0%	\$ 1,226	\$ 102	\$ 5,464	\$ 4,203	\$ 111,894
4	2024	\$ 111,894	\$ 54,305	\$ -	\$ 4,525	3.0%	\$ 1,263	\$ 105	\$ -	\$ 6,952	\$ 173,150
5	2025	\$ 173,150	\$ 55,934	\$ -	\$ 4,661	3.0%	\$ 1,301	\$ 108	\$ 31,300	\$ 9,273	\$ 207,057
6	2026	\$ 207,057	\$ 57,612	\$ -	\$ 4,801	3.0%	\$ 1,340	\$ 112	\$ 161,197	\$ 7,763	\$ 111,235
7	2027	\$ 111,235	\$ 59,340	\$ -	\$ 4,945	3.0%	\$ 1,380	\$ 115	\$ 157,424	\$ 3,110	\$ 16,261
8	2028	\$ 16,261	\$ 61,120	\$ -	\$ 5,093	3.0%	\$ 1,421	\$ 118	\$ 25,335	\$ 1,708	\$ 53,753
9	2029	\$ 53,753	\$ 62,954	\$ -	\$ 5,246	3.0%	\$ 1,464	\$ 122	\$ 10,438	\$ 4,001	\$ 110,269
10	2030	\$ 110,269	\$ 64,842	\$ -	\$ 5,404	3.0%	\$ 1,508	\$ 126	\$ 104,825	\$ 4,514	\$ 74,800
11	2031	\$ 74,800	\$ 65,491	\$ -	\$ 5,458	1.0%	\$ 1,523	\$ 127	\$ 27,685	\$ 4,685	\$ 117,292
12	2032	\$ 117,292	\$ 66,146	\$ -	\$ 5,512	1.0%	\$ 1,538	\$ 128	\$ -	\$ 7,518	\$ 190,956
13	2033	\$ 190,956	\$ 66,807	\$ -	\$ 5,567	1.0%	\$ 1,554	\$ 129	\$ 14,685	\$ 10,851	\$ 253,928
14	2034	\$ 253,928	\$ 67,475	\$ -	\$ 5,623	1.0%	\$ 1,569	\$ 131	\$ -	\$ 14,383	\$ 335,787
15	2035	\$ 335,787	\$ 68,150	\$ -	\$ 5,679	1.0%	\$ 1,585	\$ 132	\$ 90,362	\$ 16,234	\$ 329,809
16	2036	\$ 329,809	\$ 68,832	\$ -	\$ 5,736	1.0%	\$ 1,601	\$ 133	\$ -	\$ 18,211	\$ 416,852
17	2037	\$ 416,852	\$ 69,520	\$ -	\$ 5,793	1.0%	\$ 1,617	\$ 135	\$ -	\$ 22,581	\$ 508,952
18	2038	\$ 508,952	\$ 70,215	\$ -	\$ 5,851	1.0%	\$ 1,633	\$ 136	\$ 17,024	\$ 26,777	\$ 588,921
19	2039	\$ 588,921	\$ 70,917	\$ -	\$ 5,910	1.0%	\$ 1,649	\$ 137	\$ -	\$ 31,219	\$ 691,057
20	2040	\$ 691,057	\$ 71,626	\$ -	\$ 5,969	1.0%	\$ 1,666	\$ 139	\$ 68,632	\$ 34,628	\$ 728,679
21	2041	\$ 728,679	\$ 72,343	\$ -	\$ 6,029	1.0%	\$ 1,682	\$ 140	\$ 9,301	\$ 38,010	\$ 829,730
22	2042	\$ 829,730	\$ 73,066	\$ -	\$ 6,089	1.0%	\$ 1,699	\$ 142	\$ 9,581	\$ 43,074	\$ 936,289
23	2043	\$ 936,289	\$ 73,797	\$ -	\$ 6,150	1.0%	\$ 1,716	\$ 143	\$ 19,736	\$ 48,166	\$ 1,038,516
24	2044	\$ 1,038,516	\$ 74,535	\$ -	\$ 6,211	1.0%	\$ 1,733	\$ 144	\$ -	\$ 53,789	\$ 1,166,840
25	2045	\$ 1,166,840	\$ 75,280	\$ -	\$ 6,273	1.0%	\$ 1,751	\$ 146	\$ 69,095	\$ 58,497	\$ 1,231,522
26	2046	\$ 1,231,522	\$ 76,033	\$ -	\$ 6,336	1.0%	\$ 1,768	\$ 147	\$ 599,532	\$ 48,489	\$ 756,511
27	2047	\$ 756,511	\$ 76,793	\$ -	\$ 6,399	1.0%	\$ 1,786	\$ 149	\$ 561,986	\$ 25,696	\$ 297,014
28	2048	\$ 297,014	\$ 77,561	\$ -	\$ 6,463	1.0%	\$ 1,804	\$ 150	\$ 27,455	\$ 16,103	\$ 363,223
29	2049	\$ 363,223	\$ 78,337	\$ -	\$ 6,528	1.0%	\$ 1,822	\$ 152	\$ -	\$ 20,120	\$ 461,679
30	2050	\$ 461,679	\$ 79,120	\$ -	\$ 6,593	1.0%	\$ 1,840	\$ 153	\$ -	\$ 25,062	\$ 565,861

**Graph 1.1 - Reserve Fund Balances, Expenses and Contributions for
Cash Flow Plan 1**



Actual annual values for contribution, forecast, expenditures, and balance can be found in Table 2.1