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 1906

The board has received and reviewed a Class 2 reserve fund study dated May 27, 2020, prepared by McIntosh Perry Limited, 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:

1. A summary of the reserve fund study.
2. A summary of the proposed funding plan.
3. A statement indicating the areas, if any, in which the proposed funding plan differs from the reserve fund study.

At the present time the average contribution per unit per month to the reserve fund is $158.29. Based on the proposed funding plan, the average increase in contribution per unit per month will be $5.22 in 2021, $5.37 in 2022 and $5.39 in 2023.

The proposed funding plan will be implemented beginning on June 1st 2020

Dated this ..... day of ..... , 2020.

Toronto Standard Condominium Corporation 1906

(signature) (signature)

G.A. SUCKLING Matthew Hug
(print name) (print name)

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the Class 2 reserve fund study dated May 27, 2020, prepared by McIntosh Perry Limited for Toronto Standard Condominium Corporation 1906 (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 interest earned on the reserve fund. The recommended annual contribution for the 2021 fiscal year is $351,216, based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund (at June 1, 2019):	$1,740,191
Minimum Reserve Fund Balance during the projected period:	$89,500
Expenditure Price Index (EPI) [2020-2022]:	4.2%
Expenditure Price Index (EPI) [2023-2025]:	3.1%
Expenditure Price Index (EPI) [2026-2050]:	3.0%
Average Interest Earnings (GIC) [2020-2022]:	1.6%
Average Interest Earnings (GIC) [2023-2025]:	1.6%
Average Interest Earnings (GIC) [2026-2050]:	3.5%

The Reserve Fund Study can be examined can be examined by submitting a Request for Records form to the property manager.

CASH FLOW TABLE

Table 4B

Toronto Standard Condominium Corporation 1906

Extended increases over a period of time, Inflation Matched Contribution Increases, 30-Year Cash Flow Positive

Opening Balance of the Reserve Fund at June 1, 2019: $1,740,191

Minimum Reserve Fund Balance (as indicated in this table): $89,500

	2020 - 2022	2023 - 2025	2026 - 2050
Expenditure Price Index (EPI)	4.2%	3.1%	3.0%
Interest Earnings (GIC)	1.6%	1.6%	3.5%
Average Contribution Escalation (CPI)	3.3%	3.0%	2.0%

Year End May 31	Fiscal Year Period	Opening Balance ($)	Recommended Annual Contribution ($)	Other Contribution ($)	Predicted Inflation Adjusted Expenditures ($)	Estimated Interest Earned ($)	Closing Balance ($)	Recommended Annual Contribution Increase (%)	Average Monthly Contribution per Unit ($)	Average Monthly Increase per Unit ($)
2020	**2019 / 2020**	**1,740,191**	**340,000**		**231,400**	**28,761**	**1,877,552**		**158.29**	
2021	2020 / 2021	1,877,552	351,216		387,000	29,806	1,871,574	3.3%	163.51	5.22
2022	2021 / 2022	1,871,574	362,762		382,640	29,837	1,881,533	3.3%	168.88	5.37
2023	2022 / 2023	1,881,533	374,342		52,720	32,803	2,235,958	3.2%	174.27	5.39
2024	2023 / 2024	2,235,958	385,947		362,900	36,097	2,295,103	3.1%	179.68	5.40
2025	2024 / 2025	2,295,103	397,567		190,680	38,524	2,540,513	3.0%	185.09	5.41
2026	2025 / 2026	2,540,513	409,190		249,010	93,586	2,794,280	2.9%	190.50	5.41
2027	2026 / 2027	2,794,280	420,808		144,700	104,719	3,175,107	2.8%	195.91	5.41
2028	2027 / 2028	3,175,107	432,411		332,030	115,181	3,390,668	2.8%	201.31	5.40
2029	2028 / 2029	3,390,668	443,989		519,140	119,745	3,435,262	2.7%	206.70	5.39
2030	2029 / 2030	3,435,262	455,534		975,860	113,388	3,028,325	2.6%	212.07	5.37
2031	2030 / 2031	3,028,325	463,953		337,690	110,401	3,264,989	1.8%	215.99	3.92
2032	2031 / 2032	3,264,989	472,528		399,590	117,901	3,455,828	1.8%	219.99	3.99
2033	2032 / 2033	3,455,828	481,261		449,000	123,990	3,612,079	1.8%	224.05	4.07
2034	2033 / 2034	3,612,079	490,156		52,460	136,809	4,186,584	1.8%	228.19	4.14
2035	**2034 / 2035**	**4,186,584**	**499,215**		**186,550**	**155,093**	**4,654,342**	**1.8%**	**232.41**	**4.22**
2036	2035 / 2036	4,654,342	508,441		209,900	171,545	5,124,428	1.8%	236.70	4.30
2037	2036 / 2037	5,124,428	517,838		191,230	188,834	5,639,871	1.8%	241.08	4.37
2038	2037 / 2038	5,639,871	527,409		622,430	199,713	5,744,563	1.8%	245.53	4.46
2039	2038 / 2039	5,744,563	537,156		1,011,800	196,673	5,466,592	1.8%	250.07	4.54
2040	2039 / 2040	5,466,592	547,084		1,269,510	182,322	4,926,488	1.8%	254.69	4.62
2041	2040 / 2041	4,926,488	557,195		1,823,590	153,321	3,813,415	1.8%	259.40	4.71
2042	2041 / 2042	3,813,415	567,493		1,036,700	127,806	3,472,014	1.8%	264.20	4.79
2043	2042 / 2043	3,472,014	577,982		469,390	125,931	3,706,536	1.8%	269.08	4.88
2044	2043 / 2044	3,706,536	588,664		1,379,370	118,248	3,034,078	1.8%	274.05	4.97
2045	2044 / 2045	3,034,078	599,544		1,013,820	100,955	2,720,757	1.8%	279.12	5.07
2046	2045 / 2046	2,720,757	610,624		775,290	94,223	2,650,314	1.8%	284.28	5.16
2047	2046 / 2047	2,650,314	621,910		1,312,170	82,322	2,042,376	1.8%	289.53	5.25
2048	2047 / 2048	2,042,376	633,404		1,055,600	65,398	1,685,578	1.8%	294.88	5.35
2049	2048 / 2049	1,685,578	645,110		1,464,790	45,559	911,457	1.8%	300.33	5.45
2050	**2049 / 2050**	**911,457**	**657,033**		**1,496,550**	**17,559**	**89,500**	**1.8%**	**305.88**	**5.55**

