

NOTICE OF FUTURE FUNDING OF THE RESERVE FUND

Condominium Act, 1998

(under subsection 94(9) of the *Condominium Act, 1998*)

TO: All owners in **Toronto Standard Condominium Corporation No. 1526**

The Board has received and reviewed a **Class 3: Numerical Reserve Fund Study Update** dated **August 16, 2019**, prepared by **The SPG Engineering Group Ltd.**, 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 \$151.77 (2018-19). Based on the proposed funding plan, the average increase in contribution per unit per month will be **\$2.36 in 2019-20, \$2.39 in 2020-21 and \$2.42 in 2021-22.**

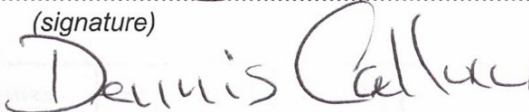
The proposed funding plan will be implemented on September, 2019.

Dated this 24..... day of Sept....., 2019.

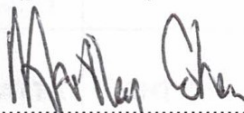
Toronto Standard Condominium Corporation No. 1526



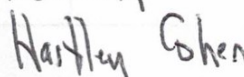
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SUMMARY OF RESERVE FUND STUDY

The following is a summary of the **Class 3: Numerical Reserve Fund Study Update** dated **August 16, 2019**, prepared by **The SPG Engineering Group Ltd.** for **Toronto Standard Condominium Corporation No. 1526** (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 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 **2019-20** is **\$427,241.00** based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund:	\$2,662,586
Minimum Reserve Fund Balance during projected period:	\$913,900
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.00%
Assumed Annual Interest Rate for interest earned (2019-20 to 2021-22):	2.20%
Assumed Annual Interest Rate for interest earned (2022-23 to end):	1.85%

The Reserve Fund Study can be examined upon receiving a written request and reasonable notice as per subsection 55 (3) of the Condominium Act, 1998.

CASH FLOW TABLE

Opening Balance of the Reserve Fund:	\$2,662,586
Minimum Reserve Fund Balance during projected period:	\$913,900
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.00%
Assumed Annual Interest Rate for interest earned (2019-20 to 2021-22):	2.20%
Assumed Annual Interest Rate for interest earned (2022-23 to end):	1.85%

Year	Opening Balance	Recommended Annual Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Earned	Percentage Increase in Recommended Annual Contribution	Closing Balance
Show each of consecutive years, beginning with the current fiscal year	REFER	TO THE	ATTACHED	CASH	FLOW	TABLE

**SUMMARY OF PROPOSED PLAN
FOR FUTURE FUNDING OF THE RESERVE FUND**

The following is a summary of the boards proposed plan for the future funding of the reserve fund.

The board of **Toronto Standard Condominium Corporation No. 1526** has reviewed the **Class 3: Numerical Reserve Fund Study Update** dated **August 16, 2019**, prepared by **The SPG Engineering Group Ltd.** for the corporation (known as the 'Reserve Fund Study') and has proposed a plan for 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 CASH FLOW TABLE.

The Reserve Fund Study can be examined upon receiving a written request and reasonable notice as per subsection 55 (3) of the Condominium Act, 1998.

**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 is shown as a Long Term Funding Plan as requested and approved by the Board of Directors and ensures that the Reserve Fund Study over the next thirty years is adequately funded in accordance with the Condominium Act.