



November 30, 2007

Homeowner(s)  
Toronto Standard Condominium Corporation No. 1577  
Suite «ADDRESS»  
5229 Dundas St. West, Etobicoke, Ontario  
M9B 6L9

Dear Owner(s):

**Re: Operating Budget: January 1 – December 31, 2008**

The TSCC 1577 net operating budget (Essex 1 tower costs, including proportionate share of the grounds and recreation centre costs shared with Essex 2 and the Shared Roadway/Walkway costs now shared with Essex 2 and Nuvo 1) prepared by your Board of Directors for the fiscal year January 1 to December 31, 2007 was \$1,471,415, to be recovered by common element fees. Total net actual expenditures for 2007 are now forecast to be \$1,456,221 or \$15,194 (1.0 %) **under** budget.

The Board has now approved a 2008 net operating budget in the amount of \$1,515,561, with a modest **3.0%** increase over 2007 common element fees. This translates to an average monthly fee increase of \$16.

The increase reflects underlying forecast inflation pressures of 2.5%, where applicable and other major factors outlined on the following page. Please also see the attached pie chart views.

**Accordingly, your new monthly common element assessment for 2008 will be \$ «AMOUNT»**

Currently, most owners take advantage of the “**Electronic Funds Transfer Program**” and the new monthly amount will automatically take effect January 1, 2008. We encourage the few owners who are still on the manual system to sign up for automatic payments. **Please complete the enclosed form, attach a “Void” cheque and return both to the Management office by December 15, 2007.**

If you still wish to use cheques, please provide the Management Office with twelve (12) post-dated cheques, dated the first (1st) day of each month from January 1, 2008 up to and including December 1, 2008. Please make your cheques payable to: “**TSCC No. 1577**” with your suite number indicated on the top right corner, and submit them to the Management Office **no later than December 15, 2007. Your prompt attention to this request will be greatly appreciated, and will ensure that the administration work for the new fiscal year can be completed on schedule.**

Respectfully,

Fred Reichl,  
on behalf of the TSCC 1577 Board of Directors

## Budget Notes: 2008 TSCC 1577 Operating Budget (Page 1 of 2)

The 3.0% common element fee increase for 2008 is due to the following major factors:

**Reserve Fund** contribution increase of \$10,784 (+0.7%) for the Essex 1 tower as mandated in the approved 2004 Reserve Fund Studies. The Essex Tower Reserve Fund has recently been updated (November 2007) as per legislative requirements. There is no change in the scheduled mandated program of annual increases.

**Maintenance & Service Contracts** are up \$10,349 (+0.7%) reflecting a 2.5% forecast increase in CPI that affects our various ongoing contracted maintenance and services.

**Repairs and Maintenance** costs will be down \$3,393 (-0.2%), due to reduced provision for general appearance repairs, offset by a hallway lighting refit of \$7,700 (elimination of ballasts plus use of lower energy bulbs) that will give us a payback in just over two years from savings in reduced maintenance and electricity consumption costs.

We will carry out a \$15,000 building appearance tune-up project (paid out of the reserve fund) to repaint about 25% of suite doors with noticeable signs of wear and tear, re-stain all suite door thresholds, repaint elevator doors on all floors, and selected portions of the lower and upper lobby walls showing most noticeable wear and tear.

**Utilities** will be up \$3,500 (+0.2%) based on consumption experience, contracted and forecast price increases, normalization for weather and reflecting savings from prior year energy conservation projects. In summary, we expect gas costs to be up \$15,500, hydro electricity costs down \$30,000. Water costs will be up \$18,000 reflecting continuation of a multi-year rate increase previously announced by the city.

**Recreational and Shared Facilities:** The Essex 1 budgeted share will be \$253,748, up \$2,675 (+0.2%)

- a. **Essex Shared Facilities** budgeted costs will be \$575,725 in 2008, up 3.9% over last year's budget. The Essex 1 share of 42.7% in 2008 will be \$245,835, up \$9,329 (+0.6% of the overall 3.0% fee increase).

Essex Shared Facilities **Reserve Fund contribution** will be up \$7,128 (+1.3%) as per the mandated 2006 Reserve Fund study that includes the entire recreation centre and Phase 1 and Phase 2 garages. **Repairs and Maintenance** will be up \$19,500 (+3.5%), reflecting 2007 experience in what takes to properly maintain our complete Essex grounds and the full recreation centre. **Maintenance & Service Contracts** will up \$4,080 (+ 0.7%), due to provision for inflation and a lower requirement for special cleaning projects. **Administrative costs** will be down \$3,685 (-0.7%), due to lower usage of consulting and legal advisory services. **Recreational / Joint Programs expenses** will also be down \$3,775 (-0.7%), reflecting less social program activity and equipment maintenance. **Utilities** will be up \$3,000 (+0.5%), to reflect higher gas consumption based on normalized weather, offset by slightly lower electricity and water costs.

We will carry out a \$25,000 **program of replacements** of worn out furniture and equipment in the recreation centre (paid out of the shared reserve fund): selected furniture in the party room, carpets in the guest suites, billiard table tops, and the screen in the golf room. There will be no impact on 2008 maintenance fees.

**Garage CO Sensors:** We plan to install Carbon Monoxide Sensors in the garage levels at a total cost of \$42,500 with the TSCC #1577 share of the cost to be \$18,150 (42.7%), and the TSCC #1623 share of the cost to be \$24,350 (57.3%).

