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# DISCLOSURE STATEMENT

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A proposed standard condominium plan by  
**The Block Inc.**

located at  
275 Larch Street  
Waterloo, Ontario

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Declarant's name: The Block Inc.

Declarant's municipal address: 1 Columbia Street West, RT Office, Waterloo, Ontario, N2L 0C8, Canada

Brief legal description of the property/proposed property: Lots 9-15, 17-29 Plan 707; City of Kitchener

*[Notes to reader: The brief legal description set out above includes the lands that will form both the initial registration and the Future Phase. The final boundaries of the condominium included in the Description shall be defined precisely on a reference plan of survey deposited in the Land Titles Division of the Land Registry Office prior to condominium registration. The Declarant shall, at its own discretion, determine the final boundaries of the lands included in the Description. It is to be expected that: (1) blanket easements will be registered in favour of Utility Suppliers and/or the Municipality for the provision and maintenance of services to the Property and such easements may be incorporated into the final registered Description of the Lands; (2) the Declarant may be required, as a condition of development approvals, or may elect to dedicate portions of the Lands presently described herein for road widening, reserve block, or other Municipal purposes, such that the final registered Description of the Lands may differ significantly from the foregoing; (3) the Declarant may grant such easements over the Lands as are necessary or desirable to support the development of adjacent lands; and (4) the Declarant may be required, as a condition of development approvals, or it may elect to enter into development and/or cost sharing agreements and/or to accept and transfer appurtenant and servient easements to provide for access and to facilitate the servicing of the condominium and any adjacent and/or remainder lands.]*

Mailing address of the property/proposed property: 275 Larch Street, Waterloo, Ontario, N2L 3R2

Municipal address of the property/proposed property *(if available)*: 275 Larch Street, Waterloo, Ontario, N2L 3R2

Condominium Corporation *(if available)*: Waterloo Standard Condominium Corporation No. \_\_\_\_  
(known as the "Corporation")

The Table of Contents is a guide to where the disclosure statement deals with some of the more common areas of concern to purchasers. Purchasers should be aware that the disclosure statement, which includes a copy of the existing or proposed declaration, by-laws, and rules, contains provisions that are of significance to them, only some of which are referred to in this Table of Contents.

*Purchasers should review all documentation.*

In this Table of Contents,

1. "unit" or "units" include proposed unit or units;
2. "common elements" includes proposed common elements;
3. "common interest" includes a proposed common interest; and
4. "property" includes proposed property.

This disclosure statement deals with significant matters, including the following:

<b>Matter</b>		<b>Article, paragraph (and/or clause) and page number where the matter is dealt with in the existing or proposed declaration, by-laws, rules or other material in the disclosure statement</b>
1. The Corporation is a freehold condominium corporation that is a condominium corporation which will be phased.		Refer to: Disclosure Statement: Article 1, page 9 Declaration: Recitals, page 1
2. The property or part of the property is or may be subject to the <i>Ontario New Home Warranties Plan Act</i> .	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Refer to: Disclosure Statement: Article 8, page 13
3. The common elements and the units are enrolled or are intended to be enrolled in the Plan within the meaning of the <i>Ontario New Home Warranties Plan Act</i> in accordance with the regulations made under that Act.  Note: Enrolment does not necessarily mean that claimants are entitled to warranty coverage. Entitlement to warranty coverage must be established under the <i>Ontario New Home Warranties Plan Act</i> .	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>  The Initial Registration Units are not enrolled and will not be enrolled.  The Phase 1 Units are intended to be enrolled.	Refer to: Disclosure Statement: Article 8, page 13
4. A building on the property or a unit has been converted from a previous use.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Refer to: Disclosure Statement: Article 9, page 14
5. One or more units or a part of the common elements may be used for commercial or other purposes not ancillary to residential purposes.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Refer to: Disclosure Statement: Article 10, page 14
6. A provision exists with respect to pets on the property.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Refer to: Declaration: ____
7. There exist restrictions or standards with respect to the use of common elements or the occupancy or use of units that are based on the nature or design of the facilities and services on the property or on other aspects of the buildings located on the property.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Refer to: Declaration: Article 3.6, page 7 and Article 4.2(e), page 11

