



November 15, 2010

Homeowner(s)
Toronto Standard Condominium Corporation No. 1723
Suite «ADDRESS»
5233 Dundas St. West. Etobicoke, Ontario
M9B 6M1

Dear Owner(s):

Re: Operating Budget: December 1 — November 30 2011

The TSCC 1723 net operating budget (Essex II tower costs, including proportionate share of the grounds and recreation centre costs shared with Essex I and the Shared Roadway/Walkway costs shared with Essex I, Nuvo 1 and Nuvo 2) prepared by your Board of Directors for the fiscal year December 1 to November 30, 2010 was \$1,779,565, to be recovered by common element fees.

The Board has now approved a 2011 net operating budget in the amount of \$1,886,381, (this includes an application of \$27,500 from our Contingency Fund) a 6% increase over 2010 common element fees.

As was communicated often during the past two years, the increase reflects the full year effect of the new Ontario (HST) Harmonized Sales Tax which came into force in July 2010 combined with underlying forecast inflation pressures of 3%, 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 2011 will be \$ «AMOUNT»

Currently, most owners take advantage of the "Electronic Funds Transfer Program" and the new monthly amount will automatically take effect December 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 November 24, 2010. 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 December 1, 2010 up to and including November 1, 2011. Please make your cheques payable to: "TSCC No. 1723" with your suite number indicated on the top right corner, and submit them to the Management Office **no later than November 24, 2010. 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,

Alan Webb, President
On behalf of the TSCC 1723 Board of Directors

Budget Notes: 2011 TSCC 1723 Operating Budget (Page 1 of 2)

The 6% common element fee increase for 2011 is due to the following major factors:

The impact of the HST on the overall budget will be \$51,928 which represents 2.92% of the overall 6% budget increase. The increases or decreases in the costs below exclude the impact of the HST.

Reserve Fund contribution increase of \$13,568 (+.76%) for the Essex II tower as mandated in the approved October 2009 Reserve Fund Study. This study will be updated as per legislative requirements during 2012 to apply to the 2013 Budgets.

Maintenance & Service Contracts are down slightly \$7,671 (-.43%) reflecting savings achieved in the security contract

Repairs and Maintenance costs will increase \$805 (+0.05%).

Utilities will be up \$8,350 based on consumption experience, contracted and forecast price increases, Consumption is based on the average over the last three years of heating and cooling and reflects continued savings from prior year energy conservation projects. We expect hydro electricity costs to be up \$10,800 due to a recently approved rate increase. Water costs will be up \$11,000 reflecting continuation of a multi-year rate increase previously announced by the City.

We expect gas costs to be down \$13,450 in 2011. Our five year fixed commodity price contract for natural gas expired in November 2010. We took the advice of our agent to negotiate a three year contract at a commodity rate 20% below our current contract. We will need to negotiate a new contract during 2013.

Shared Facilities: Our proportionate shared of the Essex Shared Facilities and Shared Roadway/Walkway costs will be up \$36,697 in 2011, representing 1.5% of your total 6% increase. See details on the next page.

Special Projects: We have budgeted \$10,000 to clean out the plumbing stacks. This work was last completed in May and June of 2008 and should be done at least every 3 years.

Operating Contingency Fund: We made no contributions for 2010, leaving the balance of \$102,528 , \$27,500 of which we are using to reduce the increase for 2011.

Budget Notes: 2011 TSCC 1723 Operating Budget (page 2 of 2)

Recreational and Shared Facilities: The total budget for Recreational and Shared Facilities is \$699,264 up 9.9% over last year, of which Essex II's budgeted share will be \$400,678 or 57.30%. This is \$36,382 higher than the 2010 budget. The increases or decreases outlined below exclude the impact of the H.S.T.

a. Essex Shared Facilities

The impact of the HST will be \$16,554 representing 2.6% of the overall 9.9% budget increase.

Rental Income will be down by \$13,095 (1.09%) as the three year agreement (allowing Tridel to advertise Nuvo and Parc Nuvo on Essex property) with Tridel expires in June of 2011.

Essex Shared Facilities Reserve Fund contribution will be up \$12,773 (+5.3%) as per the mandated 2009 Reserve Fund study update.

