



BUDGET STATEMENT
FOR THE FIRST YEAR OF OPERATIONS



Budget statement for the common expenses for the year following registration of the Declaration and Description of the proposed Condominium Corporation at 15086, 15094 and 15106 Yonge Street, Aurora, Ontario.

REVENUE

Common Element Fees	\$227,166	
Operating Interest Income	300	
TOTAL REVENUE		\$227,466

OPERATING EXPENSES

UTILITIES

Electricity	\$11,978	
Water / Wastewater	31,800	
Less In-Suite Water Consumption Recovery	(26,800)	
Green Loan	0	
Telephones	1,100	
TOTAL UTILITIES		\$18,078

INSURANCE

Insurance Premium	\$25,400	
TOTAL INSURANCE		\$25,400

SERVICE AGREEMENTS

Management Fees	\$28,747	
Waste Removal	6,500	
Garage Equipment Maintenance	4,800	
Pest Control	1,130	
Parking Lot Sweep	3,000	
Life Safety System Maintenance	5,400	
Landscaping & Snow Clearing	40,000	
TOTAL SERVICE AGREEMENTS		\$89,577

PERFORMANCE AUDIT

Performance Audit	\$14,700	
TOTAL PERFORMANCE AUDIT		\$14,700

MAINTENANCE / REPAIRS & SUPPLIES

Repairs & Maintenance	\$10,000	
Maintenance Supplies	5,000	
TOTAL BUILDING MAINTENANCE / REPAIRS & SUPPLIES		\$15,000



Budget statement for the common expenses for the year following registration of the Declaration and Description of the proposed Condominium Corporation at 15086, 15094 and 15106 Yonge Street, Aurora, Ontario.

GENERAL ADMINISTRATION

Legislative Expenses	\$2,300	
Financial Audit / Turnover Audit	8,051	
Office Expenses	2,000	
Legal Counsel	1,130	
TOTAL GENERAL ADMINISTRATION		\$13,481

BULK INTERNET

Bulk Internet	\$21,560	
TOTAL BULK INTERNET		\$21,560

RESERVE FUND

Reserve Fund Provision	\$22,325	
Reserve Fund Provision for Reserve Fund Study	7,345	
TOTAL RESERVE FUND		\$29,670

TOTAL EXPENSES		\$227,466
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If registration of the declaration and description occurs after March 31, 2023, then the Budget Statement and Schedule of Monthly Common Element Fees shall be read as increased by an inflation rate of 7.5% per annum and compounded annually. The date contained in this clause is not a guarantee that registration will take place on this date.



NOTES TO THE BUDGET

1. INDIVIDUAL UNIT ASSESSMENT:

The total monthly common element charge is determined by dividing (i) the total Bulk Internet charge attributed to the property (\$21,560) by twelve (12) to determine the monthly assessment for this charge; and (ii) the total of all other budgeted common element fees attributed to the property (\$205,606) by twelve (12) to determine the monthly assessment for all such other charges. The Bulk Internet charge is multiplied by the unit’s percentage contribution to the common expenses, as shown in the column in Schedule “D” of the proposed Declaration attributable to the Bulk Internet charge and the amount of all other expenses is then multiplied by the unit’s percentage to the contribution to the common expenses, as shown in the other column of percentages in Schedule “D”. Both amounts are added together to find the total monthly individual common element charges.

A. Total Monthly Common Element Assessment:

\$227,166 divided by 12 months = \$18,931 per month.

B. Monthly Individual Common Element Assessment:

Individual unit monthly common element assessments for Bulk Internet are determined by: (i) multiplying the monthly common element assessment for Bulk Internet (\$1,797) by the percentage contribution to common expenses of each unit in the column in Schedule “D” of the proposed Declaration attributable to the Bulk Internet charges; and (ii) multiplying the monthly common element assessment for all other expenses (\$17,134) by the percentage contribution to common expenses of each unit in the column in Schedule “D” of the proposed Declaration. Both monthly amounts are then added together to obtain each unit’s total individual monthly common element assessment.

