

DISCLOSURE

The Estates of Olde Meadowvale Village

The following documentation is being provided by 2096553 Ontario Inc. (the "Declarant") with respect to the common element condominium corporation known as " The Estates of Olde Meadowvale Village – Schoolhouse Vale" (the "Condominium" or the "Corporation") in accordance with the Condominium Act 1998, S.O. 1998, C.19 and the Regulations thereunder as amended (the "Act"):

1. Disclosure Statement (including Table of Contents).
2. Budget Statement for the one (1) year period immediately following the registration of the Declaration and Description.
3. The Declaration.
4. The By-laws.
5. The Rules.
6. The Management Agreement.
7. The Plan of Condominium.

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

August , 2009

DISCLOSURE STATEMENT

TABLE OF CONTENTS

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

Declarant's name: 2096553 ONTARIO INC

Declarant's municipal address: 93 Skyway Avenue, Suite 109, Toronto, Ontario M9W 6N6

Brief legal description of the property: Part of Lot 10, Concession 3, W.H.S., designated as Part _____ on Plan 43R _____ (to be deposited) City of Mississauga, in the Land Registry Office for the Land Titles Division of Peel (No. 43).

Mailing address of the property/proposed property: (to be determined) Mississauga, Ontario

Municipal address of the property/proposed property: There is presently no municipal address for the common element condominium. (It is anticipated a municipal address will be designated and assigned by the City of Mississauga.)

Condominium Corporation: Peel Common Elements Condominium Plan No. _____ (known as the "Corporation")

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

Purchasers should review all documentation.

In this Table of Contents,

"unit" or "units" include proposed unit or units;

"common elements" includes proposed common elements;

"common interest" includes a proposed common interest; and

"property" includes proposed property.

This Disclosure Statement deals with significant matters, including the following:

	Matter		Specify the article, paragraph (and/or clause) and page number where the matter is dealt within the existing or proposed declaration, by laws, rules or other material in the disclosure statement
1.	The Corporation is a freehold condominium corporation that is a common elements condominium corporation.		Refer to: Article II (Disclosure Statement) and Paragraph 1.3 (Declaration)
2.	The property or part of the property is or may be subject to the Ontario <i>New Home Warranties Plan Act</i> .	Yes No X	Refer to: Article VI (Disclosure Statement)
3.	Not applicable	N/A	Refer to: Not applicable
4.	A building on the property has been converted from a previous use.	Yes No X	Refer to: Article V (Disclosure Statement)
5.	One or more units or a part of the common elements may be used for commercial or other purposes not ancillary to residential purposes.	Yes No X	Refer to: Article VIII (Disclosure Statement)
6.	A provision exists with respect to pets on the property.	Yes No X	
7.	There exist restrictions or standards with respect to the use of common elements that are based on the nature or design of the facilities and services on the property or on other aspects of the buildings located on the property.	Yes No X	
8.	The Declarant intends to lease a portion of the common interests.	Yes No X	Refer to: Article X (Disclosure Statement)
9.	Not Applicable	N/A	
10.	Not Applicable	N/A	

	Matter		Specify the article, paragraph (and/or clause) and page number where the matter is dealt within the existing or proposed declaration, by laws, rules or other material in the disclosure statement
11.	One or more common interests that is attached or will attach to an owner's parcel of land are exempt from a cost attributable to the rest of the common interests.	Yes No X	Refer to: Budget
12.	There is an existing or proposed by-law establishing what constitutes a standard unit. Under clause 43(5)(h) of the <i>Condominium Act</i> , 1998, the Declarant is required to deliver to the board a schedule setting out what constitutes a standard unit.	Yes No X	Refer to: No reference. There are no units in this common elements condominium corporation.
13.	Part or the whole of the common elements are subject to a lease or a licence.	Yes No X	Refer to: Article X (Disclosure Statement)
14.	Parking for owners is allowed: (a) in or on a unit (b) on the common elements; (c) on a part of the common elements of which an owner has exclusive use. There are restrictions on parking.	Yes No N/A Yes No X Yes No X Yes No X	Refer to: Article IV Disclosure Statement -- paragraph 4.2 Parking is permitted so long as it is not overnight No overnight parking on the common elements.
15.	Visitors must pay for parking. There is visitor parking on the property.	Yes No X Yes No X	No Refer to: Paragraph 4.7 (Disclosure Statement) and Paragraph 3.6 (Declaration)
16.	The declarant may provide major assets and property, even though it is not required to do so.	Yes No X	Refer to: Article XX (Disclosure Statement)
17.	The corporation is required: (a) to purchase units or assets; (b) to acquire services; (c) to enter into agreements or leases with the declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the declarant.	Yes No X Yes No X Yes No X	Refer to: Article XXI (Disclosure Statement)
18.	The declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the declarant owns land adjacent to the land described in the description. 1. The current use of the adjacent land is 2. The Declarant has made representation respecting the future use of the land. The Disclosure Statement contains a statement of the representation. 3. Applications have been submitted to an approval authority respecting the use of the Land.	Yes No X Yes No X Yes No X	Refer to: Article XXII of the Disclosure Statement
19.	Not Applicable	N/A	Not Applicable

