



November 30, 2009

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, 2010

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 shared with Essex 2, Nuvo 1 and Nuvo 2) prepared by your Board of Directors for the fiscal year January 1 to December 31, 2009 was \$1,538,880, to be recovered by common element fees and application of \$50,000 from our operating surplus. Total net actual expenditures for 2009 are expected to be on budget, while requiring a \$13,852 (-0.9%) lower than plan drawdown of our operating surplus.

The Board has now approved a 2010 net operating budget in the amount of \$1,629,742, a **5.90%** increase over 2009 common element fees. This translates to an average fee increase of \$32 per month per unit.

As was communicated often during the past year, the increase reflects the partial year effect (an estimated 3.0%) of the new Ontario (HST) Harmonized Sales Tax which will come into force in July 2010 combined with 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 2009 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, 2010. 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, 2009. If you are currently on EFT there is no need to fill out a new form.**

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, 2010 up to and including December 1, 2010. 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, 2009. 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: 2010 TSCC 1577 Operating Budget (Page 1 of 2)

The 5.90% common element fee increase for 2010 is due to the following major factors:

Reserve Fund contribution increase of \$11,957 (+0.8%) for the Essex 1 tower as mandated in the approved November 2007 Reserve Fund Study. This study will be updated as per legislative requirements during 2010 to apply to the 2011 Budgets.

Maintenance & Service Contracts are up \$9,417 (+0.6%) reflecting a 2.5% inflation increase and the impact of the HST.

Repairs and Maintenance costs will increase \$6,185 (+0.4%) reflecting a 2.5% inflation increase and the impact of the HST.

Utilities will be up \$33,400 (+2.2%) based on consumption experience, contracted and forecast price increases, consumption based on the average over the last three years of heating and cooling and reflecting continued savings from prior year energy conservation projects. We expect hydro electricity costs to be up \$21,500 due to a recently approved rate increase. Water costs will be up \$18,600 reflecting continuation of a multi-year rate increase previously announced by the city and a roughly 10% increase in consumption by residents.

We expect gas costs to be down \$6,700 in 2010. Our five year fixed commodity price contract for natural gas expired in 2009. Because long term prices were stubbornly high and short term prices very attractive, we took the advice of our agent to negotiate a one year contract at a commodity rate 10% below our current contract. We will need to negotiate a new contract during 2010 and we will be watching whether a short term or longer term contract is the most advisable effective November 1, 2010. We will continue to use expert advice to help us in achieving the best deal possible.

Shared Facilities: Our proportionate share of the Essex Shared Facilities and Shared Roadway/Walkway costs will be up \$22,995 in 2010, contributing 1.5% of your total 5.9% increase. See details on the next page.

Special Projects: During 2009, we embarked on special maintenance projects (budgeted at \$50,000) to clean out riser plumbing stacks and external clothes dryer air vents serving all units. This project had no impact on 2009 fees, since we paid for it from our current operating surplus. We have no special projects budgeted for 2010.

Operating Contingency Fund: We made no contributions for 2009, leaving the balance of \$146,152, the same as that going into 2009. We will not add to this balance in 2010.

Operating Surplus: In 2009, we planned to apply \$50,000 of our operating surplus to offset 2009 expenses. Since 2009 expenses are now forecast to be lower, we expect we will only need to apply \$36,148 of our operating surplus for that purpose. In 2010, we do not plan to apply any of our operating surplus to help keep the 2010 fee increase to below 5.90%. **Please see the rationale below.**

Thinking about budgeting for 2011: We have concerns about the amount of the increase that might be required for 2011. We will be updating the Tower Reserve Fund Study that is required at least every three years, by law. The update will need to reflect the impact of the new Ontario HST as well as the effect of bringing forward our carpet replacement project earlier than was assumed in the current study. We are keeping our options open to applying some of our operating surplus to mitigate the fee increase in our 2011 budget should it turn out to be much higher than normal.

Budget Notes: 2010 TSCC 1577 Operating Budget (page 2 of 2)

Recreational and Shared Facilities: The Essex 1 budgeted share will be \$271,473 up \$22,975 (9.25%) from 2009.

- a. **Essex Shared Facilities** budgeted costs will be \$635,769 in 2010, up 9.25% over last year's budget. The Essex 1 share of 42.7% in 2010 will be \$271,473, up \$22,995.

Essex Shared Facilities Reserve Fund contribution will be up substantially \$91,865 (+15.8%) as per the mandated 2009 Reserve Fund study update just concluded for the entire recreation centre and Phase 1 and Phase 2 garages. The large increase is pinned on the almost doubling of the current cost of major garage repairs called for in the 2023-2026 timeframe. And to a lesser extent to the impact of the HST. **Repairs and Maintenance** will be up \$2000 (+0.3%) reflecting the impact of the HST. **Maintenance & Service Contracts** will up \$8,130 (+1.4%) due to provision for inflation and the impact of the HST. **Recreational / Joint Programs expenses** will be up \$3,253 (+0.6%) reflecting the need for higher equipment repairs and maintenance due to heavy usage. **Administrative costs** will be unchanged.

Utilities will be down \$22,087 (-3.8%): (Hydro electricity will be down \$21,552, reflecting the early pay back of a loan to install carbon monoxide sensors in the garage. Gas will be down \$2,035, reflecting a slightly lower price on the cost of purchasing gas. Water will be up \$1,500 due to the multi year rate increase.)

Special Projects: As planned, in 2009, using revenue from the new temporary signage rental fee agreement with Tridel, we took the opportunity to pay down the outstanding repayment balance of \$27,000 of the loan entered into to pay for the energy saving Carbon Monoxide Sensors installed in the garage levels, thereby saving interest and allowing for us to have the full effect of the energy savings reflected in our 2010 budget.. We have no special projects planned for 2010, providing a 4.6% budget reduction for 2010.

- b. **Essex Shared Roadway/Walkway** budgeted costs will remain unchanged at \$31,374. The Essex 1 share of 19.17% in 2010 (reflecting the four-way proportional split for the full year with Essex 2, Nuvo 1 and now Nuvo 2) will be \$6,014.

Parc Nuvo, the fifth Tridel building will join the partnership when it is registered. We will not have any other mandated cost sharing arrangements with other adjacent condominiums. However, the city is forcing the condominium development on Auckland to contribute to the costs of the shared roadway/walkway. This additional partner, will only have the effect of slightly reducing our share of the cost.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1577