2. OPERATING EXPENSES:

A. UTILITIES \$18,078

- i. Electricity \$11,978

The budget is based on comparable property requirements and the current rates from the Alectra Utilities website of 11.3 cents per kilowatt hour and administrative/distribution charges have been escalated by 5% and compounded annually. The budget includes electricity for the common areas, residential units and commercial units on a bulk basis. Each residential unit will be separately metered or sub-metered and the cost of electricity to the residential units and commercial units will be the responsibility of the respective unit owner and will not form part of the common expenses. Should the rates for hydro at time of registration be greater than 12.5 cents per kilowatt hour or the administrative/distribution charges have increased from current charges, then the budget will be adjusted accordingly to reflect the rates at the time of registration.



NOTES TO THE BUDGET

- ii. Water / Wastewater \$31,800

The budget is based on comparable property requirements and the current rates from the Town of Aurora of \$4.9700 per cubic metre for water and waste water, and administrative/distribution charges have been escalated by 5% and compounded annually. The budget includes water and waste water costs for the common areas, and residential units on a bulk billing basis. Each residential unit will be separately sub-metered or check metered and the cost of both water and waste water to the residential units will be the responsibility of the respective unit owner and will not form part of the common expenses (Please see Note iii. below). Therefore, although, as indicated water service will be bulk billed to the Condominium, the foregoing will in turn result in a recovery or reduction in the ultimate common expense water and waste water charges to the Condominium as the bulk bill amount will be offset by the individual charges for the sub-metered consumption for each residential unit, payment of which will be the responsibility of the owner of the unit in addition to their common expense payments. Should the rates for water and waste water at time of registration be greater than \$5.4794 cents per cubic metre or administrative/distribution charges have increased from current rates, then the budget will be adjusted accordingly to reflect the rates at the time of registration. Please refer to the Disclosure Statement for further details.

- iii. Less In-Suite Water Consumption Recovery (\$26,800)

It is currently anticipated that consumption of water and waste water within the residential units will be read by a third party company, in order to apportion and bill attributable costs amongst the owners and the Corporation (for water usage in common areas) based on a sub-meter reading. The total cost of each residential unit's water and waste water consumption, will be invoiced back to each unit based on their individual sub-meter or check meter reading and will be payable by the unit owners in addition to their common expense payments. In the event that this Recovery System Process, is not allowed or unable to be implemented, then it would result in an increase in common expenses by an average of approximately \$48.46 per residential unit per month, and this amount would form part of the common expenses in the future. Please refer to the Disclosure Statement for further details.

- iv. Green Loan \$0

The Declarant may enter into a Green Loan / Mortgage for certain HVAC equipment, LED lighting installations, green design initiatives, to make the Condominium Corporation more energy efficient. Should this occur, the budget will be adjusted to reflect the loan amount, which the Declarant estimates will be offset by the energy savings. It is anticipated that the overall budget costs will not be affected.

- v. Telephones \$1,100

The cost of the phone lines for the elevators, enterphone and life safety systems monitoring at the commercial rate.