The new CO sensors will control the operation of the exhaust fans so that they will operate only when necessary to ensure safe air quality, and not continuously as they do now. This will reduce annual electricity costs by \$12,000, generating about a 4 year pay out. To eliminate impact on your fees, both Essex Boards of Directors have agreed to the same authorized financing option to pay their proportionate share of the \$42,500, using a series of monthly payments designed to be covered by the expected electricity savings, using the "borrowing by way of overdraft" option set out in our bylaws.

"Borrowing by way of overdraft" is permitted up to a limit of 1/12th of the annual budget. The planned repayment arrangement qualifies since no pledging of assets is involved, consistent with normal overdraft protection provisions with our bank. The financing terms provided by the vendor, Provident Energy Management, call for a total monthly repayment amount of \$929.81 calculated at an 8% interest rate for a period of 54 months. The 54 month period was selected so that the Corporations remain in a cash neutral position throughout the period of the loan. The total amount of principal and interest to be paid to Provident will be \$50,200. This "Green Loan" financing approach is becoming standard for Condominium Corporations who are pursuing energy conservation initiatives that do not qualify as reserve fund expenditures because they are common element additions, and not replacements

There will be no impact on 2008 maintenance fees. The \$155,000 electricity budget for 2008 covers the cost of electricity consumption and the monthly loan repayments, and similarly for the remainder of the repayment period.

## Budget Notes: 2008 TSCC 1577 Operating Budget (page 2 of 2)

### Recreational and Shared Facilities (continued):

- b. **Essex Shared Roadway/Walkway** budgeted costs will be \$29,996 in 2008, down \$4,119 (-12%) from last year's budget. The Essex 1 share of 26.38% in 2008 (reflecting the three-way proportional split for the full year with Essex 2 and Nuvo 1) will be \$7,913, down \$6,654 (-0.4% of the overall 3.0% fee increase). Essex Nuvo 2 and the fifth Tridel building will join the partnership when they are registered. We will not have any other mandated cost sharing arrangements with other adjacent condominiums.

**Operating Contingency Fund:** Contribution at the same level as last year, as we continue to build a sufficient balance to cover unanticipated operating costs during any upcoming fiscal year. The fund balance at end 2008 is expected to be \$106,152, which about where good fiscal planning suggests it needs to be.

**Operating Surplus:** In 2007, we planned to apply \$10,000 of our operating surplus, as well as an unanticipated prior year electricity rebate of \$16,151 to offset 2007 expenses. Since 2007 expenses are now forecast to come in under budget, we will not need to spend any current year operating surplus for that purpose. Instead we have applied the \$16,151 as an additional contribution to the Contingency Fund. In 2008, we plan to apply \$37,900 of our operating surplus to help keep the 2008 fee increase to just 3.0%.

**Special Project:** In response to many requests, we will be installing automatic door openers on the front ground level lobby doors, and on the Visitor and Resident entry doors on garage levels P1, P2, and P3 at a cost of \$35,000. This installation will make daily life easier for all residents and better respond to the needs of those visitors and residents who have restricted mobility. This project has no impact on 2008 fees, since we plan to pay for it from our current operating surplus.

However under the requirements of the Condominium Act, we are required to give owners the following formal notice of our intent for this project:

*Pursuant to section 97 of the Condominium Act, before proceeding with a project with a total cost that is more than 1% of the annual budget to be paid in any one month, but less than 10% of the current operating budget, and is also considered by the board to be NOT substantial, the board must formally give notice to the owners of the proposed change to the common elements.*

*The Corporation will proceed with the project, unless in accordance with section 46 of the Condominium Act, a meeting is requisitioned by 15% of owners within 30 days of the notice date of December 1, 2007. If such a meeting of owners were to be requisitioned, the proposal would be discussed and voted on by those owners who are present. The Corporation would proceed with the proposal unless it is voted against at any such meeting.*

The cost of this project clearly does not exceed 10% of the annual budget, but since we will likely pay for it in a single payment in a single month, the above notice is necessary.

**Please also note attached Form 15,  
the official notification to owners as per the Condominium Act,  
of Future Funding of Reserve Funds for T.S.C.C. # 1577.**