OPERATING BUDGET

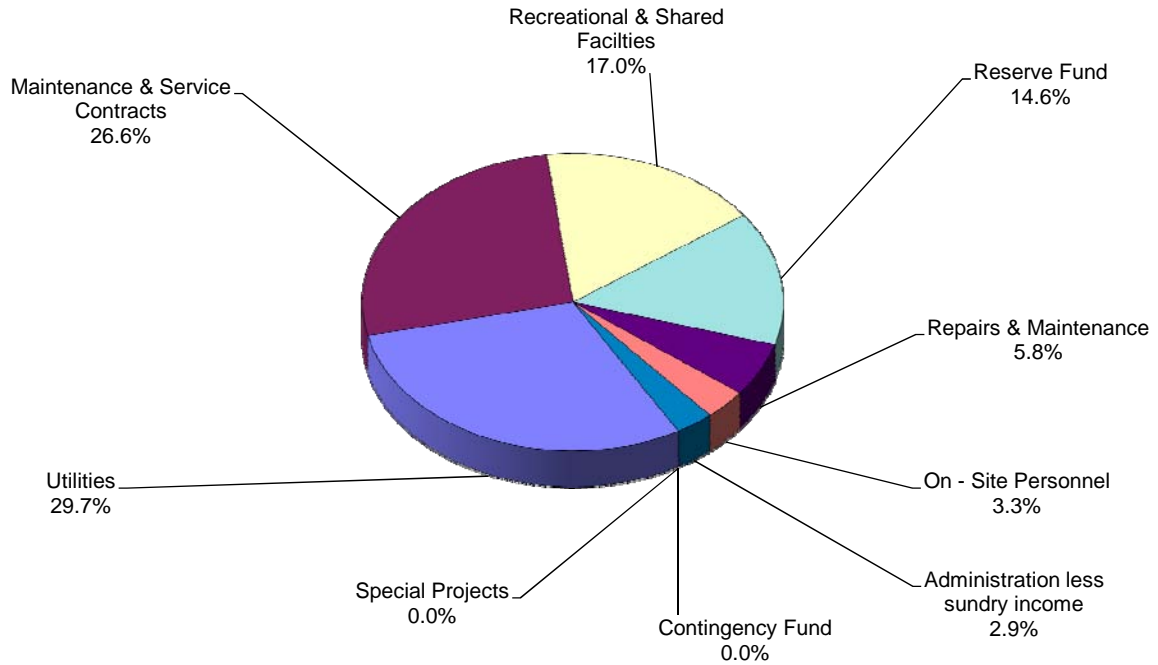
January 1, 2010 to December 31, 2010

| | CURRENT BUDGET 2009 | APPROVED BUDGET 2010 | % of Total 2010 |
|---|---------------------------|----------------------------|-----------------------|
| Maintenance & Service Contracts | 424,717 | 434,134 | 26.64% |
| Repairs & Maintenance | 88,501 | 94,686 | 5.81% |
| Recreational & Shared Facilities | 254,512 | 277,507 | 17.03% |
| Utilities | 451,000 | 484,400 | 29.72% |
| On - Site Personnel | 52,078 | 53,666 | 3.29% |
| Special Projects | 50,000 | - | 0.00% |
| Administration | 51,467 | 50,827 | 3.12% |
| Total Operating Expense : | <u>1,372,275</u> | <u>1,395,220</u> | 85.61% |
| Less: Sundry Income | 9,000 | 3,040 | 0.19% |
| NET OPERATING EXPENSE: | <u>1,363,275</u> | <u>1,392,180</u> | 85.42% |
| Contribution to Reserves | 225,605 | 237,562 | 14.58% |
| Contribution to Contingency | - | - | 0.00% |
| TOTAL FUNDS REQUIRED | <u>1,588,880</u> | <u>1,629,742</u> | 100.00% |
| Contributed from Current Year's Surplus | (50,000) | - | 0.00% |
| COMMON ELEMENT ASSESSMENT: | <u>1,538,880</u> | <u>1,629,742</u> | 100.00% |

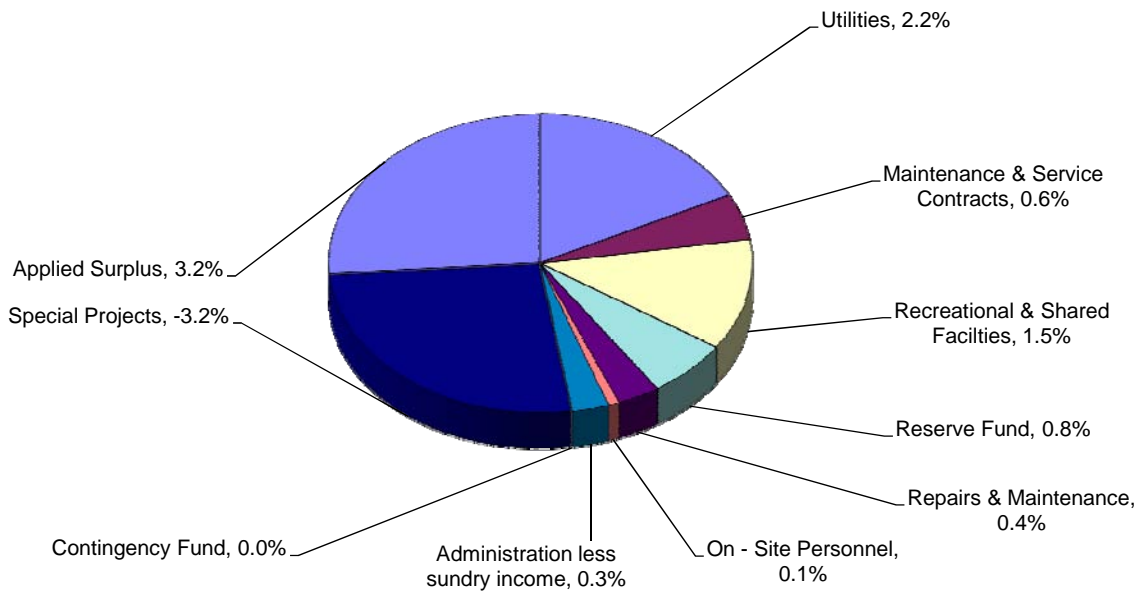
TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1577
OPERATING BUDGET - January 1,2010 to December 31,2010

| | CURRENT BUDGET 2009 | APPROVED BUDGET 2010 | % OF Total 2010 |
|--|---------------------------|----------------------------|-----------------------|
| <u>Service Contracts :</u> | | | |
| Airconditioning & Heating | 22,501 | 24,189 | 1.48% |
| Odor Control | 1,622 | 1,676 | 0.10% |
| Elevator Maintenance | 17,470 | 19,171 | 1.18% |
| Fire Equipment Monitoring | 3,792 | 3,942 | 0.24% |
| Fire Equipment Inspection | 1,304 | 1,347 | 0.08% |
| Indoor Plant Maintenance | 1,467 | 2,235 | 0.14% |
| Water Feature | 2,555 | 2,614 | 0.16% |
| Access Control | 194,170 | 189,291 | 11.61% |
| Pest Control | 1,095 | 1,125 | 0.07% |
| Generator Maintenance | 2,015 | 2,127 | 0.13% |
| Housekeeping | 77,167 | 81,527 | 5.00% |
| Energy Management | 18,690 | 19,887 | 1.22% |
| Management Fees | 80,869 | 85,003 | 5.22% |
| Total : | 424,717 | 434,134 | 26.64% |
| <u>Repairs & Maintenance :</u> | | | |
| Air conditioning & Heating | 7,800 | 8,700 | 0.53% |
| Plumbing | 4,000 | 5,000 | 0.31% |
| Electrical | 6,800 | 7,800 | 0.48% |
| Surveillance Equipment | 3,000 | 3,000 | 0.18% |
| Waste Disposal | 3,000 | 4,000 | 0.25% |
| Garbage Levy | 15,838 | 16,934 | 1.04% |
| Elevator Service | 1,000 | 1,000 | 0.06% |
| Fire Equipment Maintenance | 4,500 | 7,000 | 0.43% |
| Doors,Locks,Keys | 1,000 | 1,500 | 0.09% |
| Cleaning Supplies | 1,500 | 2,000 | 0.12% |
| General Repairs & Hardware | 12,300 | 12,300 | 0.75% |
| Carpet Cleaning & Repairs | 11,200 | 8,000 | 0.49% |
| Window Cleaning & Anchors | 16,470 | 17,359 | 1.07% |
| Corporation owned Unit Cost | 93 | 93 | 0.01% |
| Total : | 88,501 | 94,686 | 5.81% |
| <u>Recreational & Shared Facilities</u> | | | |
| | 254,512 | 277,507 | 17.03% |
| <u>Utilities :</u> | | | |
| Gas | 152,000 | 145,300 | 8.92% |
| Hydro | 205,000 | 226,500 | 13.90% |
| Water | 94,000 | 112,600 | 6.91% |
| Total : | 451,000 | 484,400 | 29.72% |
| <u>On-site Personnel</u> | | | |
| | 52,078 | 53,666 | 3.29% |
| <u>Administration :</u> | | | |
| Telephone | 3,225 | 3,400 | 0.21% |
| Occupational Health & Safety | - | 500 | 0.03% |
| Office Expense | 3,000 | 6,000 | 0.37% |
| Meeting Costs | 5,000 | 4,000 | 0.25% |
| Insurance | 22,617 | 26,227 | 1.61% |
| Audit Fees | 2,625 | 2,700 | 0.17% |
| Consulting & Appraisal | 10,000 | 3,000 | 0.18% |
| Legal Fees | 5,000 | 5,000 | 0.31% |
| Total : | 51,467 | 50,827 | 3.12% |