NOTES TO THE BUDGET

B.	INSURANCE	\$25,400
i.	Insurance Premium	\$25,400
	This amount covers all insurance premium costs to meet the nrequires of the Condominium Corporation, including fire (all risk), comprehensive general liability, all major equipment, and directors and officers liability coverage, as applicable. Purchasers are advised to reference the standard unit schedule to ensure appropriate insurance coverage is obtained.	
C.	SERVICE AGREEMENTS	\$89,577
i.	Management Fees	\$28,747
	This covers the cost of the services of a licensed property management company to administer the affairs of the condominium corporation and as detailed in the property management contract included in the Disclosure Statement Package. The contract for the first year is set at \$40.00 per unit per month, plus the H.S.T. for part time portoflio property management.	
ii.	Waste Removal	\$6,500
	The estimated cost to remove waste and recycling material for the residential units from the site for the year.	
iii.	Garage Equipment Maintenance	\$4,800
	To maintain the common area building equipment according to manufacturers' specifications.	
iv.	Pest Control	\$1,130
	To spray the common area garbage areas once per month.	
v.	Parking Lot Sweep	\$3,000
	The estimated cost to power sweep the Parking Lot once during the year.	
vi.	Life Safety System Maintenance	\$5,400
	The estimated contract cost to inspect and maintain the life safety systems during the year as required by law and/or as may be required.	
vii.	Landscaping & Snow Clearing	\$40,000
	Provision to maintain the common area landscaping and to clear snow and ice from the common area walkways and roadways in the winter, including the cost of sand and ice melting salt substitute.	
D.	PERFORMANCE AUDIT	\$14,700
i.	Performance Audit	\$14,700
	The cost of the engineering study, to be conducted by the Board of Directors, to examine the common element areas and to file with the Tarion Warranty Program during the first year. This is a one time expense.	



NOTES TO THE BUDGET

The Condominium shall arrange for an independent engineering consultant to prepare a Performance Audit within one (1) year immediately following registration of the Declaration and the Description. The Performance Audit shall be conducted by professional consulting engineers who shall make a thorough examination of the common element areas and assess the as-constructed condition of the various systems and components of the common element areas in order to provide the corporation with a report on the common element areas which will assist the corporation in assessing repair and maintenance requirements and in preserving any rights which the corporation may have under the Ontario New Home Warranties Plan Act. The Declarant has negotiated a price for the Performance Audit (the "Contracted Price") which has been included in the Budget as a first year expense of the corporation.

The Corporation is not restricted to the consulting engineers for the Performance Audit being prepared as set out herein. However, in the event that the corporation retains an alternate and/or additional consulting engineer to undertake the Performance Audit, at a higher cost than the Contracted Price negotiated by the Declarant then, the Declarant shall only be responsible for the amount of the Contracted Price, pursuant to Section 75 of the Condominium Act 1998, and any expenses in excess of this stated amount shall be the sole responsibility of the condominium corporation.

E.	MAINTENANCE / REPAIRS & SUPPLIES	\$15,000
i.	Repairs & Maintenance	\$10,000
	This is the estimated cost for minor repairs to the common element areas only. This account is also used for the normal day-to-day maintenance to the common element areas.	
ii.	Maintenance Supplies	\$5,000
	This is the estimated cost for supplies, such as light bulbs, for the common areas.	
F.	GENERAL ADMINISTRATION	\$13,481
i.	Legislative Expenses	\$2,300
	The estimated cost for the annual expenses associated with the Condominium Authority of Ontario (CAO), property management licenses and the cost of preparing prescribed information certificates.	
ii.	Financial Audit / Turnover Audit	\$8,051
	The estimated cost for an independent auditor to undertake the Year End Audit in accordance with Section 43(7) of the Condominium Act 1998 and a Turnover Audit in accordance with Section 67 of the Condominium Act 1998.	