	Matter		Specify the article, paragraph (and/or clause) and page number where the matter is dealt within the existing or proposed declaration, by laws, rules or other material in the disclosure statement
20.	Under clause 143(a) of the Condominium Act, 1998 the common interest is attached or will attach to the owner's parcel of land described in the declaration and cannot be severed from the parcel upon the sale of the parcel or the enforcement of an encumbrance registered against the parcel.		
21.	The declaration contains a list of the buildings, structures, facilities and services to be included in the common elements.		Refer to: Schedule "H" to the Declaration
22. – 27.	N/A	N/A	N/A

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

This Disclosure Statement is made this 7th day of August, 2009.

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

I DATE OF DISCLOSURE STATEMENT

1.1 Date

This Disclosure Statement is made this 7th day of August, 2009.

II TYPE OF CORPORATION

2.1 Type

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

**III NAME AND MUNICIPAL ADDRESS OF DECLARANT /
MAILING AND MUNICIPAL ADDRESS OF CONDOMINIUM**

3.1 Declarant

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

DECLARANT: 2096553 ONTARIO INC
93 Skyway Avenue
Suite 109
Toronto, Ontario,
M9W 6N6

3.2 Condominium

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

PEEL COMMON ELEMENT CONDOMINIUM CORPORATION NO. _____:

Mailing and Municipal Address: Municipal Address and postal code not yet
available from the City of Mississauga.

IV GENERAL DESCRIPTION OF THE PROPERTY

4.1 Legal Description of the Property

The Corporation (herein referred to as the "Corporation" or the "Condominium") is to be located on the property legally described as Part of Lot 10, Concession 3, W.H.S., designated as Part _____ on Plan 43R- _____ (to be registered), City of Mississauga, in the Land Registry Office for the Land Titles Division of Peel (No. 43) (the "Property").

4.2 Division and Composition of the Project

The Condominium is to consist of two private streets designated within the Property and, two walkways (the "Condominium"). Accompanying this disclosure statement is a reduced copy of the draft plan of condominium showing the proposed location of the Condominium and which lays out the present lands owned by the Declarant upon which the proposed Condominium is to be constructed and the parcels of tied lands (the "Potls") which will each have an undivided interest in the Condominium. The draft plan of Condominium is intended to give the Purchasers an overview of the location of the Condominium and the Potls. The actual location of the structures, if any, shown on the draft plan of Condominium may be altered and/or revised at the sole and absolute discretion of the Declarant and/or to comply with the decisions of final site plan and other approvals from the local municipality and other government authorities. The walkways are designated on the Draft Plan as Block G (the "Northerly Walkway") and Block H (the "Southerly Walkway")

Purchasers of Potls to which a common interest in the Condominium is attached, are notified that during the construction of the Condominium and construction of the dwellings on the Potls, the Declarant, its contractors, suppliers and trades will be entitled to use those portions of the Property as may be necessary and that during construction, a certain amount of dust, noise and heavy traffic will occur. The Declarant will take reasonable efforts to ensure that its contractors, suppliers and trades will carry out their work on behalf of the Declarant, in such a manner as to reasonably reduce and minimize the degree of interference and discomfort to the residents of the Potls, with their use and enjoyment of the Property, provided that nothing shall derogate from the right of the Declarant to complete construction of the Condominium or the dwellings. Purchasers of Potls are further advised that the Declarant reserves the right to increase or decrease the number of Potls, to which a common interest in the Condominium is attached, provided same is permitted by the applicable governmental authorities, and the Declaration as well as the percentage common interest and percentage contributions to common expenses will be amended accordingly.

4.3 Proposed Types and Number of Buildings and Units

There are no units or buildings within the condominium plan.