Distribution of 2010 TSCC 1577 Budget - by cost category



Contribution to 2010 TSCC 1577 Budget increase (5.9%) - by cost category



TSCC #1577 Common Element Fee Summary

| 2010 | | | | | | | 2009 | |
|----------------------------|-------------|----|------------|------------------|----------------------|---------------------|------------------|------------------|
| Unit Type | Reference # | | # of units | Unit Monthly fee | Total \$/ month | | Unit Monthly fee | Total \$/ month |
| Suite | 103 | to | 1803 | 17 | 689.49 | | 651.05 | 11,067.77 |
| Suite | 104 | to | 1804 | 17 | 600.56 | | 567.08 | 9,640.38 |
| Suite | 105 | to | 105 | 1 | 679.75 | 679.75 | 641.85 | 641.85 |
| Suite | 107 | to | 107 | 1 | 782.68 | 782.68 | 739.05 | 739.05 |
| Suite | 108 | to | 1808 | 17 | 820.44 | 13,947.56 | 774.70 | 13,169.95 |
| Suite | 109 | to | 1809 | 17 | 398.35 | 6,771.96 | 376.14 | 6,394.41 |
| Suite | 110 | to | 1810 | 17 | 689.49 | 11,721.26 | 651.05 | 11,067.77 |
| Suite | 112 | to | 112 | 1 | 525.03 | 525.03 | 495.76 | 495.76 |
| Suite | 201 | to | 2101 | 19 | 490.32 | 9,316.01 | 462.98 | 8,796.62 |
| Suite | 202 | to | 2102 | 19 | 426.36 | 8,100.83 | 402.59 | 7,649.19 |
| Suite | 205 | to | 1805 | 16 | 588.99 | 9,423.82 | 556.15 | 8,898.42 |
| Suite | 206 | to | 2106 | 19 | 534.17 | 10,149.17 | 504.39 | 9,583.33 |
| Suite | 207 | to | 2107 | 19 | 534.17 | 10,149.17 | 504.39 | 9,583.33 |
| Suite | 211 | to | 2111 | 19 | 426.36 | 8,100.83 | 402.59 | 7,649.19 |
| Suite | 121 | to | 2112 | 19 | 490.32 | 9,316.01 | 462.98 | 8,796.62 |
| Suite | 1905 | to | 1905 | 1 | 1,285.78 | 1,285.78 | 1214.10 | 1,214.10 |
| Suite | 1908 | to | 1908 | 1 | 1,290.65 | 1,290.65 | 1218.70 | 1,218.70 |
| Suite | 2003 | to | 2103 | 2 | 595.69 | 1,191.39 | 562.48 | 1,124.97 |
| Suite | 2004 | to | 2104 | 2 | 691.32 | 1,382.65 | 652.78 | 1,305.56 |
| Suite | 2008 | to | 2108 | 2 | 696.19 | 1,392.39 | 657.38 | 1,314.76 |
| Suite | 2010 | to | 2110 | 2 | 592.03 | 1,184.07 | 559.03 | 1,118.05 |
| Suite | PH01 | to | PH01 | 1 | 727.87 | 727.87 | 687.29 | 687.29 |
| Suite | PH03 | to | PH03 | 1 | 840.54 | 840.54 | 793.67 | 793.67 |
| Suite | PH04 | to | PH04 | 1 | 965.41 | 965.41 | 911.59 | 911.59 |
| Suite | PH06 | to | PH06 | 1 | 663.91 | 663.91 | 626.89 | 626.89 |
| Suite | PH08 | to | PH08 | 1 | 1,202.95 | 1,202.95 | 1135.88 | 1,135.88 |
| Suite | PH12 | to | PH12 | 1 | 1,095.15 | 1,095.15 | 1034.09 | 1,034.09 |
| Lockers-A | | | | 58 | 3.21 | 186.42 | 3.03 | 176.02 |
| Lockers-B | | | | 41 | 3.21 | 131.78 | 3.03 | 124.43 |
| Lockers-C | | | | 40 | 3.21 | 128.56 | 3.03 | 121.40 |
| P Lockers | A, B, & C | | | 14 | 7.50 | 105.05 | 7.09 | 99.19 |
| Parking-A | | | | 28 | 4.29 | 120.12 | 4.05 | 113.42 |
| Parking-A | | | | 1 | 5.37 | 5.37 | 5.07 | 5.07 |
| Parking-B | | | | 111 | 4.29 | 476.14 | 4.05 | 449.60 |
| Parking-C | | | | 119 | 4.29 | 510.46 | 4.05 | 482.00 |
| Communication Control Unit | | | | 1 | 1.99 | 1.99 | 1.88 | 1.88 |
| Recreation Centre Unit | A | | 91 | 1 | 2.05 | 2.05 | 1.94 | 1.94 |
| Shared Service Room | A | | 92 | 1 | 2.01 | 2.01 | 1.89 | 1.89 |
| Shared Service Room | A | | 93 | 1 | 2.01 | 2.01 | 1.89 | 1.89 |
| Shared Service Room | C | | 166 | 1 | 2.01 | 2.01 | 1.89 | 1.89 |
| | | | | | Monthly Total | \$ 135,812 | \$ | 128,240 |
| | | | | | Annual Total | \$ 1,629,739 | \$ | 1,538,878 |

| Chargeable Unit count | |
|-----------------------|------------|
| Suites | 234 |
| Lockers | 153 |
| Parking | 259 |
| Other | 5 |
| Total | 651 |

2010 fee inc **5.90%**

Average Monthly Fee Total By Suite: \$ 580

| Average Monthly Suite Fee Total: By Cost Category | |
|---|--------|
| Utilities | \$ 173 |
| Maintenance & Service Contracts | \$ 155 |
| Recreational & Shared Facilities | \$ 99 |
| Reserve Fund | \$ 85 |
| Repairs & Maintenance | \$ 34 |
| On - Site Personnel | \$ 19 |
| Administration less sundry income | \$ 17 |
| Contingency Fund | \$ - |
| Special Projects | \$ - |
| Applied Surplus | \$ - |

| |
|--------------------------------|
| ESSEX SHARED FACILITIES |
|--------------------------------|

OPERATING BUDGET

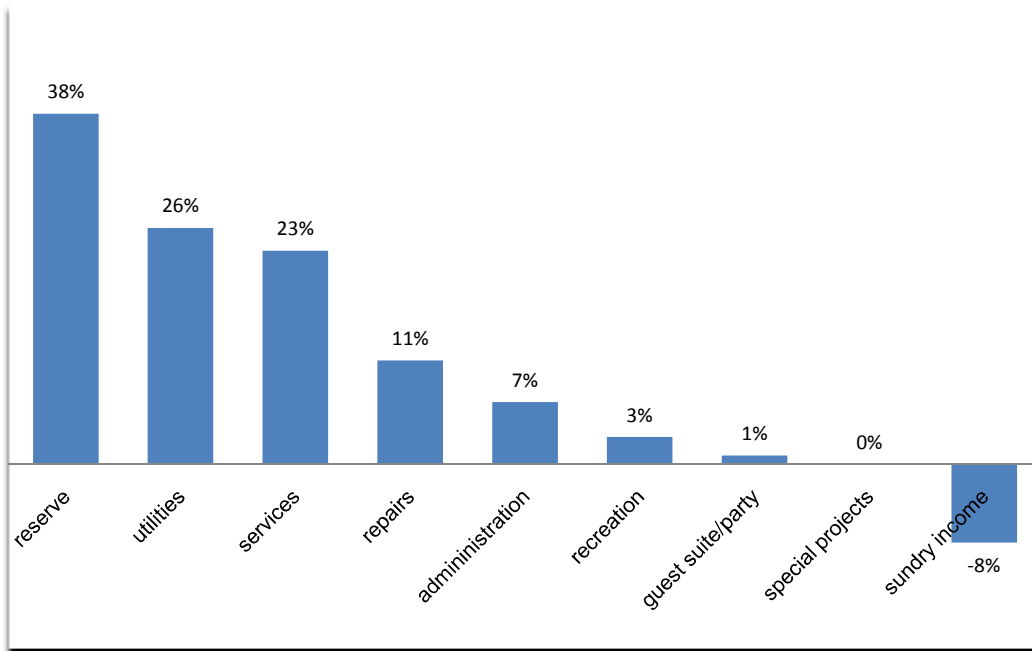
January 1, 2010 to December 31, 2010

| | PROJECTED 2009 | CURRENT BUDGET 2009 | APPROVED BUDGET 2010 | BUDGET CHANGE 2010 | |
|---------------------------------------|-------------------|---------------------------|----------------------------|--------------------------|---------|
| Maintenance & Service Contracts | 136,005 | 138,755 | 146,885 | 8,130 | |
| Repairs & Maintenance | 85,140 | 69,500 | 71,500 | 2,000 | |
| Recreation / Joint Programs | 23,250 | 15,507 | 18,760 | 3,253 | |
| Utilities | 153,389 | 184,652 | 162,565 | (22,087) | |
| Special Projects | 32,391 | 27,000 | - | (27,000) | |
| Guest/Party Room Expenses | 5,000 | 9,000 | 6,000 | (3,000) | |
| Administration | 39,425 | 42,730 | 42,784 | 54 | |
| Total Operating Expense : | 474,600 | 487,144 | 448,494 | (38,650) | |
| Less: Sundry Income | 54,025 | 54,316 | 53,725 | (591) | |
| NET OPERATING EXPENSE: | 420,575 | 432,828 | 394,769 | (38,059) | |
| Contribution to Reserve | 149,135 | 149,135 | 241,000 | 91,865 | |
| TOTAL FUNDS REQUIRED | 569,710 | 581,963 | 635,769 | 53,806 | |
| Contributed from Prior Year's Surplus | - | - | - | - | |
| T.S.C.C. NO. 1577 | 248,498 | 248,498 | 271,473 | 22,975 | 42.70% |
| Essex II | 333,465 | 333,465 | 364,296 | 30,831 | 57.30% |
| COMMON ELEMENT ASSESSMENT: | 581,963 | 581,963 | 635,769 | 53,806 | 100.00% |