<b>Matter</b>		<b>Article, paragraph (and/or clause) and page number where the matter is dealt with in the existing or proposed declaration, by-laws, rules or other material in the disclosure statement</b>
<p>8. The declarant intends to lease a portion of the units.</p> <p>The portion of units to the nearest anticipated 25 per cent, that the declarant intends to lease is 25 per cent.</p>	<p>Yes      No  <input checked="" type="checkbox"/>      <input type="checkbox"/></p>	<p>Refer to:  Disclosure                  Statement:  Article 12, page 14</p>
<p>9. The common interest appurtenant to one or more units differs in an amount of 10 per cent or more from that appurtenant to any other unit of the same type, size and design.</p>	<p>Yes      No  <input type="checkbox"/>      <input checked="" type="checkbox"/></p>	<p>Refer to:  Schedule "D" to the  Declaration and the Budget</p>
<p>10. The amount that the owner of one or more units is required to contribute to the common expenses differs in an amount of 10 per cent or more from that required of the owner of any other unit of the same type, size and design.</p>	<p>Yes      No  <input type="checkbox"/>      <input checked="" type="checkbox"/></p>	<p>Refer to:  Schedule "D" to the  Declaration and the Budget</p>
<p>11. One or more units are exempt from a cost attributable to the rest of the units.</p>	<p>Yes      No  <input type="checkbox"/>      <input checked="" type="checkbox"/></p>	<p>Refer to:  Schedule "D" to the  Declaration and the Budget</p>
<p>12. There is an existing or proposed by-law establishing what constitutes a standard unit.</p> <p>Under clause 43 (5) (h) of the <i>Condominium Act, 1998</i>, the declarant is required to deliver to the board a schedule setting out what constitutes a standard unit.</p>	<p>Yes      No  <input type="checkbox"/>      <input checked="" type="checkbox"/></p>	<p>Refer to:  Disclosure                  Statement:  Article 25, page 18</p>
<p>13. Part or the whole of the common elements are subject to a lease or licence.</p>	<p>Yes      No  <input type="checkbox"/>      <input checked="" type="checkbox"/></p>	<p>Refer to:  N/A</p>

Matter		Article, paragraph (and/or clause) and page number where the matter is dealt with in the existing or proposed declaration, by-laws, rules or other material in the disclosure statement
14. Parking for owners is allowed:		
(a) in or on a unit;	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Refer to: Disclosure Statement: Article 21, page 18 Declaration: Article 3.7, page 7 and Article 4.3, page 11  *The Declarant reserves the right to construct parking spaces that will form part of the common elements.
(b) on the common elements;*	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
(c) on a part of the common elements of which an owner has exclusive use.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
There are restrictions on parking.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
15. Visitors must pay for parking.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Refer to: Disclosure Statement: Article 21, page 18 Declaration: Article 3.7 page 8 and Article 4.4, page 12
The anticipated costs are unknown.		
There is visitor parking on the property.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
16. The declarant may provide major assets and property, even though it is not required to do so.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Refer to: Disclosure Statement: Article 22, page 18_
17. The corporation is required:		
(a) to purchase units or assets;	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Refer to: Disclosure Statement: Article 23, page 18
(b) to acquire services;	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
(c) to enter into agreements or leases with the declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the declarant.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
18. The declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the declarant owns land adjacent to the land described in the description.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Refer to: Disclosure Statement: Article 24

Matter		Article, paragraph (and/or clause) and page number where the matter is dealt with in the existing or proposed declaration, by-laws, rules or other material in the disclosure statement
(1) The current use of the land is n/a.		
(2) The declarant has made representations respecting the future use of the land.	Yes    No <input type="checkbox"/> <input checked="" type="checkbox"/>	
(3) Applications have been submitted to an approval authority respecting the use of the land.	Yes    No <input type="checkbox"/> <input checked="" type="checkbox"/>	
19. To the knowledge of the declarant, the Corporation intends to amalgamate with another corporation or the declarant intends to cause the Corporation to amalgamate with another corporation within 60 days of the date of registration of the declaration and description for the Corporation.	Yes    No <input type="checkbox"/> <input checked="" type="checkbox"/> <i>[Note to reader: The Declarant reserves the right to proceed with the Project in two or more separate condominium registrations and to thereafter amalgamate the condominiums.]</i>	
20. n/a		
21. n/a		
22. n/a		
23. n/a		
24. The declarant intends to create one or more phases after the creation of the unit. Under clause 147 (1) (b) of the <i>Condominium Act, 1998</i> , the declarant is not required to create a phase after the creation of the unit.*	Yes    No <input type="checkbox"/> <input checked="" type="checkbox"/> <i>[Note to reader: (1) The Declarant reserves the right to construct less than five of the proposed buildings to form the Phase 1 Units and to otherwise adjust the size, configuration, and Unit mix of the Project; (2) The Declarant reserves the right to proceed with the Project in two or more separate condominium registrations and to thereafter amalgamate the</i>	Refer to: Disclosure Statement: Article 17, page 16  It is anticipated that the Unit being purchased will form part of the first phase to be registered by amendment to the declaration and description.