**OPERATING BUDGET**

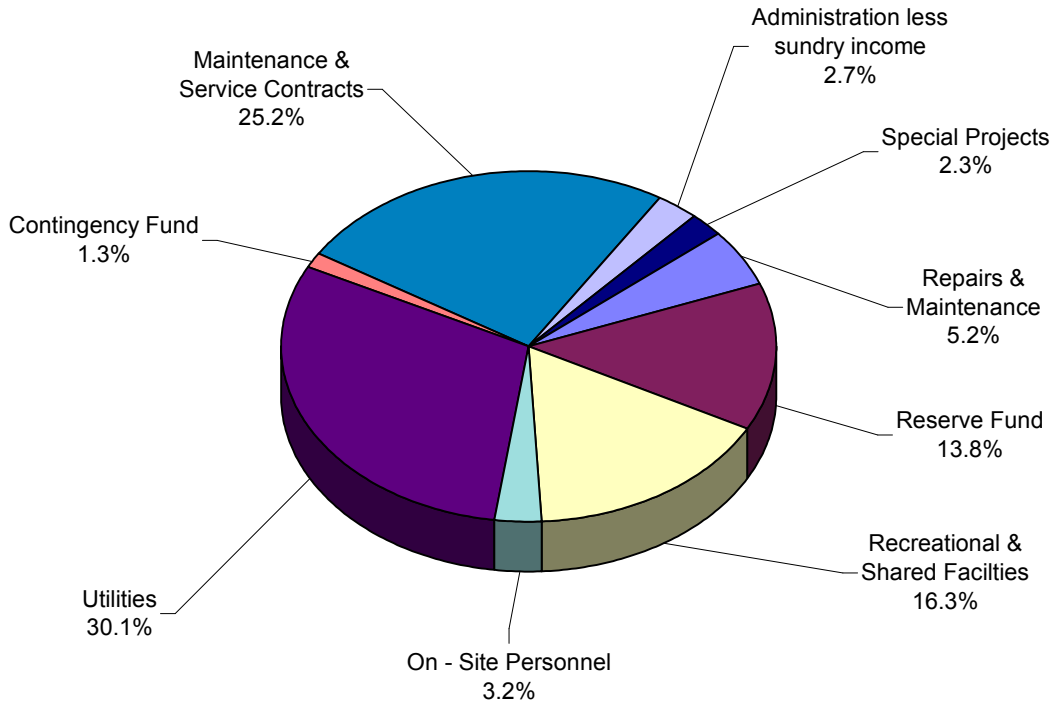
January 1, 2008 to December 31, 2008

	CURRENT BUDGET 2007	APPROVED BUDGET 2008	% of Total 2008
Maintenance & Service Contracts	380,417	390,766	25.78%
Repairs & Maintenance	83,565	80,172	5.29%
Recreational & Shared Facilities	251,073	253,748	16.74%
Utilities	464,500	468,000	30.88%
On - Site Personnel	48,485	49,225	3.25%
Special Projects	-	35,000	2.31%
Administration	50,760	51,000	3.37%
<b>Total Operating Expense :</b>	<u>1,278,800</u>	<u>1,327,911</u>	<b>87.62%</b>
Less: Sundry Income	4,700	8,700	0.57%
<b>NET OPERATING EXPENSE:</b>	<u>1,274,100</u>	<u>1,319,211</u>	<b>87.04%</b>
Contribution to Reserves	203,466	214,250	14.14%
Contribution to Contingency	20,000	20,000	1.32%
<b>TOTAL FUNDS REQUIRED</b>	<u>1,497,566</u>	<u>1,553,461</u>	<b>102.50%</b>
Contributed from Current Year's Surplus	(26,151.00)	(37,900)	-2.50%
<b>COMMON ELEMENT ASSESSMENT:</b>	<u>1,471,415</u>	<u>1,515,561</u>	<b>100.00%</b>

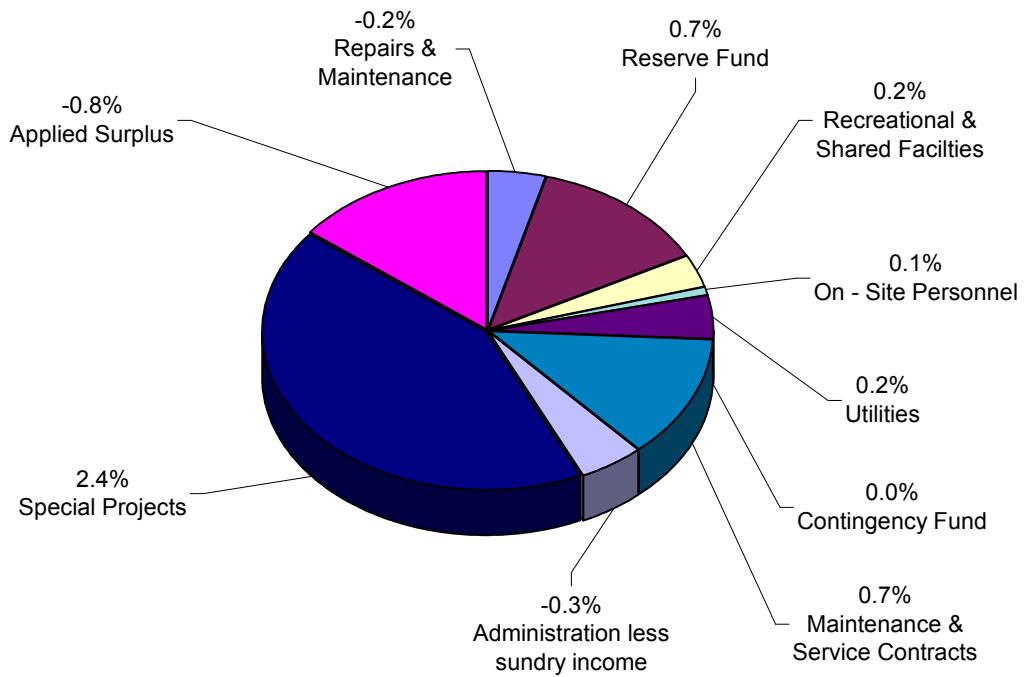
**TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1577**  
**OPERATING BUDGET - January 1,2008 to December 31,2008**