Repairs and Maintenance will be down slightly by \$79 (-0.01%). Maintenance & Service Contracts will be up \$4,413 (+.69 %) due to provision for inflation. Recreational / Joint Programs expenses will be up \$278 (+0.04%). Administrative costs will increase by \$6,937 (1.09%). This increase is a result of the estimated 20% increase in insurance premiums as well as \$10,000 that has been budgeted to conduct an engineering audit of the underground garage.

Utilities will be up \$11,650 (+1.83%). Gas costs will remain unchanged while hydro costs make up the bulk of the increase at \$11,100. Water costs are expected to increase by \$550.

Special Projects: We have no special projects planned for 2011.

b. Essex Shared Roadway/Walkway budgeted costs will increase to \$32,597 from \$31,374 in 2010.. The Essex II share of 25.72% in 2011 (reflecting the four-way proportional split for the full year with Essex 2, Nuvo 1 and now Nuvo 2) will be \$8,384 up from \$8,069 in 2010.

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 possible 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.

OPERATING BUDGET

December 1, 2010 to November 30, 2011

	PROJECTED 2009/2010	CURRENT BUDGET 2009/2010	APPROVED BUDGET 2010/2011	BUDGET CHANGE 2010/2011
Maintenance & Service Contracts	485,293	494,827	508,704	13,877
Repairs & Maintenance	98,924	81,466	85,714	4,248
Recreational & Joint Programs	369,796	372,365	409,062	36,697
Utilities	441,915	489,650	498,000	8,350
Special Projects	-	-	10,000	10,000
On - Site Personnel	52,155	52,114	54,023	1,909
Administration	68,653	44,643	81,410	36,767
Total Operating Expense :	1,516,737	1,535,065	1,646,913	111,848
Less: Sundry Income	3,180	2,100	2,800	500
NET OPERATING EXPENSE:	1,513,557	1,532,965	1,644,313	111,348
Contribution to Reserve	256,000	256,000	269,568	13,568
Contribution to Contingency Fund	-	-	-	-
TOTAL FUNDS REQUIRED	1,769,557	1,788,965	1,913,881	124,916
Surplus/(Deficit)	10,008	-	-	-
Applied from Prior Years surplus	-	(9,400)	(27,500)	(18,100)
COMMON ELEMENT ASSESSMENT:	1,779,565	1,779,565	1,886,381	106,816

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1723
OPERATING BUDGET - December 1,2010 to November 30,2011

	PROJECTED 2009/2010	CURRENT BUDGET 2009/2010	APPROVED BUDGET 2010/2011	BUDGET CHANGE 2010/2011
<u>Service Contracts :</u>				
Air-conditioning & Heating	22,841	23,135	23,825	690
Odor Control	2,015	1,665	1,695	30
Elevator Maintenance	26,033	27,335	27,155	(180)
Fire Equipment Monitoring	977	1,001	1,050	49
Fire Equipment Testing	6,450	5,437	6,505	1,068
Indoor Plant Maintenance	1,715	2,142	1,377	(765)
Water Feature	2,592	2,598	2,725	127
Access Control	185,910	190,369	190,910	541
Pest Control	663	880	904	24
Generator Maintenance	2,251	3,446	3,713	267
Window Cleaning	15,100	16,000	16,000	-
Carpet Cleaning	10,290	10,000	10,762	762
Housekeeping	77,101	77,401	82,825	5,424
Energy Management	21,488	21,920	21,220	(700)
Management Fees	109,867	111,498	118,038	6,540
Total :	485,293	494,827	508,704	13,877
<u>Repairs & Maintenance :</u>				
Air conditioning & Heating	12,717	9,100	9,400	300
Plumbing/Backflow Prevention	16,632	6,000	10,000	4,000
Electrical	7,357	7,357	7,767	410
Surveillance Equipment/Access Control	2,000	2,000	2,100	100
Waste Disposal	3,000	6,500	3,897	(2,603)
Garbage Levy	18,445	22,286	20,020	(2,266)
Elevator Service	11,450	11,323	11,960	637
Fire Equipment Maintenance	4,020	2,000	4,650	2,650
Doors, Locks, Keys	5,000	1,000	2,000	1,000
Roof & Eavestroughing	588	700	700	-
Cleaning Supplies	1,000	1,000	1,000	-
Signs	198	200	200	-
General Repairs & Hardware	16,517	12,000	12,020	20
Total :	98,924	81,466	85,714	4,248
<u>Recreational & Shared Facilities</u>				
	389,798	372,365	409,062	36,697
<u>Utilities :</u>				
Gas	160,350	183,450	170,000	(13,450)
Hydro	153,565	178,200	189,000	10,800
Water	128,000	128,000	139,000	11,000
Total :	441,915	489,650	498,000	8,350
<u>On-site Personnel</u>				
	52,155	52,114	54,023	1,909
<u>Administration :</u>				
Telephone	1,430	1,400	1,500	100
Occupational Health & Safety	1,000	500	1,000	500
Office Expense	7,365	5,000	5,500	500
Meeting Costs	2,820	2,000	2,500	500
Insurance	28,798	26,503	34,560	8,057
Audit Fees	3,240	3,240	3,350	110
Consulting & Appraisal	3,000	3,000	3,000	-
Legal Fees	21,000	3,000	30,000	27,000
Total :	68,653	44,643	81,410	36,767