The projections in this table are assumptions only, based on the information available at the time of preparation of this report. The Reserve Fund Study must be updated regularly as the actual figures will vary from the amounts detailed in this table due to changes in interest rates, inflation rates and completion of repair/replacement work.

SUMMARY OF PROPOSED PLAN
FOR FUTURE FUNDING OF THE RESERVE FUND

The following is a summary of the board's proposed plan for the future funding of the reserve fund.

The board of Toronto Standard Condominium Corporation 1906 has reviewed the Class 2 reserve fund study dated May 27, 2020, prepared by McIntosh Perry Limited 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 will implement them as set out in the Contribution Table.

The total annual contribution recommended under the proposed funding plan for the current fiscal year is $340,000, which is the same amount that has already been budgeted.

The Proposed Plan for Future Funding of the Reserve Fund can be examined by submitting a Request for Records form to the property manager.

CONTRIBUTION TABLE

Fiscal Year Period	Year End May 31	A Annual Contribution	% Increase Over Previous Year	B Other Contribution	A + B Total Contribution Each Year to Reserve Fund
2019 / 2020	2020	340,000	0.0%	0	340,000
2020 / 2021	2021	351,216	3.3%	0	351,216
2021 / 2022	2022	362,762	3.3%	0	362,762
2022 / 2023	2023	374,342	3.2%	0	374,342
2023 / 2024	2024	385,947	3.1%	0	385,947
2024 / 2025	2025	397,567	3.0%	0	397,567
2025 / 2026	2026	409,190	2.9%	0	409,190
2026 / 2027	2027	420,808	2.8%	0	420,808
2027 / 2028	2028	432,411	2.8%	0	432,411
2028 / 2029	2029	443,989	2.7%	0	443,989
2029 / 2030	2030	455,534	2.6%	0	455,534
2030 / 2031	2031	463,953	1.8%	0	463,953
2031 / 2032	2032	472,528	1.8%	0	472,528
2032 / 2033	2033	481,261	1.8%	0	481,261
2033 / 2034	2034	490,156	1.8%	0	490,156
2034 / 2035	2035	499,215	1.8%	0	499,215
2035 / 2036	2036	508,441	1.8%	0	508,441
2036 / 2037	2037	517,838	1.8%	0	517,838
2037 / 2038	2038	527,409	1.8%	0	527,409
2038 / 2039	2039	537,156	1.8%	0	537,156
2039 / 2040	2040	547,084	1.8%	0	547,084
2040 / 2041	2041	557,195	1.8%	0	557,195
2041 / 2042	2042	567,493	1.8%	0	567,493
2042 / 2043	2043	577,982	1.8%	0	577,982
2043 / 2044	2044	588,664	1.8%	0	588,664
2044 / 2045	2045	599,544	1.8%	0	599,544
2045 / 2046	2046	610,624	1.8%	0	610,624
2046 / 2047	2047	621,910	1.8%	0	621,910
2047 / 2048	2048	633,404	1.8%	0	633,404
2048 / 2049	2049	645,110	1.8%	0	645,110
2049 / 2050	2050	657,033	1.8%	0	657,033

DIFFERENCES BETWEEN THE RESERVE FUND STUDY AND THE PROPOSED PLAN FOR FUTURE FUNDING OF THE RESERVE FUND

The Plan for Future Funding of the Reserve Fund proposed by the board differs from the Reserve Fund Study in the following respects:

No differences.