	<b>CURRENT BUDGET 2007</b>	<b>APPROVED BUDGET 2008</b>	<b>% OF Total 2008</b>
<b><u>Service Contracts :</u></b>			
Airconditioning & Heating	20,522	21,618	1.43%
Odor Control	1,618	1,631	0.11%
Elevator Maintenance	16,485	17,223	1.14%
Fire Equipment Monitoring	3,575	3,800	0.25%
Fire Equipment Testing	1,320	1,310	0.09%
Indoor Plant Maintenance	1,436	1,436	0.09%
Water Feature	2,352	2,542	0.17%
Access Control	158,350	162,776	10.74%
Pest Control	766	1,078	0.07%
Generator Maintenance	1,600	1,604	0.11%
Housekeeping	74,605	77,024	5.08%
Energy Management	19,370	19,353	1.28%
Management Fees	78,418	79,371	5.24%
Total :	380,417	390,766	25.78%
<b><u>Repairs &amp; Maintenance :</u></b>			
Air conditioning & Heating	8,000	8,027	0.53%
Plumbing	8,000	8,000	0.53%
Electrical	7,000	13,700	0.90%
Surveillance Equipment	1,000	1,500	0.10%
Waste Disposal	3,600	2,500	0.16%
Elevator Service	1,300	1,000	0.07%
Fire Equipment Maintenance	4,000	3,500	0.23%
Doors,Locks,Keys	2,000	2,000	0.13%
Cleaning Supplies	3,000	1,800	0.12%
General Repairs & Hardware	25,900	11,200	0.74%
Carpet Cleaning & Repairs	6,000	10,700	0.71%
Window Cleaning & Anchors	13,700	16,155	1.07%
Corporation owned Unit Cost	65	90	0.01%
Total :	83,565	80,172	5.29%
<b><u>Recreational &amp; Shared Facilities</u></b>			
	251,073	253,748	16.74%
<b><u>Utilities :</u></b>			
Gas	144,500	160,000	10.56%
Hydro	250,000	220,000	14.52%
Water	70,000	88,000	5.81%
Total :	464,500	468,000	30.13%
<b><u>On-site Personnel</u></b>			
	48,485	49,225	3.25%
<b><u>Administration :</u></b>			
Telephone	3,200	3,200	0.21%
Office Expense	4,000	2,700	0.18%
Meeting Costs	5,000	5,000	0.33%
Insurance	23,060	21,600	1.43%
Audit Fees	3,500	3,500	0.23%
Consulting & Appraisal	7,000	10,000	0.66%
Legal Fees	5,000	5,000	0.33%
Total :	50,760	51,000	3.37%

### Distribution of 2008 TSCC 1577 Budget - by cost category



### Contribution to 2008 TSCC 1577 Budget increase - by cost category



**TSCC #1577 Common Element Fee Summary**

2008						
Unit Type	Reference #		# of units	Unit Monthly fee	Total \$/ month	
Suite	103	to	1803	17	641.18	10,900.06
Suite	104	to	1804	17	558.49	9,494.30
Suite	105	to	105	1	632.12	632.12
Suite	107	to	107	1	727.85	727.85
Suite	108	to	1808	17	762.96	12,970.38
Suite	109	to	1809	17	370.44	6,297.51
Suite	110	to	1810	17	641.18	10,900.06
Suite	112	to	112	1	488.25	488.25
Suite	201	to	2101	19	455.96	8,663.32
Suite	202	to	2102	19	396.49	7,533.28
Suite	205	to	1805	16	547.72	8,763.58
Suite	206	to	2106	19	496.74	9,438.11
Suite	207	to	2107	19	496.74	9,438.11
Suite	211	to	2111	19	396.49	7,533.28
Suite	121	to	2112	19	455.96	8,663.32
Suite	1905	to	1905	1	1,195.70	1,195.70
Suite	1908	to	1908	1	1,200.23	1,200.23
Suite	2003	to	2103	2	553.96	1,107.92
Suite	2004	to	2104	2	642.89	1,285.78
Suite	2008	to	2108	2	647.42	1,294.84
Suite	2010	to	2110	2	550.55	1,101.11
Suite	PH01	to	PH01	1	676.87	676.87
Suite	PH03	to	PH03	1	781.65	781.65
Suite	PH04	to	PH04	1	897.78	897.78
Suite	PH06	to	PH06	1	617.39	617.39
Suite	PH08	to	PH08	1	1,118.67	1,118.67
Suite	PH12	to	PH12	1	1,018.42	1,018.42
Lockers-A			58	2.99	173.36	
Lockers-B			41	2.99	122.55	
Lockers-C			40	2.99	119.56	
P Lockers	A, B, & C		14	6.98	97.69	
Parking-A			28	3.99	111.70	
Parking-A			1	4.99	4.99	
Parking-B			111	3.99	442.78	
Parking-C			119	3.99	474.70	
Communication Control Unit			1	1.85	1.85	
Recreation Centre Unit	A	91	1	1.91	1.91	
Shared Service Room	A	92	1	1.87	1.87	
Shared Service Room	A	93	1	1.87	1.87	
Shared Service Room	C	166	1	1.87	1.87	
<b>Monthly Total</b>					<b>\$</b>	<b>126,297</b>
<b>Annual Total</b>					<b>\$</b>	<b>1,515,559</b>