ESSEX SHARED FACILITIES

OPERATING BUDGET

January 1, 2011 to December 31, 2011

	PROJECTED 2010	CURRENT BUDGET 2010	APPROVED BUDGET 2011	BUDGET CHANGE 2011	
Maintenance & Service Contracts	146,225	146,885	156,643	9,758	
Repairs & Maintenance	94,919	71,500	73,500	2,000	
Recreational / Joint Programs	21,510	18,760	19,719	959	
Utilities	161,220	162,565	181,050	18,485	
Guest/Party Room Expenses	5,265	6,000	5,000	(1,000)	
Administration	40,402	42,784	51,209	8,425	
Total Operating Expense :	469,541	448,494	487,121	38,627	
Less: Sundry Income	58,230	53,725	41,630	(12,095)	
NET OPERATING EXPENSE:	411,311	394,769	445,491	50,722	
Contribution to Reserve	241,000	241,000	253,773	12,773	
TOTAL FUNDS REQUIRED	652,311	635,769	699,264	63,495	
Operating Surplus/Deficit	(16,542)	-	-	-	
Contributed from Prior Year's Surplus	-	-	-	-	
T.S.C.C. NO. 1577	271,473	271,473	298,586	27,112	42.70%
Essex II	364,296	364,296	400,678	36,383	57.30%
COMMON ELEMENT ASSESSMENT:	635,769	635,769	699,264	63,495	100.00%

ESSEX SHARED FACILITIES
OPERATING BUDGET - January 1,2011 to December 31, 2011

	PROJECTED 2010	CURRENT BUDGET 2010	APPROVED BUDGET 2011	BUDGET CHANGE 2011
<u>Service Contracts :</u>				
Fire Equipment Monitoring	2,973	2,678	3,065	387
Grounds Maintenance	42,307	43,445	46,049	2,604
Access Control	945	1,500	1,500	-
Indoor Plant Maintenance	593	-	1,050	1,050
Pest Control	340	350	365	15
Mechanical Maintenance	8,894	9,029	9,221	192
Garage Door Maintenance	10,790	10,210	10,805	595
Housekeeping	50,503	50,292	53,776	3,484
Pool & Whirlpool Maintenance/Fitness	14,265	14,609	15,229	620
Management Fees	14,614	14,772	15,583	811
Total :	146,225	146,885	156,643	9,758
<u>Repairs & Maintenance :</u>				
HVAC Repairs	2,500	1,500	1,500	-
Plumbing	7,500	8,000	8,000	-
Electrical	8,000	8,000	8,000	-
Pipe Tracing	500	500	500	-
Garage Cost	2,441	5,000	5,000	-
Power Sweep/Wash	15,138	12,500	13,000	500
General Landscaping	30,000	14,000	14,000	-
Fire Equipment Maintenance	2,000	2,000	2,000	-
Cleaning Supplies	8,840	5,000	6,500	1,500
Insurance Deductible	1,000	-	-	-
General Repairs & Hardware	17,000	15,000	15,000	-
Total :	94,919	71,500	73,500	2,000
<u>Recreation / Joint Programs :</u>				
	21,510	18,760	19,719	959
<u>Utilities :</u>				
Gas	28,960	31,965	33,300	1,335
Hydro	126,160	124,500	141,100	16,600
Water	6,100	6,100	6,650	550
Total :	161,220	162,565	181,050	18,485
<u>Guest/Party Room Expenses:</u>				
	5,265	6,000	5,000	(1,000)
<u>Administration :</u>				
Telephone	8,300	8,000	7,000	(1,000)
Occupational Health & Safety Exp.	2,450	-	2,000	2,000
Office Expense	9,781	10,209	10,209	-
Newsletter/Website	900	1,000	1,000	-
Meeting Costs	1,250	1,500	1,500	-
Insurance	12,060	13,625	14,500	875
Audit Fees	2,700	2,700	3,000	300
Consulting & Appraisal	961	750	10,000	9,250
Legal Fees	2,000	5,000	2,000	(3,000)
Total :	40,402	42,784	51,209	8,425