NOTES TO THE BUDGET

iii.	Office Expenses	\$2,000
	The estimated budgeted amount provides for any office expenses directly related to the operation of the corporation including the services of a minute taker for board meetings, various office supplies, photocopying, mailings, the annual general meeting, C.C.I membership, provision for a photocopier lease, status certificates that may be required by the Declarant, bank charges and other such expenses.	
iv.	Legal Counsel	\$1,130
	The estimated cost for independent legal counsel for the Corporation at the discretion of the Board of Directors and to a maximum amount of \$1,000.00 per month, plus the H.S.T.	
3.	BULK INTERNET	\$21,560
i.	Bulk Internet	\$21,560
	The estimated contract cost to enter into an agreement with Rogers Communications Inc. to provide bulk unlimited Ignite 1 Gbps Download and up to 30 Mbps Upload High Speed Internet service to each of the residential unit. Such service includes a modem rental for each residential unit. The initial term of the agreement is 72 months with the right of the Condominium Corporation to extend not less than 90 days prior to written notice given before the end of the initial term for up to 48 months at pre-defined annual escalating rates. The cost of the Bulk Internet service is based on an initial price of \$30.00 per residential unit per month, plus the H.S.T. Bulk Internet will be funded out of the common expenses in accordance with the proportions outlined in Schedule D to the Declaration relating specifically to the Bulk Internet. Please refer to the Disclosure Statement for further details.	
4.	RESERVE FUND	\$29,670
i.	Reserve Fund Provision	\$22,325
	The Condominium Act 1998 of Ontario defines the reserve fund as a fund set up by the corporation in a special account for the major repair and replacement of common elements and assets of the corporation. The provision is calculated at 15.0%, including the cost of the reserve fund study, of the estimated operating expenses. Future allocations will be dictated by the reserve fund study, to be completed in the first year after registration.	
ii.	Reserve Fund Provision for Reserve Fund Study	\$7,345
	The Condominium Act 1998 of Ontario (Section 94 (4)) requires every condominium corporation to establish a reserve fund based on a study to be conducted in the first year after registration. Section 94(7) allows for the reserve fund study to be expensed from the reserve fund.	



NOTES TO THE BUDGET

5. GENERAL NOTES TO THE BUDGET

- i. The total common expenses of this proposed Condominium Corporation, including the provision to the Reserve Fund is \$227,466 as shown on the Budget Statement.
- ii. The cost of each expense item is shown on the Budget Statement. The cost of the Reserve Fund Study is \$6,500 plus H.S.T.; the cost of the Performance Audit is \$13,009 plus H.S.T.; the cost of both the turn over and year end financial audits is \$7,125 plus H.S.T.
- iii. The cost, type, level and frequency of services is detailed in the Notes above.
- iv. The monthly common element fee for each unit is shown on the attached schedule to the Budget Statement. Purchasers are advised that the Monthly Bulk Internet Charge by unit plus monthly Common Element Assessment by unit equals the Total Monthly Common Element Fees by unit, being the actual amount to be paid by each unit owner.
- v. As stated in the Notes above, 15.0% of the operating expenses will be paid into the Reserve Fund account. The provision is \$29,670 for the first year.
- vi. At the time of preparation of the Budget Statement, September 2021, there are no pending lawsuits material to the property of which the declarant has actual knowledge and that may affect the property after the registration of a deed to the unit from the declarant to the purchaser.
- vii. There are no services not included in the foregoing Budget Statement that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense prior to the turn-over meeting.
- viii. There are no services not included in the foregoing Budget Statement that the Declarant provides, or expenses that the Declarant pays and that might reasonably be expected to become, at a subsequent time, a common expense.
- ix. As at the date of the foregoing Budget Statement, the Condominium Corporation has not been created and accordingly, there are no amounts in the Reserve Fund. At the end of the first year after registration, there should be approximately \$22,325 in the Reserve Fund account.
- x. As at the date of the foregoing Budget Statement, September 2021, the Condominium Corporation has not been created and accordingly, there is no Reserve Fund Study. As stated in the Notes above, the Reserve Fund Study will be completed after registration by an independent engineer.
- xi. The Harmonized Sales Tax is included in all applicable expense items on the Budget Statement.
- xii. Purchasers are advised that the cost of in-suite consumption of all utilities are not included in the monthly common element fees. As such, these costs are in addition to each residential monthly common expense payments.
- xiii. There are no current or expected fees, charges, rents or other revenue to be paid to or by the Condominium Corporation or by any of the owners for the use of the common elements or other facilities related to the property, except for the use perhaps of certain amenity areas, use of the access cards and/or keys for example and at rates to be established by the Board of Directors from time to time.
- xiv. Inflation rate of 7.5% is to be applied per annum (unless otherwise stated) each year after March 31, 2023. Provided however, that due to the significant fluctuation in gas, hydro and water utility rates recently, in respect to which the Declarant has no control, in the event that the relevant utility company/provider obtains relevant government approval for, or in any other way effects a significant annual increase in the utility rates above the assumed inflation rate of 5%, the Declarant reserves the right to revise the First Year Budget Statement to reflect such significant increase in the cost of supplying these utilities from the relevant utility company/provider, and to provide each unit purchaser with a revised copy of the condominium Corporation's First Year Budget Statement and schedule of monthly common expenses. In such event, purchasers acknowledge and agree that they shall be bound by such revised budget, and the acceptance of such revised budget should not be considered nor be construed as a material change to the Disclosure Statement.