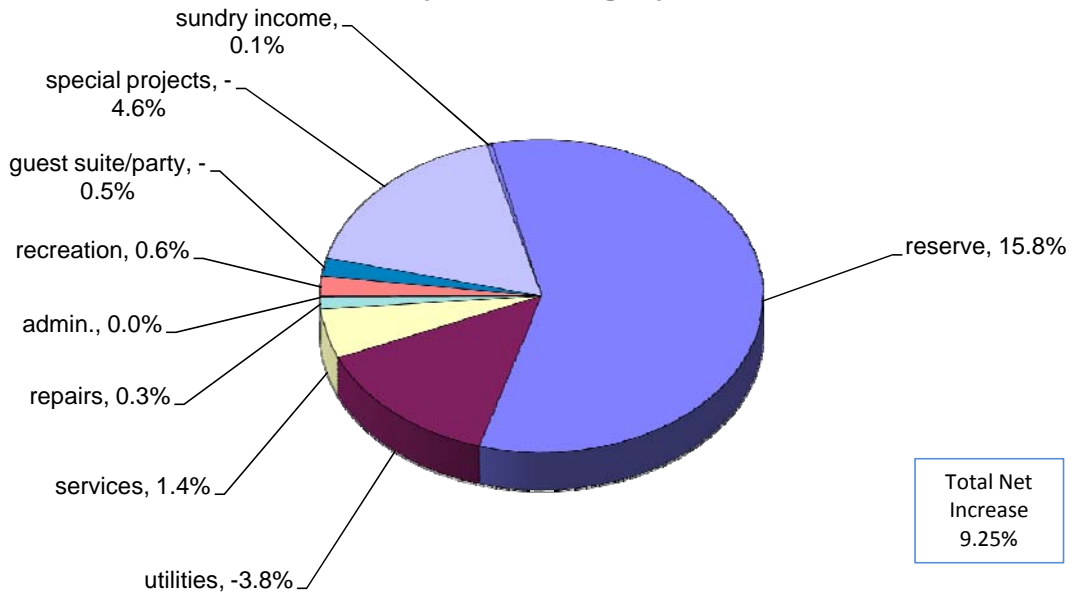
ESSEX SHARED FACILITIES
OPERATING BUDGET - January 1,2010 to December 31, 2010

| | PROJECTED 2009 | CURRENT BUDGET 2009 | APPROVED BUDGET 2010 | BUDGET CHANGE 2010 |
|---|---------------------------|------------------------------------|-------------------------------------|-----------------------------------|
| <u>Service Contracts :</u> | | | | |
| Fire Equipment Monitoring | 2,480 | 2,508 | 2,678 | 170 |
| Grounds Maintenance | 39,964 | 40,964 | 43,445 | 2,481 |
| Access Control | 1,000 | 1,500 | 1,500 | - |
| Pest Control | 328 | 340 | 350 | 10 |
| Mechanical Maintenance | 8,384 | 8,390 | 9,029 | 639 |
| Garage Door Maintenance | 9,100 | 5,600 | 10,210 | 4,610 |
| Housekeeping | 47,129 | 47,144 | 50,292 | 3,148 |
| Pool & Whirpool Maintenance/Fitness | 13,728 | 18,128 | 14,609 | (3,519) |
| Management Fees | 13,892 | 14,180 | 14,772 | 592 |
| Total : | 136,005 | 138,754 | 146,885 | 8,131 |
| <u>Repairs & Maintenance :</u> | | | | |
| HVAC Repairs | 3,500 | 1,500 | 1,500 | - |
| Plumbing | 6,000 | 8,000 | 8,000 | - |
| Electrical | 7,500 | 8,000 | 8,000 | - |
| Pipe Tracing | 500 | 500 | 500 | - |
| Garage Cost | 6,170 | 3,000 | 5,000 | 2,000 |
| Power Sweep/Wash | 11,970 | 12,500 | 12,500 | - |
| General Landscaping | 20,000 | 14,000 | 14,000 | - |
| Fire Equipment Maintenance | 2,000 | 2,000 | 2,000 | - |
| Cleaning Supplies | 6,500 | 5,000 | 5,000 | - |
| General Repairs & Hardware | 21,000 | 15,000 | 15,000 | - |
| Total : | 85,140 | 69,500 | 71,500 | 2,000 |
| <u>Recreation / Joint Programs :</u> | | | | |
| | 23,250 | 15,507 | 18,760 | 3,253 |
| <u>Utilities :</u> | | | | |
| Gas | 30,000 | 34,000 | 31,965 | (2,035) |
| Hydro | 117,789 | 146,052 | 124,500 | (21,552) |
| Water | 5,600 | 4,600 | 6,100 | 1,500 |
| Total : | 153,389 | 184,652 | 162,565 | (22,087) |
| <u>Guest/Party Room Expenses:</u> | | | | |
| | 5,000 | 9,000 | 6,000 | (3,000) |
| <u>Administration :</u> | | | | |
| Telephone | 8,200 | 8,000 | 8,000 | - |
| Office Expense | 10,811 | 9,300 | 10,209 | 909 |
| Newsletter/Website | 1,000 | 1,000 | 1,000 | - |
| Meeting Costs | 1,100 | 1,500 | 1,500 | - |
| Insurance | 11,814 | 11,930 | 13,625 | 1,695 |
| Audit Fees | 2,500 | 2,500 | 2,700 | 200 |
| Consulting & Appraisal | - | 1,500 | 750 | (750) |
| Legal Fees | 4,000 | 7,000 | 5,000 | (2,000) |
| Total : | 39,425 | 42,730 | 42,784 | 54 |

Distribution of 2010 Essex Shared Facilities Budget - by percent share of each cost category



Contribution to 2010 Essex Shared Facilities Budget increase - by cost category



Form 15

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 & 1723 Shared Facilities

The Board has received and reviewed the Reserve Fund Study Update (Without a Site Visit) dated October 13, 2009 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 548 units in this Shared Facilities. At the present time (fiscal year 2009), the average contribution to the Reserve Fund is \$22.68 per unit per month.

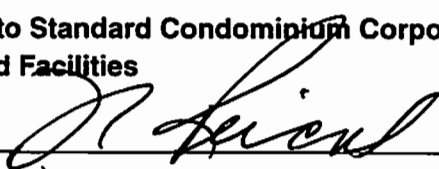
Based on the proposed funding plan, the average increase in contribution for the next 3 years will be:

- a. \$13.97 per unit per month increase for 2010;
- b. \$1.94 per unit per month increase for 2011;
- c. \$2.05 per unit per month increase for 2012.

The proposed funding plan will be implemented as of January 1, 2010 (fiscal year 2010).

Dated this 22nd day of October, 2009


Toronto Standard Condominium Corporation No. 1577 & 1723
Shared Facilities



(signature)

F. E. REICH

(print name)



(signature)

Michael Watcher

(print name)

**TORONTO STANDARD CONDOMINIUM CORPORATION
NO. 1577 & 1723 SHARED FACILITIES**

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the **Reserve Fund Study Update (Without a Site Visit)** dated **October 13, 2009**, prepared by **GENIVAR Consultants Limited Partnership** for **Toronto Standard Condominium Corporation No. 1577 & 1723 Shared Facilities** (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 2010 beginning **January 1, 2010** is **\$241,000** based on the estimated expenditures and the following:

| | |
|--|------------------|
| Opening Balance of the Reserve Fund | \$607,813 |
| Minimum Reserve Fund Balance during the projected period | \$285,293 |
| Assumed Annual Inflation Rate for Reserve Fund Expenditures | 5.30% |
| Assumed Annual Interest Rate for interest earned on the Reserve Fund | 7.20% |

The Reserve Fund Study can be examined upon arrangement with the property management company.