4.4 Utilities/Refuse Collection/Mail

(a) Utilities

Water and hydro services will be provided to the Common Elements to facilitate watering and street lighting.

(b) Refuse Collection and Recycling

Municipal refuse collection will be provided to the Potls. Recycling of refuse is required by the Municipality and residents will be required to sort refuse in accordance with the recycling requirements of the Municipality.

(c) Mail Delivery

There will be no door-to-door mail delivery and owners of the Potls will be required to pick up their mail at super mailboxes located on the boulevard area adjacent to the streets forming the Common Elements.

4.5 Recreational and other Amenities

(a) Amenities to be Provided

The Condominium shall, in addition to the two access roadways providing access to the Potls, encompass two walkways. The Northerly Walkway shall have a perpendicular width of 1.5 meters and is designated as Block G on the Draft Plan. The Southerly Walkway is comprised of those lands designated as Block H on the Draft Plan and represents a strip of land being 3.0 meters in perpendicular width. In each case, the walkways are for the use of the public at large for pedestrian purposes.

4.6 Easements

The Condominium will be subject to those easements as disclosed by the registered title and created in Schedule "A" to the Declaration. In addition to the easements existing and noted on title to the Property as of the date of this Disclosure Statement, further easements may be required including easements over the Northerly and Southerly Walkway in favour of the public at large for purposes of pedestrian travel thereon as well as over a portion of the Notherly Walkway for servicing purposes. The Condominium may receive and may be subject to easements as required for the purpose of providing access to servants, agents and contractors, to maintain, repair, replace or service any equipment, system or any other item provided by any utility; and for easements in favour of the Declarant for the purpose of providing access for contractors, installation of facilities and other associated easements required for the construction of the Condominium and dwellings on the Potls. There may also be easements in favour of various utilities and service providers such as Enbridge, Enersource and a cable television service provider as well as easements for access to adjoining owners.

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

4.7 Visitor Parking

There will be no visitors parking as such within the Condominium. The road portions of the condominium are intended as access roadways to the Potls. Street parking shall be permitted provided however that overnight and party parking shall be permitted only if accompanied by a permit issued by the Corporation.

V NO CONVERSION OF RENTED RESIDENTIAL PREMISES

- 5.1 No building on the Property has been or will be converted from a previous use and no buildings are contemplated to be constructed on the Property. Therefore, in respect to the Condominium, the Declarant has not made application pursuant to subsection 9(4) of the Act for approval to convert previously used or existing rented residential premises to condominium tenure.

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

6.1 Applicability

The Property is not subject to the ONHWPA (TARION).

6.2 Enrollment

As the Property is not subject to the ONHWPA (TARION), the declarant does not intend to enroll the common elements pursuant to the ONHWPA.

VII NO CONVERSION FROM PREVIOUS USE

- 7.1 No building on the Condominium property has been converted from a previous use. No buildings are to be constructed on the property comprising the Condominium.

VIII NON-RESIDENTIAL USE

8.1 Commercial use

None of the Potls nor the common elements are to be used for commercial purposes or other purposes not ancillary to residential purposes Save and except that the Declarant may use one or more of the homes constructed on one or more of the Potls for a modeling home/ sale and showroom purpose.

IX BLOCKS OF POTLS AND COMMON INTERESTS MARKETED TO INVESTORS

9.1 The Declarant reserves the right to market Potls (and common interests attaching thereto) in blocks to investors, but has no present intention of doing so. No restriction has been placed on the number of Potls (and common interests attaching thereto) that may be purchased by an individual or a corporation.