NOTES TO THE BUDGET

- xv. Purchasers are advised that they will be responsible for insuring any contents and improvements in their individual units. This insurance policy should also include personal third party liability insurance, reimbursement for living expenses outside of their units and protection against any deductible charges that might accrue to the owner from the condominium corporation. The condominium corporation shall insure the units (excluding contents and improvements) and the common elements for full replacement cost. Please refer to the standard unit schedule for further details, as described in the Disclosure Statement.
- xvi. Purchasers are advised that the Budget Statement, dated September 2021, includes the additional costs associated with the recently enacted legislation by the Ontario government for both the Condominium Management Services Act, 2015, and Bill 106, Protecting Condominium Owners Act, 2015 SO 2015. These legislative enactments introduce the mandatory licensing of Condominium managers and also introduce the Condominium Authority of Ontario. The Declarant has used their best estimates in this First Year Budget Statement to accurately forecast these costs, however should subsequent phases of the aforementioned legislation be enacted, that causes the Condominium Corporation to incur additional costs, Purchasers are advised that the Budget Statement may need to be updated based on the actual cost and implication of these additional legislative changes, at the time of registration, in the event that this cost increases significantly. Purchasers are further advised, and expressly agree that such change to the Budget will not constitute, nor be deemed to be, a material change as that term is defined in the Condominium Act, 1998 (Ontario).
- xvii. Purchasers are advised that the Declarant has used their best estimates in this First Year Budget Statement to accurately forecast the cost of the insurance premium. However, due to significant increases in claims and losses over the past year, many insurance companies have severely reduced their capacity to insure condominiums, leading to a shortage of carriers willing to provide coverage. As a result, purchasers are advised that the Budget Statement may need to be updated based on the actual cost of Insurance, at the time of registration, in the event that this cost increases significantly. Purchasers are further advised, and expressly agree that such change to the Budget will not constitute, nor be deemed to be, a material change as that term is defined in the Condominium Act, 1998 (Ontario).
- xviii. Purchasers are advised that the Budget Statement, dated September 2021, includes the additional costs associated with the recently enacted legislation by the Ontario government The Fair Workplaces, Better Jobs Act, 2017. This new legislation includes broad ranging amendments to Ontario's Employment Standards Act and Labour Relations Act. These legislative changes seek to create more opportunity and security for workers across Ontario and increase minimum wage rates. The Declarant has used their best estimates in this First Year Budget Statement to accurately forecast these costs, however should subsequent phases of the aforementioned legislation be enacted, that causes the Condominium Corporation to incur additional costs, Purchasers are advised that the Budget Statement may need to be updated based on the actual cost and implication of these additional legislative changes, at the time of registration, in the event that this cost increases significantly. Purchasers are further advised, and expressly agree that such change to the Budget will not constitute, nor be deemed to be, a material change as that term is defined in the Condominium Act, 1998 (Ontario).



NOTES TO THE BUDGET

- xix. Purchasers are advised that the Declarant has used their best estimates in this First Year Budget Statement to accurately forecast the cost of natural gas, used to heat common areas and hot water. However, due to the Federal Governments recently enacted Greenhouse Gas Pollution Pricing Act, 2018. the impact of the resulting Carbon Tax is still unknown. As a result, Purchasers are advised that the Budget Statement may need to be updated based on the actual cost and implication of the Carbon Tax, at the time of registration, in the event that this cost increases significantly. Purchasers are further advised, and expressly agree that such change to the Budget will not constitute, nor be deemed to be, a material change as that term is defined in the Condominium Act, 1998 (Ontario).
- xx. This proposed First Year Budget Statement has been prepared by an Ontario Licensed Condominium Manager (OLCM) in accordance with the Condominium Management Services Act, 2015.