CASH FLOW TABLE

| | |
|--|-----------|
| Opening Balance of the Reserve Fund | \$607,813 |
| Minimum Reserve Fund Balance (as indicated in this table) | \$285,293 |
| Assumed Annual Inflation Rate for Reserve Fund Expenditures | 5.30% |
| Assumed Annual Interest Rate for Interest Earned on the Reserve Fund | 7.20% |

| Year | Opening Balance | Recommended Annual Contribution | Estimated Inflation Adjusted Expenditures | Estimated Earned Interest | Percentage Increase in Recommended Annual Contribution | Closing Balance |
|------|-----------------|---------------------------------|---|---------------------------|--|-----------------|
| 2010 | \$607,813 | \$241,000 | (\$46,000) | \$49,127 | 5.30% | \$851,940 |
| 2011 | \$851,940 | \$253,773 | (\$6,845) | \$69,983 | 5.30% | \$1,168,851 |
| 2012 | \$1,168,851 | \$267,223 | (\$6,653) | \$93,298 | 5.30% | \$1,522,719 |
| 2013 | \$1,522,719 | \$281,386 | (\$155,638) | \$108,560 | 5.30% | \$1,757,027 |
| 2014 | \$1,757,027 | \$296,299 | \$0 | \$137,173 | 5.30% | \$2,190,499 |
| 2015 | \$2,190,499 | \$312,003 | (\$366,526) | \$142,558 | 5.30% | \$2,278,534 |
| 2016 | \$2,278,534 | \$328,539 | (\$71,570) | \$170,729 | 5.30% | \$2,706,232 |
| 2017 | \$2,706,232 | \$345,952 | \$0 | \$207,303 | 5.30% | \$3,259,487 |
| 2018 | \$3,259,487 | \$364,287 | (\$301,104) | \$226,118 | 5.30% | \$3,548,788 |
| 2019 | \$3,548,788 | \$383,595 | (\$73,217) | \$264,051 | 5.30% | \$4,123,216 |
| 2020 | \$4,123,216 | \$403,925 | \$0 | \$311,413 | 5.30% | \$4,838,554 |
| 2021 | \$4,838,554 | \$425,333 | (\$14,119) | \$362,671 | 5.30% | \$5,612,440 |
| 2022 | \$5,612,440 | \$447,876 | (\$93,849) | \$413,462 | 5.30% | \$6,379,928 |
| 2023 | \$6,379,928 | \$471,613 | (\$2,634,429) | \$286,654 | 5.30% | \$4,503,766 |
| 2024 | \$4,503,766 | \$496,609 | (\$1,376,491) | \$243,042 | 5.30% | \$3,866,925 |
| 2025 | \$3,866,925 | \$522,929 | (\$2,550,352) | \$113,619 | 5.30% | \$1,953,120 |
| 2026 | \$1,953,120 | \$550,644 | (\$2,219,141) | \$670 | 5.30% | \$285,293 |
| 2027 | \$285,293 | \$579,828 | (\$565,741) | \$682 | 5.30% | \$300,061 |
| 2028 | \$300,061 | \$610,559 | (\$483,950) | \$8,740 | 5.30% | \$435,410 |
| 2029 | \$435,410 | \$642,919 | \$0 | \$54,495 | 5.30% | \$1,132,823 |
| 2030 | \$1,132,823 | \$676,993 | (\$61,800) | \$101,485 | 5.30% | \$1,849,502 |
| 2031 | \$1,849,502 | \$712,874 | (\$155,294) | \$147,646 | 5.30% | \$2,554,728 |
| 2032 | \$2,554,728 | \$750,656 | \$0 | \$210,964 | 5.30% | \$3,516,349 |
| 2033 | \$3,516,349 | \$790,441 | (\$2,261,424) | \$118,810 | 5.30% | \$2,164,176 |
| 2034 | \$2,164,176 | \$832,335 | (\$158,869) | \$174,346 | 5.30% | \$3,011,988 |
| 2035 | \$3,011,988 | \$876,448 | (\$1,173,641) | \$163,913 | 5.30% | \$2,878,709 |
| 2036 | \$2,878,709 | \$922,900 | (\$47,868) | \$237,045 | 5.30% | \$3,990,786 |
| 2037 | \$3,990,786 | \$971,814 | (\$203,637) | \$307,660 | 5.30% | \$5,066,622 |
| 2038 | \$5,066,622 | \$1,023,320 | (\$667,324) | \$353,589 | 5.30% | \$5,776,207 |
| 2039 | \$5,776,207 | \$1,077,556 | (\$745,771) | \$400,983 | 5.30% | \$6,508,975 |

The Board of **Toronto Standard Condominium Corporation No. 1577 & 1723 Shared Facilities** has reviewed the **Reserve Fund Study Update (Without a Site Visit)** dated **October 13, 2009** 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 2010 beginning January 1, 2010 is \$241,000.

Contribution Table

October 13, 2009

TSCC 1577 & 1723 SF

| 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) |
|------|-------------------------|-------------------------------|--|--|
| 2010 | \$241,000 | 61.60% | \$0 | \$241,000 |
| 2011 | \$253,773 | 5.30% | \$0 | \$253,773 |
| 2012 | \$267,223 | 5.30% | \$0 | \$267,223 |
| 2013 | \$281,386 | 5.30% | \$0 | \$281,386 |
| 2014 | \$296,299 | 5.30% | \$0 | \$296,299 |
| 2015 | \$312,003 | 5.30% | \$0 | \$312,003 |
| 2016 | \$328,539 | 5.30% | \$0 | \$328,539 |
| 2017 | \$345,952 | 5.30% | \$0 | \$345,952 |
| 2018 | \$364,287 | 5.30% | \$0 | \$364,287 |
| 2019 | \$383,595 | 5.30% | \$0 | \$383,595 |
| 2020 | \$403,925 | 5.30% | \$0 | \$403,925 |
| 2021 | \$425,333 | 5.30% | \$0 | \$425,333 |
| 2022 | \$447,876 | 5.30% | \$0 | \$447,876 |
| 2023 | \$471,613 | 5.30% | \$0 | \$471,613 |
| 2024 | \$496,609 | 5.30% | \$0 | \$496,609 |
| 2025 | \$522,929 | 5.30% | \$0 | \$522,929 |
| 2026 | \$550,644 | 5.30% | \$0 | \$550,644 |
| 2027 | \$579,828 | 5.30% | \$0 | \$579,828 |
| 2028 | \$610,559 | 5.30% | \$0 | \$610,559 |
| 2029 | \$642,919 | 5.30% | \$0 | \$642,919 |
| 2030 | \$676,993 | 5.30% | \$0 | \$676,993 |
| 2031 | \$712,874 | 5.30% | \$0 | \$712,874 |
| 2032 | \$750,656 | 5.30% | \$0 | \$750,656 |
| 2033 | \$790,441 | 5.30% | \$0 | \$790,441 |
| 2034 | \$832,335 | 5.30% | \$0 | \$832,335 |
| 2035 | \$876,448 | 5.30% | \$0 | \$876,448 |
| 2036 | \$922,900 | 5.30% | \$0 | \$922,900 |
| 2037 | \$971,814 | 5.30% | \$0 | \$971,814 |
| 2038 | \$1,023,320 | 5.30% | \$0 | \$1,023,320 |
| 2039 | \$1,077,556 | 5.30% | \$0 | \$1,077,556 |



TSCC 1723/1577 Essex Shared Facilities

Reserve Fund Investment Policy Statement

Update – November 10, 2009

Comments and Assumptions:

