

May 25, 2020

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

Condominium Act, 1998

TO: All Owners in Metropolitan Toronto Condominium Corporation No. 584.

The board has received and reviewed a comprehensive (Class 1) reserve fund study dated February 12, 2019 (Revised May 4, 2020), prepared by Building Sciences Inc., 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.

At the present time (fiscal year 2019-2020, starting July 1, 2019) the average contribution per unit per month to the reserve fund is \$308.53. Based on the proposed funding plan, the average increase in contribution per unit per month will be \$41.65 for fiscal year 2020-2021, \$47.27 for fiscal year 2021-2022 and \$53.66 for fiscal year 2022-2023. The total annual contribution to the reserve fund (fiscal year 2019-2020) is presently \$636,804. Refer to attached funding plan to be implemented by Condominium Corporation regarding the annual contribution in upcoming fiscal years.

The proposed funding plan will be implemented beginning on 1st day of JULY, 2020 (set out the date of a day that is more than 30 days after the day on which this notice is sent to the owners).

Dated this 1st day of JULY, 2020.

Metropolitan Toronto Condominium Corporation No. 584

Zvi Deutsch
(signature)

ZVI DEUTSCH
(print name) VICE PRESIDENT
S. Yack
(signature)

STEPHEN YACK
(print name) PRESIDENT.

(Affix corporate seal or add a statement that the persons signing have the authority to bind the corporation.)

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the comprehensive (Class 1) reserve fund study dated February 12, 2019 (Revised May 4, 2020), prepared by Building Sciences Inc., for Metropolitan Toronto Condominium Corporation No. 584 (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 fiscal year 2019-2020 is \$636,804, based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund:	\$2,231,050
Projected Minimum Reserve Fund Balance during the projected period:	\$325,617
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.0%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:	1.0% (2020-2024); 1.5% (2025-2029); 2.0% (2030-2039); 3.0% (2040-2049)

The Reserve Fund Study can be examined upon written request to the Board of Directors and reasonable notice as set out in subsection 55 (3) of the *Condominium Act, 1998*, where and when it can be examined.

CASH FLOW TABLE

Opening Balance of the Reserve Fund:	\$2,231,050
Projected Minimum Reserve Fund Balance (as indicated in this table)	\$325,617
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.0%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:	1.0% (2020-2024); 1.5% (2025-2029); 2.0% (2030-2039); 3.0% (2040-2049)

Fiscal Year	Opening Balance	Recommended Annual Contribution	Estimated Expenses Future Value	Estimated Interest Earned	Percentage Increase in Recommended Annual Contribution	Closing Balance	
						Future Value	Present Value
2019-2020	\$2,231,050	\$636,804	\$1,726,600	\$16,862	-	\$1,158,116	\$1,158,116
2020-2021	\$1,158,116	\$722,773	\$1,214,106	\$9,124	13.5%	\$675,907	\$662,653
2021-2022	\$675,907	\$820,347	\$218,484	\$9,768	13.5%	\$1,287,538	\$1,237,541
2022-2023	\$1,287,538	\$931,094	\$178,495	\$16,638	13.5%	\$2,056,775	\$1,938,145
2023-2024	\$2,056,775	\$1,056,791	\$1,088,386	\$20,410	13.5%	\$2,045,590	\$1,889,809
2024-2025	\$2,045,590	\$1,199,458	\$1,240,987	\$30,372	13.5%	\$2,034,434	\$1,842,649
2025-2026	\$2,034,434	\$1,361,385	\$1,373,017	\$30,429	13.5%	\$2,053,231	\$1,823,210
2026-2027	\$2,053,231	\$1,395,420	\$1,400,248	\$30,762	2.5%	\$2,079,165	\$1,810,038
2027-2028	\$2,079,165	\$1,430,305	\$246,048	\$40,069	2.5%	\$3,303,491	\$2,819,498
2028-2029	\$3,303,491	\$1,466,063	\$290,647	\$58,368	2.5%	\$4,537,275	\$3,796,589
2029-2030	\$4,537,275	\$1,502,714	\$2,885,360	\$76,919	2.5%	\$3,231,549	\$2,650,995
2030-2031	\$3,231,549	\$1,540,282	\$3,189,255	\$48,141	2.5%	\$1,630,717	\$1,311,525
2031-2032	\$1,630,717	\$1,578,789	\$2,903,259	\$19,370	2.5%	\$325,617	\$256,746
2032-2033	\$325,617	\$1,578,789	\$805,917	\$14,241	0.0%	\$1,112,730	\$860,176
2033-2034	\$1,112,730	\$1,578,789	\$539,667	\$32,646	0.0%	\$2,184,498	\$1,655,577
2034-2035	\$2,184,498	\$1,578,789	\$735,113	\$52,127	0.0%	\$3,080,301	\$2,288,709
2035-2036	\$3,080,301	\$1,578,789	\$1,140,785	\$65,986	0.0%	\$3,584,291	\$2,610,962
2036-2037	\$3,584,291	\$1,578,789	\$1,310,626	\$74,367	0.0%	\$3,926,822	\$2,804,389
2037-2038	\$3,926,822	\$1,578,789	\$364,488	\$90,679	0.0%	\$5,231,802	\$3,663,095
2038-2039	\$5,231,802	\$1,578,789	\$139,854	\$119,025	0.0%	\$6,789,763	\$4,660,702
2039-2040	\$6,789,763	\$1,578,789	\$1,324,128	\$207,513	0.0%	\$7,251,937	\$4,880,346
2040-2041	\$7,251,937	\$1,578,789	\$148,838	\$239,007	0.0%	\$8,920,895	\$5,885,791
2041-2042	\$8,920,895	\$1,578,789	\$882,754	\$278,067	0.0%	\$9,894,997	\$6,400,470
2042-2043	\$9,894,997	\$1,578,789	\$1,092,791	\$304,140	0.0%	\$10,685,135	\$6,776,042
2043-2044	\$10,685,135	\$1,578,789	\$370,262	\$338,682	0.0%	\$12,232,344	\$7,605,111
2044-2045	\$12,232,344	\$1,578,789	\$1,698,519	\$365,174	0.0%	\$12,477,788	\$7,605,597
2045-2046	\$12,477,788	\$1,578,789	\$654,306	\$388,201	0.0%	\$13,790,472	\$8,240,900
2046-2047	\$13,790,472	\$1,578,789	\$150,547	\$435,138	0.0%	\$15,653,851	\$9,170,997
2047-2048	\$15,653,851	\$1,578,789	\$1,030,686	\$477,837	0.0%	\$16,679,791	\$9,580,448
2048-2049	\$16,679,791	\$1,578,789	\$3,589,515	\$470,233	0.0%	\$15,139,298	\$8,525,125