2007		
Unit Monthly fee	Total \$/ month	
622.50	10,582.55	
542.22	9,217.75	
613.71	613.71	
706.65	706.65	
740.74	12,592.58	
359.65	6,114.07	
622.50	10,582.55	
474.02	474.02	
442.68	8,410.97	
384.94	7,313.84	
531.77	8,508.31	
482.27	9,163.20	
482.27	9,163.20	
384.94	7,313.84	
442.68	8,410.97	
1160.87	1,160.87	
1165.27	1,165.27	
537.82	1,075.65	
624.16	1,248.32	
628.56	1,257.12	
534.52	1,069.03	
657.15	657.15	
758.88	758.88	
871.62	871.62	
599.41	599.41	
1086.08	1,086.08	
988.76	988.76	
2.90	168.31	
2.90	118.98	
2.90	116.07	
6.77	94.84	
3.87	108.45	
4.85	4.85	
3.87	429.89	
3.87	460.87	
1.80	1.80	
1.85	1.85	
1.81	1.81	
1.81	1.81	
1.81	1.81	
<b>\$</b>		<b>122,618</b>
<b>\$</b>		<b>1,471,413</b>

Chargeable Unit count	
Suites	234
Lockers	153
Parking	259
Other	5
<b>Total</b>	<b>651</b>

**Average Monthly Fee Total By Suite: \$ 540**

Average Monthly Suite Fee Total: By Cost Category	
Utilities	\$ 167
Maintenance & Service Contracts	\$ 139
Recreational & Shared Facilities	\$ 90
Reserve Fund	\$ 76
Repairs & Maintenance	\$ 29
Administration less sundry income	\$ 15
On - Site Personnel	\$ 18
Contingency Fund	\$ 7
Applied Surplus	\$ (13)

**2008 fee inc 3.00%**

<b>ESSEX SHARED FACILITIES</b>
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## OPERATING BUDGET

January 1, 2008 to December 31, 2008

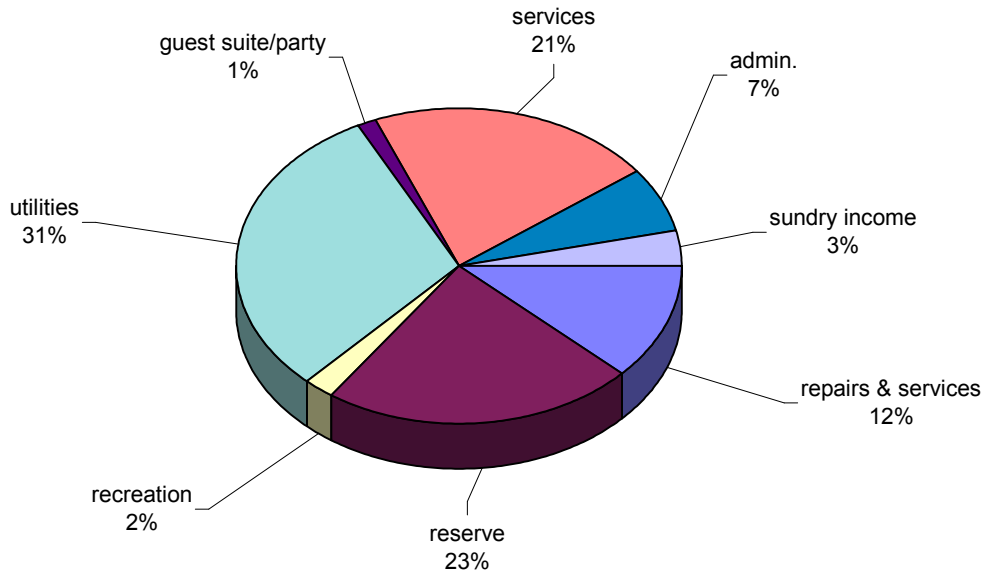
	PROJECTED 2007	CURRENT BUDGET 2007	APPROVED BUDGET 2008	BUDGET CHANGE 2008	
Maintenance & Service Contracts	121,226	124,817	128,897	4,080	
Repairs & Maintenance	78,522	54,000	73,500	19,500	
Recreation / Joint Programs	24,858	18,075	14,300	(3,775)	
Utilities	176,600	186,000	189,000	3,000	
Guest/Party Room Expenses	5,738	7,000	7,000	-	
Administration	39,553	46,585	42,900	(3,685)	
<b>Total Operating Expense :</b>	<b>446,497</b>	<b>436,477</b>	<b>455,597</b>	<b>19,120</b>	
Less: Sundry Income	27,700	17,100	21,500	4,400	
<b>NET OPERATING EXPENSE:</b>	<b>418,797</b>	<b>419,377</b>	<b>434,097</b>	<b>14,720</b>	
Contribution to Reserve	134,500	134,500	141,628	7,128	
Contribution to Contingency Fund	-	10,000	-	(10,000)	
<b>TOTAL FUNDS REQUIRED</b>	<b>553,297</b>	<b>563,877</b>	<b>575,725</b>	<b>11,848</b>	
Contributed from Prior Year's Surplus	-	(10,000)	-	10,000	
T.S.C.C. NO. 1577	236,505	236,505	245,835	9,329	42.70%
Essex II	317,372	317,372	329,890	12,519	57.30%
<b>COMMON ELEMENT ASSESSMENT:</b>	<b>553,877</b>	<b>553,877</b>	<b>575,725</b>	<b>21,848</b>	100.00%