- The Board of Directors, along with the Investment Advisor will make decisions regarding minimum balance available for contingencies as an emergency cash portion of the portfolio. This should not be less than \$80,000.00 or 10-20% of the total assets. This should be held in short – term securities such as Treasury Bills or at a negotiated preferred banking rate. For the purpose of this plan, I have used an assumed rate 0.50%. I have incorporated this segment of the portfolio composition into the overall investment plan.
- All expenses and contribution figures have been taken from the latest reserve fund study. As advised, I have used the cash flow projection table you provided me.
- Monthly contribution amounts will be put into reserve fund bank account and held at preferred rates or held in short term Treasury Bills. Lump sum contributions may be added to the investment account either quarterly, semi-annually or annually to be invested according to the plan.
- Investment committee meetings should be held annually or more often as circumstances require it. The Investment Advisor may be in attendance to assist decisions regarding what, if any, long-term securities to invest in and to prepare the following year's investment plan and future updates to review the portfolio.
- An updated investment plan for the next fiscal year will be prepared and submitted for Board approval at the same time as the operating budget.
- The top part of the plan contains a three year fiscal schedule of the transactions that the Board of Directors projects will take place in the reserve fund bank account and investment account based on the maturities and the decisions made on expenditures and contributions. *Maturing investments are shown as positive numbers increasing the balance and reinvested amounts as negative numbers decreasing the total amount.* The assumption is that all planned investments are strip type investments, that is, securities bought at a discount that pay their face value at maturity and provide compound interest. A staggered maturity or 'laddered' bond strategy is utilized to offer higher average yields for the portfolio, as well as to co-ordinate maturing bonds to planned expenses.
- The bottom portion of the investment plan is a summary of the total reserve fund assets on hand at each year-end.
- Short-term interest assumed at 0.50% annually for this plan.
- Longer-term interest rates (yields) are approximate for purposes of presenting a proposed plan. Exact rates will be determined at time of investment of the assets. 'Projected Yield' assumes that this is the yield to maturity of the bonds net of all commissions.
- Contribution increases are according to cash flow table provided.



TSCC 1723/1577 Essex Shared Facilities – Update November 10, 2009

Investment Criteria & Portfolio Composition:

- a) All investments must be in accordance with the criteria set out in Section 115 of the Condominium Act. The principal and interest must be guaranteed by either Provincial or Federal government, which constitute “eligible investments.” We will adopt the investment guidelines prepared by Michael Wynne and passed by a motion of the board of directors.
- b) Approximately 10-20% of the total assets will always be kept in short-term investments to provide liquidity for contingencies. The remainder will be planned to future expenditures according to the latest reserve fund study.
- c) The remaining assets of the portfolio will be invested in medium term government bonds or GIC’s with maturity dates matching required planned expenditures.
- d) The Investment Advisor will consult the Board before any re-investment is made or if an opportunity to improve yield by making a change to securities in the portfolio is advantageous to the corporation.
- e) Staggered maturities (ladder strategy) are used to reduce interest rate re-investment risk, to match maturities to planned expenditures and to increase average yield to the portfolio. New issues of bonds may be used when available and appropriate.
- f) The investment objectives are first and foremost, to provide *safety of capital* and secondarily to *maximize guaranteed interest* within the guidelines of eligible investments according to the Act. Never will there be any speculative nature to the investments used, either on the principal invested or on any non-guaranteed income.

Thank you and I look forward to implementing this investment plan and working with you.

Please call me directly if any questions or concerns arise in the meantime.

Sincerely,

Michael J.S. Wynne
Investment Advisor
CG&B Investment Services Inc.
905-305-4302



Essex Shared Facilities - TSCC 1577 & 1723

RESERVE FUND INVESTMENT PLAN

Fiscal Three Year Investment Schedule to Dec 31, 2012

| Description of Activity | Projected | Fiscal 10 | Fiscal 11 | Fiscal 12 |
|--|-----------|---------------------|-----------------------|-----------------------|
| | Yield | | | |
| Reserve Fund- Bank balance | | \$198,263.00 | \$263.00 | \$657.00 |
| Interest on Bank balance | 0.50% | n/a | \$1.00 | \$3.00 |
| Annual Reserve Fund Contributions | | \$241,000.00 | \$253,773.00 | \$267,223.00 |
| Short Term Investments (under 1 yr) | | | | |
| Matured Assets | 0.50% | | \$93,465.00 | \$140,700.00 |
| Reinvested Assets | 0.50% | -\$93,000.00 | -\$140,000.00 | -\$119,000.00 |
| Deduct Planned Expenses | | -\$46,000.00 | -\$6,845.00 | -\$6,653.00 |
| Current Investments | | | | |
| Scotia Bank GIC 26Mar2012 | 4.25% | | | \$108,681.00 |
| Dundee Bank GIC 3Dec2012 | 4.45% | | | \$109,098.00 |
| Maple Trust GIC 26Mar2013 | 4.45% | | | |
| Laurentian Bank GIC 26Mar2013 | 4.40% | | | |
| Cdn Western Bank GIC 27Feb2014 | 3.70% | | | |
| Planned Investments | | | | |
| 2 yr GIC or Bond 2012 | 2.10% | -\$100,000.00 | | |
| 3 yr GIC or Bond 2013 | 2.50% | -\$200,000.00 | | |
| 2 yr GIC or Bond 2013 | *3.00% | | -\$100,000.00 | |
| 3 yr GIC or Bond 2014 | *3.50% | | -\$100,000.00 | |
| 3 yr GIC or Bond 2015 | *4.50% | | | -\$100,000.00 |
| 4 yr GIC or Bond 2016 | *5.00% | | | -\$200,000.00 |
| 5 yr GIC or Bond 2017 | *5.50% | | | -\$200,000.00 |
| Reserve Fund Bank Account - Year End | | \$263.00 | \$657.00 | \$709.00 |
| Summary of Reserve Fund Assets Held at Cost Plus Accrued Interest | | | | |
| Reserve Assets | | Fiscal 10 | Fiscal 11 | Fiscal 12 |
| Reserve Bank Account (year end) | | \$263.00 | \$657.00 | \$709.00 |
| Investments | | | | |
| Short-term (contingency) | 0.50% | \$93,000.00 | \$140,000.00 | \$119,000.00 |
| Current | | | | |
| SB GIC 26Mar2012 | 4.25% | \$100,000.00 | \$104,250.00 | matures |
| DB GIC 3Dec2012 | 4.45% | \$100,000.00 | \$104,450.00 | matures |
| MT GIC 26Mar2013 | 4.45% | \$100,000.00 | \$104,450.00 | \$109,098.00 |
| LB GIC 26Mar2013 | 4.40% | \$50,207.00 | \$52,416.00 | \$54,722.00 |
| CWB GIC 27Feb2014 | 3.70% | \$75,000.00 | \$77,775.00 | \$80,653.00 |
| Planned | | | | |
| maturity 2012 | 2.10% | \$100,000.00 | \$102,100.00 | \$104,244.00 |
| maturity 2013 | 2.50% | \$200,000.00 | \$205,000.00 | \$210,125.00 |
| maturity 2013 | *3.00% | | \$100,000.00 | \$103,000.00 |
| maturity 2014 | *3.50% | | \$100,000.00 | \$103,500.00 |
| maturity 2015 | *4.50% | | | \$100,000.00 |
| maturity 2016 | *5.00% | | | \$200,000.00 |
| maturity 2017 | *5.50% | | | \$200,000.00 |
| Total Reserve Fund Assets | | \$818,470.00 | \$1,091,098.00 | \$1,385,051.00 |
| Plan Updated Nov. 2009 | | | | |
| Michael Wynne, Investment Advisor | | | | |
| CG&B Investment Services Inc. | | | | |

ESSEX SHARED ROADWAY / WALKWAY

OPERATING BUDGET

January 1, 2010 to December 31, 2010

| | PROJECTED 2009 | CURRENT BUDGET 2009 | APPROVED BUDGET 2010 | BUDGET CHANGE 2010 | |
|-----------------------------------|-------------------|---------------------------|----------------------------|--------------------------|----------------|
| Maintenance & Service Contracts | 10,074 | 10,271 | 10,418 | 147 | |
| Repairs & Maintenance | 3,938 | 4,300 | 3,395 | (905) | |
| Utilities | 2,500 | 2,500 | 2,500 | - | |
| Administration | 5,530 | 7,900 | 8,106 | 206 | |
| Total Operating Expense : | 22,042 | 24,971 | 24,419 | (552) | |
| Less: Sundry Income | 50 | 250 | 50 | (200) | |
| NET OPERATING EXPENSE: | 21,992 | 24,721 | 24,369 | (352) | |
| Contribution to Reserve | 6,653 | 6,653 | 7,005 | 352 | |
| TOTAL FUNDS REQUIRED | 28,645 | 31,374 | 31,374 | - | |
| T.S.C.C. NO. 1577 | 6,014 | 6,014 | 6,014 | - | 19.17% |
| T.S.C.C. NO. 1723 | 8,069 | 8,069 | 8,069 | - | 25.72% |
| T.S.C.C. NO. 1862 | 8,709 | 8,709 | 8,709 | - | 27.76% |
| T.S.C.C. NO. 1959 | 8,581 | 8,581 | 8,581 | - | 27.35% |
| COMMON ELEMENT ASSESSMENT: | 31,373 | 31,374 | 31,374 | - | 100.00% |