X PORTION OF COMMON INTERESTS DECLARANT INTENDS TO LEASE

10.1 The Declarant presently does not intend to lease the Potls and accompanying common interests.

XI DECLARATION, BY-LAWS AND RULES

11.1 Accompanying this disclosure statement is a copy of the Declaration, By-Laws and Rules.

**XII BRIEF DESCRIPTION OF SIGNIFICANT FEATURES OF
VARIOUS AGREEMENTS SUBJECT TO TERMINATION**

12.1 Management Agreement (Section 111 of the Act)

- (a) The Corporation will enter into a Management Agreement with a condominium property manager (the "Manager") pursuant to which the Manager is to be the sole and exclusive representative and managing agent of the Corporation subject to overall control of the Corporation, for a period of one (1) year from the date of registration of the Declaration. The duties of the Manager are fully set out in the Management Agreement and do not include the duties of the directors and officers of the Corporation as set forth in the by-laws unless specifically stated otherwise in the Management Agreement. The Manager is entitled to act in the name of the Corporation in order to carry out the Corporation's duties under the Declaration, the Act and the By-laws. The Manager will collect and expend the common expenses and supply monthly statements and annual budgets.
- (b) The Corporation is to pay the Manager for its managerial services the sum as set out in the Budget during the first year of the Management Agreement. The Management Agreement may be terminated by the Corporation pursuant to the provisions of Section 111 of the Act.
- (c) The duties of the Manager include enforcing the terms of the declaration, by-laws and rules; advising the Board as to any additional by-laws or rules which should be established to assist in the operation of the Property; collecting and receiving monies payable by the owners and depositing same into the appropriate trust accounts; utilizing such funds to make payments of accounts including insurance, repairs and maintenance; attempting to collect delinquent accounts; keeping accurate accounts and records of financial transactions involved in the management of the Property.
- (d) The Manager may engage a parent or subsidiary corporation or person affiliated to perform any work or services for the Corporation subject to the restrictions set out in the Management Agreement. Upon registration of the Declaration and thereafter prior to the beginning of each fiscal year during the term of the Management Agreement, the Manager shall provide the Board with an estimated budget for the following year.
- (e) A copy of the Management Agreement is included with this Disclosure Statement. Purchasers are advised to review the actual Management Agreement for a complete understanding of the provisions contained therein. This summary is qualified in all respects by the Management Agreement, itself.

12.2 Other Agreements

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

(a) Reserve Fund Study

The Condominium is obliged to establish and maintain one or more reserve funds to cover the costs of the major repair and replacement of the common elements and assets of the Condominium. In turn, the Condominium is obliged to retain an independent and qualified consultant to conduct a reserve fund study, for and on behalf of the Condominium, within the first year following registration, in accordance with the provisions of section 94(4) of the Act. The reserve fund study will confirm, amongst other things, the adequacy of the reserve fund, and the annual appropriation necessary to cover the anticipated repair and replacement costs of the common elements and other assets of the Condominium, based on their respective life expectancy. The reserve fund

study must be updated on a periodic basis, at the times and in the manner prescribed by the Act. Pending the Condominium's receipt of the first reserve fund study and its implementation of a proposed funding plan with respect thereto (if same is necessary), the total amount of the contributions to the reserve fund shall in no case be less than 10% of the budgeted amount required for contributions to the common expenses, exclusive of the reserve fund.

The proposed first year budget statement makes specific reference to the estimated cost of retaining a qualified consultant to conduct the reserve fund study, for and on behalf of the Condominium. This estimate has been based on a price figure negotiated by the Declarant with a duly qualified and independent third party consultant, to undertake the reserve fund study on behalf of the Condominium immediately. After the Condominium has been created it is intended that the Reserve Fund Study will be provided at the Turnover Meeting. In the event that the nondeclarant board of directors terminates the contract entered into and chooses to retain an alternate consultant to undertake the reserve fund study, or to prepare a second reserve fund study at a cost or figure higher than the negotiated price or at an additional cost in the case of a second study, then with respect to the Declarant's accountability for any deficiency in the first year budget arising pursuant to section 75 of the Act, it is the Declarant's stated position that it shall only be responsible for the amount of the negotiated price, insofar as the cost of the reserve fund study is concerned, and that any expenditure in excess of said amount shall be the sole responsibility of the Condominium. Purchasers are hereby advised to carefully review the first year budget statement enclosed herewith for further details.

(b) Performance Audit

The Condominium will be obliged to engage or retain a consultant [who holds a certificate of authorization within the meaning of the Professional Engineers Act, or alternatively a certificate of practice within the meaning of the Architects Act] to conduct a performance audit of the common elements on behalf of the Condominium, no earlier than 6 months and no later than 10 months following registration, in accordance with the provisions of section 44 of the Act, and to inspect and report on the condition or state of repair of all major components of the Common Elements as specified by the Act. Before the end of the 11th month following the registration of the declaration, the person who conducts the performance audit is obliged to submit his or her report on the state of the deficiencies (if any) with respect to the common elements of the Condominium, to the board of directors.