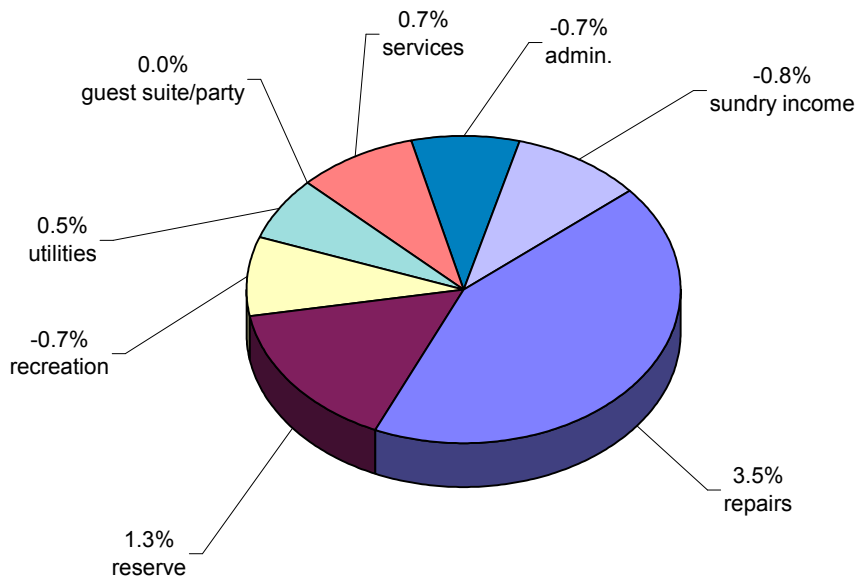
**ESSEX SHARED FACILITIES**  
**OPERATING BUDGET - January 1,2008 to December 31, 2008**

	<b>PROJECTED 2007</b>	<b>CURRENT BUDGET 2007</b>	<b>APPROVED BUDGET 2008</b>	<b>BUDGET CHANGE 2008</b>
<b><u>Service Contracts :</u></b>				
Fire Equipment Monitoring	2,264	2,100	2,513	413
Grounds Maintenance	38,815	38,815	39,572	757
Access Control	-	-	1,500	1,500
Pest Control	468	480	331	(149)
Mechanical Maintenance	7,574	7,575	8,019	444
Garage Door Maintenance	3,000	2,500	3,000	500
Housekeeping	44,083	47,810	46,080	(1,730)
Pool & Whirpool Maintenance/Fitness	11,554	11,900	14,088	2,188
Management Fees	13,468	13,637	13,794	157
Total :	121,226	124,817	128,897	4,080
<b><u>Repairs &amp; Maintenance :</u></b>				
HVAC Repairs	915	1,000	1,000	-
Electrical	6,593	1,000	6,000	5,000
Pipe Tracing	500	1,000	500	(500)
Garage Cost	13,036	10,000	6,500	(3,500)
Power Sweep/Wash	11,925	12,000	12,500	500
General Landscaping	20,020	10,000	22,000	12,000
Fire Equipment Maintenance	2,000	1,000	2,000	1,000
Cleaning Supplies	5,043	8,000	5,000	(3,000)
General Repairs & Hardware	18,490	10,000	18,000	8,000
Total :	78,522	54,000	73,500	19,500
<b><u>Recreation / Joint Programs :</u></b>				
	24,858	18,075	14,300	(3,775)
<b><u>Utilities :</u></b>				
Gas	29,000	27,000	30,000	3,000
Hydro	144,000	154,000	155,000	1,000
Water	3,600	5,000	4,000	(1,000)
Total :	176,600	186,000	189,000	3,000
<b><u>Guest/Party Room Expenses:</u></b>				
	5,738	7,000	7,000	-
<b><u>Administration :</u></b>				
Telephone	7,000	8,000	8,000	-
Office Expense	13,675	13,000	13,800	800
Newsletter/Website	1,000	2,000	1,000	(1,000)
Meeting Costs	1,625	2,400	1,800	(600)
Insurance	11,017	12,185	11,300	(885)
Audit Fees	2,500	2,500	2,500	-
Consulting & Appraisal	-	2,500	1,500	(1,000)
Legal Fees	2,736	4,000	3,000	(1,000)
Total :	39,553	46,585	42,900	(3,685)

**Distribution of 2006 Essex Shared Facilities Budget - by cost category**



**Contribution to 2006 Essex Shared Facilities Budget increase - by cost category**



**ESSEX SHARED ROADWAY / WALKWAY**

**OPERATING BUDGET**

January 1, 2008 to December 31, 2008

	PROJECTED 2007	CURRENT BUDGET 2007	APPROVED BUDGET 2008	BUDGET CHANGE 2008	
Maintenance & Service Contracts	9,724	12,215	10,028	(2,187)	
Repairs & Maintenance	2,500	3,000	3,500	500	
Utilities	2,500	3,050	2,500	(550)	
Administration	4,490	9,850	7,900	(1,950)	
<b>Total Operating Expense :</b>	<u>19,214</u>	<u>28,115</u>	<u>23,928</u>	<u>(4,187)</u>	
Less: Sundry Income	200	-	250	250	
<b>NET OPERATING EXPENSE:</b>	<u>19,014</u>	<u>28,115</u>	<u>23,678</u>	<u>(4,437)</u>	
Contribution to Reserve	6,000	6,000	6,318	318	
<b>TOTAL FUNDS REQUIRED</b>	<u>25,014</u>	<u>34,115</u>	<u>29,996</u>	<u>(4,119)</u>	
T.S.C.C. NO. 1577	11,918	14,567	7,913	(6,654)	26.38%
T.S.C.C. NO. 1723	15,993	19,548	10,619	(8,929)	35.40%
T.S.C.C. NO. 1862	6,204	-	11,464		38.22%
<b>COMMON ELEMENT ASSESSMENT:</b>	<u>34,115</u>	<u>34,115</u>	<u>29,996</u>	<u>(4,119)</u>	100.00%