ESSEX SHARED ROADWAY / WALKWAY
OPERATING BUDGET - January 1,2010 to December 31, 2010

| | PROJECTED 2009 | CURRENT BUDGET 2009 | APPROVED BUDGET 2010 | BUDGET CHANGE 2010 |
|---|-------------------|---------------------------|----------------------------|--------------------------|
| <u>Service Contracts :</u> | | | | |
| Grounds Maintenance | 5,672 | 5,822 | 5,745 | (77) |
| Management Fees | 4,402 | 4,449 | 4,673 | 224 |
| Total : | 10,074 | 10,271 | 10,418 | 147 |
| <u>Repairs & Maintenance :</u> | | | | |
| Catch Basins | 500 | 2,000 | 1,095 | (905) |
| Electrical | 500 | 1,500 | 1,500 | - |
| Power Sweep/Wash | - | 600 | 600 | - |
| Signs | 2,938 | 200 | 200 | - |
| Total : | 3,938 | 4,300 | 3,395 | (905) |
| <u>Utilities :</u> | | | | |
| Hydro | 2,500 | 2,500 | 2,500 | - |
| Water | - | - | - | - |
| Total : | 2,500 | 2,500 | 2,500 | - |
| <u>Administration :</u> | | | | |
| Meeting Costs | 500 | 800 | 800 | - |
| Insurance | 2,006 | 2,100 | 2,306 | 206 |
| Audit Fees | 2,000 | 2,000 | 2,000 | - |
| Consulting & Appraisal | 945 | 1,000 | 1,000 | - |
| Legal Fees | 79 | 2,000 | 2,000 | - |
| Total : | 5,530 | 7,900 | 8,106 | 206 |

Form 15

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 No. 1577, 1723, 1826 & 1959 Shared Roadway & Walkway**

The Board has received and reviewed the **Reserve Fund Study Update (With a Site Visit)** dated **October 13, 2009** 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 1221 units in this Shared Roadway and Walkway. At the present time (fiscal year 2009), the average contribution to the Reserve Fund is \$0.45 per unit per month.

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

- a. \$0.02 per unit per month increase for 2010;
- b. \$0.03 per unit per month increase for 2011;
- c. \$0.03 per unit per month increase for 2012.

The proposed funding plan will be implemented as of January 1, 2010 (fiscal year 2010).

Dated this 22ND day of October, 2009

**Toronto Standard Condominium No. 1577, 1723, 1826 & 1959
Shared Roadway & Walkway**

M. S. Baird
(signature)

M. S. Baird
(print name)

M. Baird
(signature)

M. Baird
(print name)

TORONTO STANDARD CONDOMINIUM NO. 1577, 1723, 1826 & 1959 SHARED ROADWAY & WALKWAY

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the **Reserve Fund Study Update (With a Site Visit)** dated **October 13, 2009**, prepared by **GENIVAR Consultants Limited Partnership** for **Toronto Standard Condominium No. 1577, 1723, 1826 & 1959 Shared Roadway & Walkway** (known as the

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 2010 beginning **January 1, 2010** is **\$7,005** based on the estimated expenditures and the following:

| | |
|--|-----------------|
| Opening Balance of the Reserve Fund | \$34,800 |
| Minimum Reserve Fund Balance during the projected period | \$34,800 |
| Assumed Annual Inflation Rate for Reserve Fund Expenditures | 5.30% |
| Assumed Annual Interest Rate for interest earned on the Reserve Fund | 7.20% |

The Reserve Fund Study can be examined upon arrangement with the property management company.

CASH FLOW TABLE

Opening Balance of the Reserve Fund \$34,800
 Minimum Reserve Fund Balance (as indicated in this table) \$34,800
 Assumed Annual Inflation Rate for Reserve Fund Expenditures 5.30%
 Assumed Annual Interest Rate for Interest Earned on the Reserve Fund 7.20%

| Year | Opening Balance | Recommended Annual Contribution | Estimated Inflation Adjusted Expenditures | Estimated Earned Interest | Percentage Increase in Recommended Annual Contribution | Closing Balance |
|------|-----------------|---------------------------------|---|---------------------------|--|-----------------|
| 2010 | \$34,800 | \$7,005 | (\$3,000) | \$2,542 | 5.30% | \$41,347 |
| 2011 | \$41,347 | \$7,376 | \$0 | \$3,243 | 5.30% | \$51,966 |
| 2012 | \$51,966 | \$7,767 | (\$998) | \$3,949 | 5.30% | \$62,684 |
| 2013 | \$62,684 | \$8,179 | (\$3,503) | \$4,556 | 5.30% | \$71,916 |
| 2014 | \$71,916 | \$8,612 | \$0 | \$5,488 | 5.30% | \$86,016 |
| 2015 | \$86,016 | \$9,069 | (\$8,803) | \$5,886 | 5.30% | \$92,167 |
| 2016 | \$92,167 | \$9,549 | (\$8,179) | \$6,391 | 5.30% | \$99,928 |
| 2017 | \$99,928 | \$10,056 | \$0 | \$7,557 | 5.30% | \$117,541 |
| 2018 | \$117,541 | \$10,589 | (\$1,360) | \$8,746 | 5.30% | \$135,515 |
| 2019 | \$135,515 | \$11,150 | (\$4,775) | \$9,815 | 5.30% | \$151,704 |
| 2020 | \$151,704 | \$11,741 | \$0 | \$11,345 | 5.30% | \$174,790 |
| 2021 | \$174,790 | \$12,363 | (\$2,294) | \$12,865 | 5.30% | \$197,724 |
| 2022 | \$197,724 | \$13,018 | (\$5,575) | \$14,303 | 5.30% | \$219,470 |
| 2023 | \$219,470 | \$13,708 | \$0 | \$16,295 | 5.30% | \$249,473 |
| 2024 | \$249,473 | \$14,435 | (\$1,855) | \$18,348 | 5.30% | \$280,402 |
| 2025 | \$280,402 | \$15,200 | (\$260,596) | \$1,973 | 5.30% | \$36,978 |
| 2026 | \$36,978 | \$16,005 | (\$6,854) | \$2,745 | 5.30% | \$48,874 |
| 2027 | \$48,874 | \$16,854 | (\$3,128) | \$3,900 | 5.30% | \$66,500 |
| 2028 | \$66,500 | \$17,747 | (\$7,600) | \$4,880 | 5.30% | \$81,526 |
| 2029 | \$81,526 | \$18,687 | \$0 | \$6,543 | 5.30% | \$106,756 |
| 2030 | \$106,756 | \$19,678 | (\$44,665) | \$5,179 | 5.30% | \$86,948 |
| 2031 | \$86,948 | \$20,721 | (\$8,874) | \$6,367 | 5.30% | \$105,162 |
| 2032 | \$105,162 | \$21,819 | \$0 | \$8,357 | 5.30% | \$135,338 |
| 2033 | \$135,338 | \$22,975 | (\$4,264) | \$10,264 | 5.30% | \$164,314 |
| 2034 | \$164,314 | \$24,193 | (\$10,361) | \$11,956 | 5.30% | \$190,101 |
| 2035 | \$190,101 | \$25,475 | (\$85,463) | \$8,451 | 5.30% | \$138,565 |
| 2036 | \$138,565 | \$26,825 | (\$14,935) | \$9,867 | 5.30% | \$160,322 |
| 2037 | \$160,322 | \$28,247 | (\$12,097) | \$11,689 | 5.30% | \$188,161 |
| 2038 | \$188,161 | \$29,744 | \$0 | \$14,618 | 5.30% | \$232,524 |
| 2039 | \$232,524 | \$31,321 | (\$5,813) | \$17,451 | 5.30% | \$275,483 |

The Board of **Toronto Standard Condominium No. 1577, 1723, 1826 & 1959 Shared Roadway & Walkway** has reviewed the **Reserve Fund Study Update (With a Site Visit)** dated **October 13, 2009** 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 2010 beginning January 1, 2010 is \$7,005.