SCHEDULE OF MONTHLY COMMON ELEMENT FEES

SUITE NO.	LEVEL NO.	UNIT NO.	MONTHLY COMMON BULK INTERNET CHARGE PER UNIT	MONTHLY COMMON ELEMENT FEES BY UNIT	TOTAL MONTHLY COMMON ELEMENT FEES BY UNIT
PARKING UNITS	A & 1	53 units	\$0.00 each	\$29.95 each	\$29.95 each
101	1	1	\$33.90	\$212.76	\$246.66
102	1	2	\$33.90	\$212.76	\$246.66
103	1	3	\$33.90	\$212.76	\$246.66
104	1	4	\$33.90	\$212.76	\$246.66
105	1	5	\$33.90	\$282.21	\$316.11
106	1	6	\$33.90	\$282.21	\$316.11
107	1	7	\$33.90	\$282.21	\$316.11
108	1	8	\$33.90	\$282.21	\$316.11
109	1	9	\$33.90	\$282.21	\$316.11
110	1	10	\$33.90	\$294.03	\$327.93
111	1	11	\$33.90	\$294.03	\$327.93
112	1	12	\$33.90	\$294.03	\$327.93
201	2	1	\$33.90	\$156.62	\$190.52
202	2	2	\$33.90	\$251.18	\$285.08
203	2	3	\$33.90	\$156.62	\$190.52
204	2	4	\$33.90	\$364.95	\$398.85
205	2	5	\$33.90	\$449.17	\$483.07
206	2	6	\$33.90	\$364.95	\$398.85
207	2	7	\$33.90	\$364.95	\$398.85
208	2	8	\$33.90	\$449.17	\$483.07
209	2	9	\$33.90	\$378.25	\$412.15
210	2	10	\$33.90	\$319.14	\$353.04
211	2	11	\$33.90	\$184.69	\$218.59
212	2	12	\$33.90	\$184.69	\$218.59
213	2	13	\$33.90	\$184.69	\$218.59
214	2	14	\$33.90	\$335.40	\$369.30
215	2	15	\$33.90	\$323.58	\$357.48
216	2	16	\$33.90	\$323.58	\$357.48
217	2	17	\$33.90	\$333.92	\$367.82
218	2	18	\$33.90	\$333.92	\$367.82
219	2	19	\$33.90	\$333.92	\$367.82
220	2	20	\$33.90	\$333.92	\$367.82
221	2	21	\$33.90	\$333.92	\$367.82
222	2	22	\$33.90	\$323.58	\$357.48
223	2	23	\$33.90	\$335.40	\$369.30
224	2	24	\$33.90	\$209.81	\$243.71
225	2	25	\$33.90	\$209.81	\$243.71
226	2	26	\$33.90	\$209.81	\$243.71
227	2	27	\$33.90	\$209.81	\$243.71
228	2	28	\$33.90	\$209.81	\$243.71
229	2	29	\$33.90	\$209.81	\$243.71
230	2	30	\$33.90	\$336.87	\$370.77
231	2	31	\$33.90	\$341.31	\$375.21
232	2	32	\$33.90	\$335.40	\$369.30
233	2	33	\$33.90	\$330.96	\$364.86
234	2	34	\$33.90	\$330.96	\$364.86
235	2	35	\$33.90	\$335.40	\$369.30
236	2	36	\$33.90	\$335.40	\$369.30
237	2	37	\$33.90	\$335.40	\$369.30
238	2	38	\$33.90	\$330.96	\$364.86
239	2	39	\$33.90	\$335.40	\$369.30
240	2	40	\$33.90	\$339.83	\$373.73
241	2	41	\$33.90	\$335.40	\$369.30
TOTALS			\$1,796.70	\$17,133.89	\$18,930.59