**ESSEX SHARED ROADWAY / WALKWAY**  
**OPERATING BUDGET - January 1,2008 to December 31, 2008**

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	PROJECTED 2007	CURRENT BUDGET 2007	APPROVED BUDGET 2008	BUDGET CHANGE 2008
<b><u>Service Contracts :</u></b>				
Grounds Maintenance	5,510	7,864	5,710	(2,154)
Management Fees	4,214	4,351	4,318	(33)
Total :	9,724	12,215	10,028	(2,187)
<b><u>Repairs &amp; Maintenance :</u></b>				
Catch Basins	1,000	1,000	1,000	-
Electrical	1,500	1,000	1,500	500
Power Sweep/Wash	-	600	600	-
Signs	-	400	400	-
Total :	2,500	3,000	3,500	500
<b><u>Utilities :</u></b>				
Hydro	2,500	2,500	2,500	-
Water	-	550	-	(550)
Total :	2,500	3,050	2,500	(550)
<b><u>Administration :</u></b>				
Meeting Costs	450	800	800	-
Insurance	2,040	1,800	2,100	300
Audit Fees	2,000	2,750	2,000	(750)
Consulting & Appraisal	-	2,500	1,000	(1,500)
Legal Fees	-	2,000	2,000	-
Total :	4,490	9,850	7,900	(1,950)

Condominium Act, 1998

NOTICE OF FUTURE FUNDING OF THE RESERVE FUND  
(under subsection 94 (9) of the *Condominium Act, 1998*)

TO: All owners in **Toronto Standard Condominium Corporation No. 1577**

The Board has received and reviewed a **Reserve Fund Study Update (Without a Site Visit)** dated **November 30, 2007** prepared by **GENIVAR Consultants Limited Partnership** and has proposed a plan for the future funding of the reserve fund that the board has determined will ensure that, in accordance with the regulations made under the *Condominium Act, 1998*, the reserve fund will be adequate for the major repair and replacement of the common elements and assets of the corporation.

This notice contains a summary of the reserve fund study.

There are a total of 234 units in this condominium. At the present time (fiscal year 2007), the average contribution to the reserve fund is \$72.46 per unit per month.


Based on the proposed funding plan, the average increase in contribution for the next 3 years will be:

- a. \$3.84 per unit per month increase for 2008;
- b. \$4.04 per unit per month increase for 2009;
- c. \$4.26 per unit per month increase for 2010.

The funding plan will be implemented as of January 1, 2008 (fiscal year 2008).

Dated this 30 day of November, 2007.

Toronto Standard Condominium Corporation No. 1577

  
\_\_\_\_\_  
(signature)

FRED REICH  
\_\_\_\_\_  
(print name)

## TORONTO STANDARD CONDOMINIUM CORPORATION No. 1577

### SUMMARY OF RESERVE FUND STUDY

The following is a summary of the *Reserve Fund Study Update (Without a Site Visit)* dated **November 30, 2007**, prepared by *GENIVAR Consultants Limited Partnership* for *Toronto Standard Condominium Corporation No. 1577* (known as the "Reserve Fund Study").

Subsection 94(1) of the Condominium Act, 1998 requires the corporation to conduct periodic studies to determine whether the amount of money in the reserve fund and the amount of contributions collected by the corporation are adequate to provide for the expected costs of major repair and replacement of the common elements and assets of the corporation. As a result, the corporation has obtained the Reserve Fund Study.

The estimated expenditures from the reserve fund for the next thirty (30) years are set out in the CASH FLOW TABLE. In this summary, the term "annual contribution" means the total amount to be contributed each year to the reserve fund, exclusive of the interest earned on the reserve fund. The recommended annual contribution for the fiscal year 2008, beginning **January 1, 2008** is **\$214,250** based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund	<b>\$ 677,000.00</b>
Minimum Reserve Fund Balance during the projected period	<b>\$ 677,000.00</b>
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	<b>5.30%</b>
Assumed Annual Interest Rate for interest earned on the Reserve Fund	<b>7.40%</b>

The Reserve Fund Study can be examined upon arrangement with the Board.

## CASH FLOW TABLE

Opening Balance of the Reserve Fund	\$677,000
Minimum Reserve Fund Balance (as indicated in this table)	\$677,000
Assumed Annual Inflation Rate for Reserve Fund Expenditures	5.30%
Assumed Annual Interest Rate for Interest Earned on the Reserve Fund	7.40%