Pursuant to the provisions of the declaration, the Condominium is obliged to permit the Declarant and its authorized employees, agents and representatives to accompany (and confer with) the consultant(s) retained to carry out the performance audit while same is being conducted, and to provide the Declarant with at least fifteen (15) days written notice prior to the commencement of the performance audit, and to also permit the Declarant and its authorized employees, agents and representatives to carry out any repair or remedial work identified or recommended by the performance auditor in connection with the performance audit (if the Declarant chooses to do so) for the purposes of facilitating and expediting the rectification and audit process (and bringing all matters requiring rectification to the immediate attention of the Declarant, so that same may be promptly dealt with), and affording the Declarant the opportunity to verify, clarify and/or explain any potential matters of dispute to the performance auditor, prior to the end of the 11th month following the registration of the Condominium and the corresponding submission of the performance auditor's report to the board.

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

(c) Financial Audit

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

on such statements to the Condominium (on behalf of the owners) in accordance with the provisions of sections 66 to 71 of the Act.

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

(d) Miscellaneous Contracts

The Declarant Board will enter into such contracts as may be necessary or required for the provision of services to the Condominium including, without limitation, snow removal, landscaping, maintenance, insurance, accounting services, and other such matters as may be required for the orderly operation of the business of the Corporation.

12.3 Proposed Insurance Trust Agreement (Section 114 of the Act)

The Declarant does not intend to cause the Corporation to enter into an insurance trust agreement following registration.

XIII AMALGAMATION

13.1 Statement regarding Amalgamation

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

XIV BUDGET STATEMENT

- 14.1 A Budget Statement for the one year period immediately following registration of the declaration and the description is included with this disclosure statement. The Budget Statement has been prepared based on the assumption that the dwellings on the Potls will be completed and occupied as of the registration of the Condominium. However, should this not be the case, although purchasers will make their monthly contributions to common expenses in accordance with the Budget and the proportions set out in Schedule "D" to the Declaration, the Declarant will not be required to make the same contribution to common expenses for Undeveloped Potls (as such term is defined in the Declaration) as will purchasers of Potls during the first fiscal year following the registration of the Condominium. Rather, the Declarant will be required to pay the difference, if any, between the sum payable to the Condominium Corporation by purchasers of Potls for operating expenses during such first year and the sum actually expended by the Condominium Corporation to pay for all budgeted operating expenses. Furthermore, the Declarant will make its proportional payment to the reserve fund for Undeveloped Potls to the Condominium Corporation so that the Corporation will have collected full budgeted reserve fund amount for the first fiscal year as stipulated in the initial budget of the Condominium. Please refer to paragraph 1.6 of the Declaration for the specific provisions relating to payment of common expenses in the first fiscal year of the Condominium.

XV FEES OR CHARGES TO BE PAID TO THE DECLARANT

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

XVI RESCISSION RIGHTS SECTION 73 OF THE ACT

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

- (a) A purchaser who receives a disclosure statement under subsection 72(1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registerable form.
- (b) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the later of,
 - (i) the date that the purchaser receives the disclosure statement; and
 - (ii) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser.
- (c) If a declarant or the declarant's solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it.

XVII RESCISSION RIGHTS UPON MATERIAL CHANGE(SECTION 74 OF THE ACT)

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

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

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

 - (i) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation;
 - (ii) a substantial addition, alteration or improvement within the meaning of subsection 97(6) that the corporation makes to the common elements after a turnover meeting has been held under section 43;
 - (iii) a change in the portion of units or proposed units that the declarant intends to lease;
 - (iv) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been completed as of the date on which the disclosure statement was made; or
 - (v) a change in the information contained in the statement described in subsection 161(1) of the services provided by the municipality or the Minister of Municipal Affairs and Housing, as the case may be as described in that subsection if the unit or the proposed unit is in a vacant land condominium corporation.
- (c) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them.
- (d) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form.
- (e) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Superior Court of Justice for a determination whether a change or a series of changes set out in the statement or notice is a material change.
- (f) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice as required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,

- (i) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;
 - (ii) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and
 - (iii) the date on which the Superior Court of Justice makes a determination under subsection (5) or (8) that the change is material, if the purchaser or declarant, as the case may be, has made an application for the determination.
- (g) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor.
- (h) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Superior Court of Justice for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application for the determination under subsection (5).
- (i) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it.
- (j) The declarant shall make the refund,
- (i) within 10 days after receiving a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or
 - (ii) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8).

XVIII INTEREST ON DEPOSITS

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

XIX USE OF COMMON ELEMENTS

- 19.1 The Declarant does not intend to permit any part of the common elements to be used for commercial or other purpose not ancillary to residential purposes save as referred to in Section 8.1 hereof, the Declarant does not intend to create Potls or common interests which will be utilized for commercial or other purposes not ancillary to residential purposes.