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 Metropolitan Toronto Condominium Corporation No. 584 has reviewed the comprehensive (Class 1) reserve fund study dated February 12, 2019 (Revised May 4, 2020), prepared by Building Sciences Inc. 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 (2019-2020) is \$636,804, which is the same amount that has already been budgeted.

CONTRIBUTION TABLE

Fiscal Year	(A) *Annual Contribution	% Increase over Previous year	(B) Other Contributions (e.g. special assessment, loan)	(A) + (B) Total Contribution Each year to Reserve Fund
2019-2020	\$636,804	-	\$0	\$636,804
2020-2021	\$722,773	13.5%	\$0	\$722,773
2021-2022	\$820,347	13.5%	\$0	\$820,347
2022-2023	\$931,094	13.5%	\$0	\$931,094
2023-2024	\$1,056,791	13.5%	\$0	\$1,056,791
2024-2025	\$1,199,458	13.5%	\$0	\$1,199,458
2025-2026	\$1,361,385	13.5%	\$0	\$1,361,385
2026-2027	\$1,395,420	2.5%	\$0	\$1,395,420
2027-2028	\$1,430,305	2.5%	\$0	\$1,430,305
2028-2029	\$1,466,063	2.5%	\$0	\$1,466,063
2029-2030	\$1,502,714	2.5%	\$0	\$1,502,714
2030-2031	\$1,540,282	2.5%	\$0	\$1,540,282
2031-2032	\$1,578,789	2.5%	\$0	\$1,578,789
2032-2033	\$1,578,789	0.0%	\$0	\$1,578,789
2033-2034	\$1,578,789	0.0%	\$0	\$1,578,789
2034-2035	\$1,578,789	0.0%	\$0	\$1,578,789
2035-2036	\$1,578,789	0.0%	\$0	\$1,578,789
2036-2037	\$1,578,789	0.0%	\$0	\$1,578,789
2037-2038	\$1,578,789	0.0%	\$0	\$1,578,789
2038-2039	\$1,578,789	0.0%	\$0	\$1,578,789
2039-2040	\$1,578,789	0.0%	\$0	\$1,578,789
2040-2041	\$1,578,789	0.0%	\$0	\$1,578,789
2041-2042	\$1,578,789	0.0%	\$0	\$1,578,789
2042-2043	\$1,578,789	0.0%	\$0	\$1,578,789
2043-2044	\$1,578,789	0.0%	\$0	\$1,578,789
2044-2045	\$1,578,789	0.0%	\$0	\$1,578,789
2045-2046	\$1,578,789	0.0%	\$0	\$1,578,789
2046-2047	\$1,578,789	0.0%	\$0	\$1,578,789
2047-2048	\$1,578,789	0.0%	\$0	\$1,578,789
2048-2049	\$1,578,789	0.0%	\$0	\$1,578,789

*The term “annual contribution” means the amount to be contributed each year to the reserve fund from the monthly common expenses.

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:

NONE