Contribution Table

October 13, 2009

TSCC 1577, 1723, 1826, 1959 Shared Roadway and Walkway

| 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) |
|------|-------------------------|-------------------------------|--|--|
| 2010 | \$7,005 | 5.30% | \$0 | \$7,005 |
| 2011 | \$7,376 | 5.30% | \$0 | \$7,376 |
| 2012 | \$7,767 | 5.30% | \$0 | \$7,767 |
| 2013 | \$8,179 | 5.30% | \$0 | \$8,179 |
| 2014 | \$8,612 | 5.30% | \$0 | \$8,612 |
| 2015 | \$9,069 | 5.30% | \$0 | \$9,069 |
| 2016 | \$9,549 | 5.30% | \$0 | \$9,549 |
| 2017 | \$10,056 | 5.30% | \$0 | \$10,056 |
| 2018 | \$10,589 | 5.30% | \$0 | \$10,589 |
| 2019 | \$11,150 | 5.30% | \$0 | \$11,150 |
| 2020 | \$11,741 | 5.30% | \$0 | \$11,741 |
| 2021 | \$12,363 | 5.30% | \$0 | \$12,363 |
| 2022 | \$13,018 | 5.30% | \$0 | \$13,018 |
| 2023 | \$13,708 | 5.30% | \$0 | \$13,708 |
| 2024 | \$14,435 | 5.30% | \$0 | \$14,435 |
| 2025 | \$15,200 | 5.30% | \$0 | \$15,200 |
| 2026 | \$16,005 | 5.30% | \$0 | \$16,005 |
| 2027 | \$16,854 | 5.30% | \$0 | \$16,854 |
| 2028 | \$17,747 | 5.30% | \$0 | \$17,747 |
| 2029 | \$18,687 | 5.30% | \$0 | \$18,687 |
| 2030 | \$19,678 | 5.30% | \$0 | \$19,678 |
| 2031 | \$20,721 | 5.30% | \$0 | \$20,721 |
| 2032 | \$21,819 | 5.30% | \$0 | \$21,819 |
| 2033 | \$22,975 | 5.30% | \$0 | \$22,975 |
| 2034 | \$24,193 | 5.30% | \$0 | \$24,193 |
| 2035 | \$25,475 | 5.30% | \$0 | \$25,475 |
| 2036 | \$26,825 | 5.30% | \$0 | \$26,825 |
| 2037 | \$28,247 | 5.30% | \$0 | \$28,247 |
| 2038 | \$29,744 | 5.30% | \$0 | \$29,744 |
| 2039 | \$31,321 | 5.30% | \$0 | \$31,321 |



TSCC1723,1577,1826,1959 Shared Roadway & Walkway

RESERVE FUND INVESTMENT PLAN

Fiscal Three Year Investment Schedule to Dec 31, 2012

| Description of Activity | Yield | Fiscal 2010 | Fiscal 2011 | Fiscal 2012 |
|--|--------|--------------|--------------|--------------|
| Reserve Fund- Bank balance | | \$33,355.00 | \$360.00 | \$773.00 |
| Interest on Bank balance | 0.50% | n/a | \$2.00 | \$4.00 |
| Annual Reserve Fund Contributions | | \$7,005.00 | \$7,376.00 | \$7,767.00 |
| Short Term Investments (under 1 yr) | | | | |
| Matured Assets | 0.50% | | \$7,035.00 | \$14,070.00 |
| Reinvested Assets | 0.50% | -\$7,000.00 | -\$14,000.00 | -\$12,000.00 |
| Deduct Planned Expenses | | -\$3,000.00 | \$0.00 | -\$998.00 |
| Projected Investments - over 1 year | | | | |
| 2 yr GIC maturity 2012 | 2.10% | -\$30,000.00 | | \$31,273.00 |
| 2 yr GIC maturity 2012 | *3.50% | | | -\$40,000.00 |
| Reserve Fund Bank Account - Yr End | | | | |
| | | \$360.00 | \$773.00 | \$889.00 |
| Summary of Reserve Fund Assets Held at Cost Plus Accrued Interest | | | | |
| Reserve Assets | | Fiscal 10 | Fiscal 11 | Fiscal 12 |
| Reserve Bank Account (year end) | | \$360.00 | \$773.00 | \$889.00 |
| Investments | | | | |
| Under one year | 0.50% | \$7,000.00 | \$14,000.00 | \$12,000.00 |
| Current Investments | | | | |
| Projected Investments | | | | |
| GIC 2012 | 2.10% | \$30,000.00 | \$30,630.00 | matures |
| GIC 2014 | *3.50% | | | \$40,000.00 |
| Total Reserve Fund Assets | | | | |
| | | \$37,360.00 | \$45,403.00 | \$52,889.00 |

Notes: Prepared Nov. 2009

- Contributions increase as per the latest Reserve Fund Study.
- Interest rates & projected yields are approximate. Exact rates determined at time of investment. Projected yield assumes that this is the 'Yield to Maturity' of the security net of commissions.
- Short-term investments make up the contingency amount for emergency cash. This amount is pre-determined by discussion with Investment Advisor & and the Board of Directors.
- Bond investments proposed are examples; actual securities will be determined at time investment is made based on market price and availability.
- Information used to prepare this plan was provided by Property Manager and the Board.
- Fiscal Year - Dec. 31st

Prepared by: Michael Wynne, BA, Investment Advisor @ CG&B Investment Services Inc. (905) 305-4302

AUTHORIZATION FORM FOR PRE-AUTHORIZED PAYMENT PLAN FOR COMMON EXPENSE PAYMENTS

Please complete and return this form together with an unsigned cheque marked "Void" from the bank account to be used (for verification purposes)

To: Toronto standard Condominium Corporation No.1577
(the "Condominium Corporation")

The undersigned hereby authorize(s) the Condominium Corporation (as payee) to debit the account detailed below, as confirmed on the attached "VOID" cheque (the "Account"), either in paper, electronically or by any other form or means, for the sole purpose of paying the monthly common expenses hereinafter owing to the Condominium Corporation and relating or attributable to the following unit(s), namely:

| Dwelling Unit- | Level- | Parking Unit- | Level- | Parking Unit- | Level- | Locker Unit- | Level- |
|---|--------|---------------|--------|---------------|--------|--------------|--------|
| Municipally known as: Suite # _____, 5229 Dundas Street West, Etobicoke, ON. M9B 6L9 | | | | | | | |

presently amounting to \$ _____ per month, payable monthly on the 1st day of each month, beginning with _____ which total monthly common expense figure (and corresponding monthly debit from the Account) shall hereafter be varied in order to reflect changes to the annual budget(s) of the Condominium Corporation, as approved by the Condominium Corporation's board of directors from time to time. The undersigned expressly authorize(s) the Condominium Corporation to increase or decrease the monthly debit(s) from the Account in order to reflect all changes to the total monthly common expenses attributable to the above-noted unit(s).

DETAILS OF THE ACCOUNT:

| | | |
|-----------------|-------------|-----------------|
| Account No. | Transit No. | Institution No. |
| Name of Bank: | | |
| Branch Address: | | |

For joint accounts, all account holders must sign if more than one signature is required on cheques issued or drawn against the Account.

The undersigned expressly acknowledge(s) and agree(s) that:

- a) the delivery of this Authorization to the Condominium Corporation constitutes delivery by the undersigned to the branch of the financial institution at which the Account is maintained, and that such financial institution is not required to verify that any of the payments or debits are drawn or made in accordance with this Authorization;
- b) the undersigned will notify the Condominium Corporation in writing forthwith following any changes in the Account information; and
- c) this Authorization shall continue to be effective unless and until cancelled or revoked by the undersigned upon written notice delivered to the Condominium Corporation at least fifteen (15) days prior to the next due date of any pre-authorized debit.

The undersigned expressly acknowledge(s) and confirm(s) having read and understood all of the foregoing terms and provisions.

Dated this _____ day of _____, 20 ____.

Print Name of Account Holder

Print Name of Account Holder

Signature of Account Holder

Signature of Account Holder

IMPORTANT: PLEASE ATTACH A "VOID" CHEQUE TO THIS FORM