XX MAJOR ASSETS TO BE PROVIDED BY DECLARANT

- 20.1 The Declarant does not intend to provide any major assets or property to the Corporation.

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

- 21.1 There are no units, assets or services that the Corporation is required to purchase or acquire nor are there any agreements or leases that the corporation must enter into with the Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the Declarant.

XXII ADJOINING LANDS

- 22.1 The Declarant does not own lands adjacent to the lands described in the Description.

XXIII RULES

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

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

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

Purchasers should pay specific attention to the rules of the Condominium accompanying this Disclosure Statement, which will be adopted and approved by the board of directors of the Condominium following the registration of the declaration, in accordance with the provisions of the Act. Amongst other things, these rules restrict, regulate or otherwise deal with alterations to the common elements, the disposal of garbage, the emission of noise and the parking of vehicles.

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

XXIV MISCELLANEOUS MATTERS

- 24.1 The Condominium may be subject to various easements in the nature of a right of way in favour of adjoining and/or neighbouring land owners, including the Declarant, for utilities, construction and to permit ingress and egress to those properties.
- 24.2 The City of Mississauga does not require off site snow removal, however, in the case of heavy snow falls, the limited storage space available on the property may make it necessary to truck the snow off site and the cost of same will be included in the common expense fees.
- 24.3 The Purchaser acknowledges that it is anticipated by the Declarant that in connection with the Declarant's application to the appropriate governmental authorities for draft plan of condominium approval certain requirements may be imposed upon the Declarant by various governmental authorities. These requirements (the "Requirements") usually relate to warning provisions to be given to Purchasers in connection with environmental or other concerns (such as warnings relating to noise levels, the proximity of the buildings to major streets and airports (and in particular existing flight paths) and similar matters). Accordingly, the Purchaser covenants and agrees that (1) on the Closing Date, the Purchaser shall execute any and all documents required by the Declarant acknowledging, inter alia, that the Purchaser is aware of the Requirements, and (2) if the Declarant is required to incorporate the Requirements into the final condominium documents the Purchaser shall accept the same, without in any way affecting this transaction.

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

2096553 ONTARIO INC

(hereinafter called the "**Declarant**")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Mississauga, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "Description") for registration in accordance with the Act and which lands are sometimes referred to as the "Lands" or the "Property"; and
- B. The Declarant intends that the Property shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold condominium that constitutes a common elements condominium corporation.
- C. The Common Elements of the Corporation are intended for the use and enjoyment of the Owners.

NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:

**ARTICLE I
INTRODUCTORY**

1.1 Definitions

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

- (a) "Board" means the Corporation's Board of Directors;
- (b) "Builder" means Hush Homes Inc.;
- (c) "By-Laws" means the by-laws of the Corporation enacted from time to time;
- (d) "Common Elements" means all the Property;
- (e) "Corporation" means the Condominium Corporation created by the registration of this Declaration;
- (f) "Developed Potl" means a Potl upon which a dwelling has been constructed which is actually occupied by an Owner (other than the Declarant);
- (g) "First Fiscal Year of the Condominium" means the period of time commencing on the day of the registration of the Condominium and ending on the first anniversary of the date prior to the registration of the Condominium;
- (h) "First Year Budget" means the budget of the Condominium in effect as of the date of the registration of the Condominium;
- (i) "Owner" means the Owner or Owners of the freehold estate(s) in a Potl and who owns, pursuant to the Act, a common interest in the Common Elements, but does not include a mortgagee of a Potl unless in possession;
- (j) "Plan of Subdivision" means Plan 43M – _____ registered in the Land Registry Office for the Land Titles Division of Peel (No. 43);
- (k) "Potl" or "Potls" means the parcel or parcel(s) of tied land to which a common interest is attached as described in Schedule "D" to this Declaration;
- (l) "Rules" means the Rules passed by the Board;
- (m) "Undeveloped Potl" means a Potl that is not a Developed Potl.

1.2 Act Governs the Property

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

1.3 Common Elements Condominium

The registration of this Declaration and the Description will create a freehold condominium that constitutes a common elements condominium corporation.

1.4 Division of Potls

A Potl may not be divided into two (2) or more parcels unless an amendment is registered to the Declaration that takes into account the division of a Potl.

1.5 Consent of Encumbrancers

The consent of every person having a registered mortgage against the Property or interests appurtenant thereto and against each Potl is contained in Schedule "B" attached hereto.