ESSEX SHARED ROADWAY / WALKWAY

OPERATING BUDGET

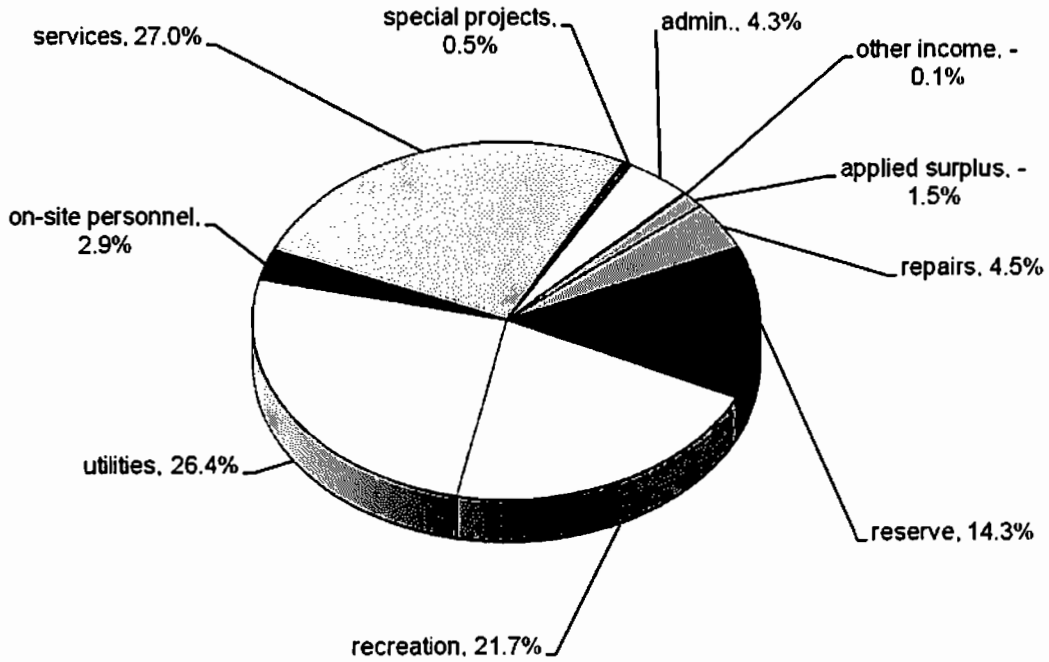
January 1, 2011 to December 31, 2011

	PROJECTED 2010	CURRENT BUDGET 2010	APPROVED BUDGET 2011	BUDGET CHANGE 2011	
Maintenance & Service Contracts	10,306	10,418	10,945	527	
Repairs & Maintenance	500	3,395	3,395	-	
Utilities	2,500	2,500	2,500	-	
Administration	4,770	8,106	8,434	328	
Total Operating Expense :	18,076	24,419	25,274	855	
Less: Sundry Income	42	50	55	5	
NET OPERATING EXPENSE:	18,034	24,369	25,219	850	
Contribution to Reserve	7,005	7,005	7,377	372	
TOTAL FUNDS REQUIRED	25,039	31,374	32,596	1,222	
T.S.C.C. NO. 1577	6,014	6,014	6,249	234	19.17%
T.S.C.C. NO. 1723	8,069	8,069	8,384	314	25.72%
T.S.C.C. NO. 1862	8,709	8,709	9,049	339	27.76%
T.S.C.C. NO. 1959	8,581	8,581	8,915	334	27.35%
COMMON ELEMENT ASSESSMENT:	31,374	31,374	32,596	1,222	100.00%