Year	Opening Balance	Recommended Annual Contribution	Estimated Inflation Adjusted Expenditures	Estimated Earned Interest	Percentage Increase in Recommended Annual Contribution	Closing Balance
2008	\$677,000	\$214,250	(\$5,000)	\$57,655	5.30%	\$943,905
2009	\$943,905	\$225,605	\$0	\$78,196	5.30%	\$1,247,707
2010	\$1,247,707	\$237,562	(\$7,207)	\$100,587	5.30%	\$1,578,649
2011	\$1,578,649	\$250,153	\$0	\$126,076	5.30%	\$1,954,878
2012	\$1,954,878	\$263,411	\$0	\$154,407	5.30%	\$2,372,696
2013	\$2,372,696	\$277,372	(\$107,712)	\$177,872	5.30%	\$2,720,227
2014	\$2,720,227	\$292,073	\$0	\$212,104	5.30%	\$3,224,403
2015	\$3,224,403	\$307,553	(\$775,951)	\$192,565	5.30%	\$2,948,570
2016	\$2,948,570	\$323,853	(\$168,540)	\$217,705	5.30%	\$3,321,588
2017	\$3,321,588	\$341,017	\$0	\$258,415	5.30%	\$3,921,020
2018	\$3,921,020	\$359,091	(\$717,403)	\$250,354	5.30%	\$3,813,063
2019	\$3,813,063	\$378,123	(\$2,118)	\$296,000	5.30%	\$4,485,068
2020	\$4,485,068	\$398,163	(\$273,650)	\$326,377	5.30%	\$4,935,958
2021	\$4,935,958	\$419,266	\$0	\$380,774	5.30%	\$5,735,998
2022	\$5,735,998	\$441,487	(\$316,820)	\$417,354	5.30%	\$6,278,020
2023	\$6,278,020	\$464,886	(\$2,606,171)	\$288,918	5.30%	\$4,425,652
2024	\$4,425,652	\$489,525	(\$450,683)	\$312,260	5.30%	\$4,776,755
2025	\$4,776,755	\$515,470	(\$2,887)	\$372,339	5.30%	\$5,661,676
2026	\$5,661,676	\$542,790	\$0	\$439,047	5.30%	\$6,643,513
2027	\$6,643,513	\$571,557	(\$2,267,049)	\$345,006	5.30%	\$5,293,027
2028	\$5,293,027	\$601,850	(\$3,772,334)	\$134,800	5.30%	\$2,257,342
2029	\$2,257,342	\$633,748	(\$703,261)	\$138,451	5.30%	\$2,326,280
2030	\$2,326,280	\$667,337	\$0	\$196,836	5.30%	\$3,190,453
2031	\$3,190,453	\$702,706	(\$3,936)	\$261,802	5.30%	\$4,151,025
2032	\$4,151,025	\$739,949	\$0	\$334,554	5.30%	\$5,225,528
2033	\$5,225,528	\$779,166	(\$5,295,548)	\$23,648	5.30%	\$732,793
2034	\$732,793	\$820,462	(\$24,891)	\$82,742	5.30%	\$1,611,105
2035	\$1,611,105	\$863,947	(\$593,774)	\$107,249	5.30%	\$1,988,526
2036	\$1,988,526	\$909,736	(\$318,461)	\$157,245	5.30%	\$2,737,046
2037	\$2,737,046	\$957,952	(\$663,748)	\$188,868	5.30%	\$3,220,119

The board of **Toronto Standard Condominium Corporation No. 1577** has reviewed the **Reserve Fund Study Update (Without a Site Visit)** dated **November 30, 2007** prepared by **GENIVAR Consultants Limited Partnership** for the corporation (known as the "Reserve Fund Study") and has proposed a plan for the future funding of the reserve fund that the board has determined will ensure that, in accordance with the regulations made under the *Condominium Act, 1998*, the reserve fund will be adequate for the major repair and replacement of the common elements and assets of the corporation.

The board has adopted the funding recommendations of the Reserve Fund Study and has implemented them as set out in the Contribution Table.

The total annual contribution recommended under the proposed funding plan for the fiscal year 2008 beginning January 1, 2008 is \$214,250.



# Contribution Table

November 30, 2007

TSCC 1577

Year	Annual Contribution (A)	% Increase Over Previous Year	Other Contribution (e.g. special assessment, loan) (B)	Total Contribution Each Year to Reserve Fund (A + B)
2008	\$214,250	5.30%	\$0	\$214,250
2009	\$225,605	5.30%	\$0	\$225,605
2010	\$237,562	5.30%	\$0	\$237,562
2011	\$250,153	5.30%	\$0	\$250,153
2012	\$263,411	5.30%	\$0	\$263,411
2013	\$277,372	5.30%	\$0	\$277,372
2014	\$292,073	5.30%	\$0	\$292,073
2015	\$307,553	5.30%	\$0	\$307,553
2016	\$323,853	5.30%	\$0	\$323,853
2017	\$341,017	5.30%	\$0	\$341,017
2018	\$359,091	5.30%	\$0	\$359,091
2019	\$378,123	5.30%	\$0	\$378,123
2020	\$398,163	5.30%	\$0	\$398,163
2021	\$419,266	5.30%	\$0	\$419,266
2022	\$441,487	5.30%	\$0	\$441,487
2023	\$464,886	5.30%	\$0	\$464,886
2024	\$489,525	5.30%	\$0	\$489,525
2025	\$515,470	5.30%	\$0	\$515,470
2026	\$542,790	5.30%	\$0	\$542,790
2027	\$571,557	5.30%	\$0	\$571,557
2028	\$601,850	5.30%	\$0	\$601,850
2029	\$633,748	5.30%	\$0	\$633,748
2030	\$667,337	5.30%	\$0	\$667,337
2031	\$702,706	5.30%	\$0	\$702,706
2032	\$739,949	5.30%	\$0	\$739,949
2033	\$779,166	5.30%	\$0	\$779,166
2034	\$820,462	5.30%	\$0	\$820,462
2035	\$863,947	5.30%	\$0	\$863,947
2036	\$909,736	5.30%	\$0	\$909,736
2037	\$957,952	5.30%	\$0	\$957,952