1.6 Common Interest and Common Expenses

(a) Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners in the proportions set forth opposite each Potl in Schedule "D" attached hereto and shall contribute to the common expenses in the proportion set forth opposite each Potl in Schedule "D" attached hereto. The total of the proportions of the common interests and proportionate contribution to common expenses shall each be one hundred (100%) percent.

(b) Notwithstanding the provisions of paragraph 1.6(a), until the end of the First Fiscal Year of the Condominium, the Owner(s) shall contribute to the Common Expenses as follows:

(i) Owners of Developed Potls shall contribute to the Common Expenses in the proportion set forth opposite each Potl in Schedule "D" attached hereto based on the First Year Budget;

(ii) the Declarant, in its capacity as the Owner of Undeveloped Potls, shall contribute to the operating component of the Common Expenses (ie. Exclusive of the reserve fund component) in respect of the Undeveloped Potls under paragraph 1.6(b)(i) hereof and the amount of budgeted operating expenses actually incurred by the Corporation during the First Fiscal Year of the Condominium; and

(iii) the Declarant, in its capacity as Owner of Undeveloped Potls, shall pay to the Corporation, for deposit into the Corporation's reserve fund account, an amount equal to the difference between the amount payable by Owners of the Developed Potls under paragraph 1.6(b)(i) hereof in respect of the reserve fund contribution by the First Year Budget and the total budgeted amount for the reserve fund in the First Year Budget.

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

The Corporation's address for service shall be c/o Hush Homes, 93 Skyway Avenue, Suite 109, Toronto, Ontario M9W 6N6 or such other address as the Corporation may by resolution of the Board determine, and the Corporation's mailing address shall be c/o Hush Homes, 93 Skyway Avenue, Suite 109, Toronto, Ontario M9W 6N6. The Corporation's municipal address is 93 Skyway Avenue, Suite 109, Toronto, Ontario M9W 6N6.

1.8 Approval Authority Requirements

The following condition has been imposed by the approval authority to be included in this Declaration:

Uncompleted Services

Whenever the term "Consulting Engineer" or "Declarant's Consulting Engineer" is used herein, it shall mean the engineer required from time to time by the Declarant in connection with certification that the facilities and services that the declaration and description show are included in the common elements have been installed and provided in accordance with the requirements of the City of Mississauga. Without limiting the generality of the foregoing, the following facilities and services may not have been completed by the Declarant as at the date of the registration of the declaration and description of the Corporation (herein referred to as the "Uncompleted Services"):

a) The construction of access roadways providing vehicle and pedestrian access to each of the Potls;

- b) All sanitary sewers, storm sewers, watermain, curbs, gutters, sidewalks, streetlights, catch basins, manholes, fire hydrants, drainage swales, other services situated within and servicing the Corporation (Private Works) which will be under the private ownership and responsibility of the Corporation and comprise part of the Common Elements and all required actions, work, costs and expenses with respect to the use, operation, maintenance, repair, replacement and alteration of the Private Works are to be the responsibility, liability and obligation of the Corporation and the City of Mississauga and the Regional Municipality of Peel shall have no responsibility, liability, maintenance or obligation with respect to any other use, operation, maintenance, repair, replacement and alteration of the Private Works;
- c) Potls will be subject to a 3.0 meter servicing corridor in favour of the Corporation and/or utility service providers to accommodate for and allow for the installation, placement, operation and maintenance by the Corporation of the Private Works, which form part of the Common Elements or the placement, operation and maintenance of catch basins, storm drains, utility services, including gas, hydro, cable, telephone, fiber optics and telecommunications and accordingly the use and enjoyment of the front yard of each Potl may be limited or restricted by such easements;
- d) The Private Works shall be and remain at all times under separate ownership of the Corporation. The Corporation shall be responsible for the regular maintenance and repair and the up keep of the Private Works and such Private Works are to form part of the Common Elements comprising the Corporation.

Consulting Engineer's Certification

The Consulting Engineer shall be the sole authority for certification of the completion of the installation of the Uncompleted Services as hereinbefore defined and a certificate of the Consulting Engineer (the "Certification") shall be absolutely determinative as to the completion of such works by the Declarant and the Corporation shall abide by such Consulting Engineer's decision. In addition, any written confirmation or notice issued by the Consulting Engineer in respect of any matter or thing to be calculated and/or determined by the Consulting Engineer in connection with the Certification shall be absolutely determinative thereof and shall bind the Corporation. For the purpose of making any determination pursuant to the provisions of this paragraph of this Declaration, the Consulting Engineer shall not act , or be required to act, as an arbitrator, nor shall any rules, regulations or any requirement whatsoever relating to arbitrators apply to or bind the Consulting Engineer. All determinations and decisions of the Consulting Engineer shall be final and binding upon the Declarant and the Corporation without right of appeal and without any claims or actions against the City of Mississauga, its councilors, directors, officials, officers, employees, consultants, contractors, agents, successors and assigns, or any of them.