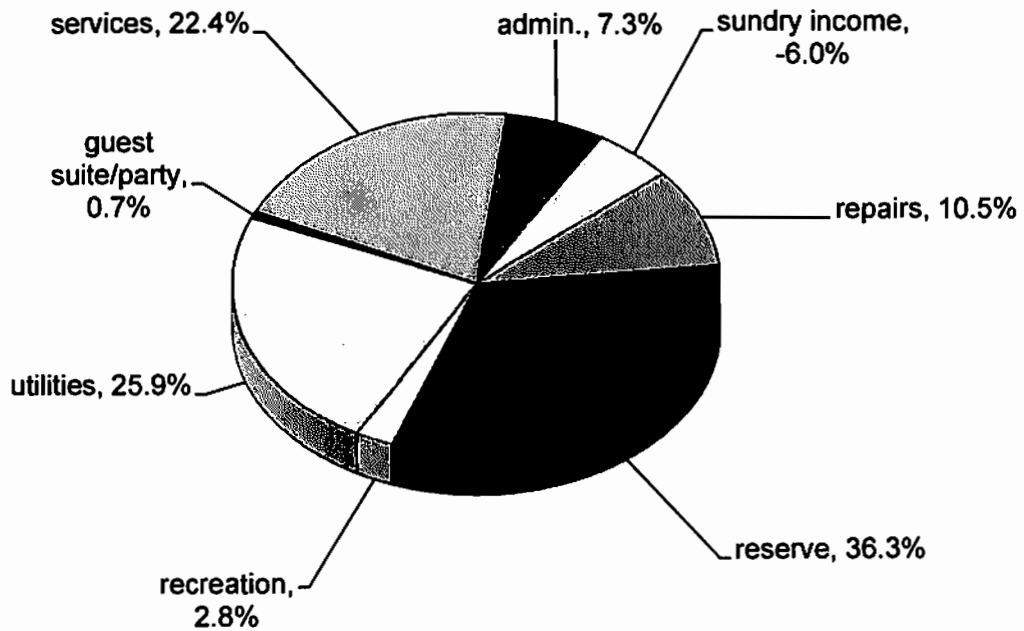
ESSEX SHARED ROADWAY / WALKWAY
OPERATING BUDGET - January 1,2011 to December 31, 2011

	PROJECTED 2010	CURRENT BUDGET 2010	APPROVED BUDGET 2011	BUDGET CHANGE 2011
<u>Service Contracts :</u>				
Grounds Maintenance	5,745	5,745	6,075	330
Management Fees	4,561	4,673	4,870	197
Total :	10,306	10,418	10,945	527
<u>Repairs & Maintenance :</u>				
Catch Basins	-	1,095	1,095	-
Electrical	500	1,500	1,500	-
Power Sweep/Wash	-	600	600	-
Signs	-	200	200	-
Total :	500	3,395	3,395	-
<u>Utilities :</u>				
Hydro	2,500	2,500	2,500	-
Water	-	-	-	-
Total :	2,500	2,500	2,500	-
<u>Administration :</u>				
Meeting Costs	625	800	800	-
Insurance	2,145	2,306	2,574	268
Audit Fees	2,000	2,000	2,060	60
Consulting & Appraisal	-	1,000	1,000	-
Legal Fees	-	2,000	2,000	-
Total :	4,770	8,106	8,434	328

Expenses Related to 2011 TSCC 1723 Budget - by cost category



Expenses Related to 2011 Essex Shared Facilities Budget - by cost category



**AUTHORIZATION FORM FOR PRE-AUTHORIZED CHEQUE 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. 1723 <i>(the "Condominium Corporation")</i>
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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 # - 5233 Dundas St. West, Etobicoke, Ontario M9B 6M1							

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