1.9 Architect/Engineer Certificates

The certificate(s) of the architect and/or engineer(s) that all installations and structures that the Declaration and Description show are included in the Common Elements and have been constructed in accordance with the regulations is/are contained in Schedule "G" attached hereto.

ARTICLE II COMMON EXPENSES

2.1 Specification of Common Expenses

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

2.2 Payment of Common Expenses

- (a) Each Owner shall pay to the Corporation his/her proportionate share of the common expenses and the assessment and collection of contributions toward common expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any By-laws or Rules in force from time to time by any Owner, or by members of his/her family and/or their respective tenants, invitees or licensees shall be borne and paid for by such Owner and may be recovered by the Corporation against such Owner in the same manner as common expenses.
- (b) Notwithstanding the foregoing provision to the contrary, and notwithstanding the allocation of each Potl's percentage payable of the common expenses as set forth in Schedule "D", until a Vacant Potl has constructed upon it a dwelling that is completed to a stage to permit occupancy, (as evidenced by the issuance of an occupancy clearance or

certificate by the appropriate governmental authorities) said Vacant Potl shall not pay nor be responsible for any portion of the common expenses which would otherwise be attributable to it.

2.3 Reserve Fund

- (a) The Corporation shall establish and maintain one or more Reserve Funds and shall collect from the Owners as part of their contribution towards the common expenses, amounts that are reasonably expected to provide sufficient funds for major repair and replacement of Common Elements and assets of the Corporation all in accordance with the provisions of the Act; and
- (b) No part of any Reserve Fund shall be used except for the purpose for which the fund was established. The Reserve Fund(s) shall constitute an asset of the Corporation and shall not be distributed to any Owner(s) except on termination of the Corporation in accordance with the provisions of the Act.

2.4 Status Certificate

The Corporation shall provide a status certificate to any requesting party who has paid (in advance) the applicable fees charged by the Corporation for providing same in accordance with the provisions of the Act, together with all accompanying documentation and information prescribed by the Act. The Corporation shall forthwith provide the Declarant (and/or any purchaser, transferee or mortgagee of a Potl from the Declarant) with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant (or by any such purchaser, transferee, or mortgagee) in connection with the Declarant's sale, transfer or mortgage of any Potls, all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

2.5 Conditions with Respect to Sales of Potls under Liens

In the event that an Owner of a Potl defaults in the obligation to contribute to the common expenses payable in respect of such Potl (herein referred to as a " Defaulting Potl") and the Defaulting Potl cannot be conveyed or otherwise dealt with in accordance with the Planning Act, then in addition to the Corporation's lien rights under the Condominium Act, 1998 in respect of such Defaulting Potl, the Corporation shall also have the same lien rights, against all of the Potls, together with the Defaulting Potl, that comprise the whole of the parcel that could be conveyed or dealt within accordance with the Planning Act.

ARTICLE III COMMON ELEMENTS

3.1 Use of Common Elements

Subject to the provisions of the Act, this Declaration, the By-laws and any Rules, each Owner has the full use, occupancy and enjoyment of the whole or any parts of the Common Elements, except as herein otherwise provided.

However, save and except as expressly provided or contemplated in this Declaration to the contrary, no condition shall be permitted to exist, and no activity shall be carried on, within any Potl or upon any portion of the Common Elements that:

- (a) will result in a contravention of any term or provision set out in the Act, this Declaration, the Bylaws and Rules of the Corporation;
- (b) is likely to damage the property of the Condominium, injure any person, or impair the structural integrity of any Potl or Common Elements area;
- (c) will unreasonably interfere with the use and enjoyment by the other Owners of the Common Elements and/or their respective Potls; or
- (d) may result in the cancellation (or threatened cancellation) of any policy of insurance obtained or maintained by the Corporation, or that may significantly increase any applicable insurance premium(s) with respect thereto, or any deductible portion in respect of such policy.

No one shall, by any conduct or activity undertaken in or upon any part of the Common Elements, impede, hinder or obstruct any right, privilege, easement or benefit given to any party, person or other entity pursuant to this Declaration, any By-law and/or the Rules.