Matter		Article, paragraph (and/or clause) and page number where the matter is dealt with in the existing or proposed declaration, by-laws, rules or other material in the disclosure statement
	<i>condominiums; (3) The Declarant reserves the right to the phase the condominium registration.]</i>	
25. Under clause 51 (h) of Ontario Regulation 48/01, no amendments to the declaration and description creating a phase may be registered after more than 10 years after the registration of the declaration and description that created the Corporation.		
26. The disclosure statement includes information about each phase that the declarant intends to create.	<i>[Note to reader: (1) The Declarant reserves the right to construct less than five of the proposed buildings to form the Phase 1 Units and to otherwise adjust the size, configuration, and Unit mix of the Project; (2) The Declarant reserves the right to proceed with the Project in two or more separate condominium registrations and to thereafter amalgamate the condominiums; (3) The Declarant reserves the right to the phase the condominium registration.]</i>	Refer to: Disclosure Statement: Article 17, page 16
27. n/a		

The purchasers' rights under the *Condominium Act, 1998* to rescind an agreement of purchase and sale are set out at Schedule "A" – "Sections 73 and 74 of the *Condominium Act, 1998*" of the disclosure statement where sections 73 and 74 of the Act are reproduced.

This Disclosure Statement is made this 23<sup>rd</sup> day of September, 2016.

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## DISCLOSURE STATEMENT

This disclosure statement is made on the 23<sup>rd</sup> day of September, 2016.

In this disclosure statement references to:

- “Act” means the *Condominium Act, 1998*, S.O. 1998, c. 19, as amended;
- “Board” means the board of directors of the Corporation;
- “Corporation” means the condominium corporation to be created by the registration of the proposed declaration that accompanies this disclosure statement.

### Article 1 – Condominium Type

1.1 The proposed condominium will be a freehold standard condominium, which will be phased pursuant to the Act.

### Article 2 – Declarant Name & Address

2.1 The Declarant is The Block Inc.

2.2 The Declarant’s municipal address is 1 Columbia Street West, RT Office, Waterloo, Ontario, N2L 0C8, Canada.

### Article 3 – Mailing and Municipal Address for the Property

3.1 The mailing address of the property is 275 Larch Street, Waterloo, Ontario, N2L 3R2.

3.2 The municipal address of the property is 275 Larch Street, Waterloo, Ontario, N2L 3R2.

### Article 4 – General Description of the Property

4.1 General:

- (a) The proposed condominium will be a freehold standard condominium, which will be phased pursuant to the Act.
- (b) The initial registration will consist of three (3) buildings, all of which have been constructed, containing 109 residential units (the “**Initial Registration Units**”). It is the intention of the Declarant that it will maintain ownership of the Initial Registration Units and will lease the Initial Registration Units to tenants of its choosing. However, the Declarant reserves the right to sell any or all of the Initial Registration Units in its sole and absolute discretion.
- (c) The Declarant intends to construct an additional five (5) buildings, containing an additional 379 residential units (the “**Phase 1 Units**”). The Phase 1 Units will be created in accordance with the Act. It is the intention of the Declarant that it will sell the Phase 1 Units to the public. However, the Declarant reserves the right to maintain ownership of any or all of the Phase 1 Units in its sole and absolute discretion.
- (d) The proposed condominium consisting of the Initial Registration Units, the Phase 1 Units, parking units and common elements shall be referred to herein as the “**Project**”.
- (e) Preliminary sketches of the proposed Project are attached to and form part of this Disclosure Statement. The preliminary sketches are indicative of what the Declarant presently intends to construct on the Property, but purchasers are advised that the Declarant reserves the right to make significant adjustments to the Project, including constructing less than eight (8) of the proposed building and/or otherwise adjusting the size, configuration, and Unit mix of the Project. As such, the final constructed Project

may differ in terms of Unit locations, structures, and improvements from what may be shown on the preliminary sketches. Adjustments to the Project may be due to market conditions, development approvals, economic feasibility, Declarant preferences, and/or other factors. Adjustments to the Project may necessitate reallocation of the percentage common expenses and common interest and result in a change in the monthly common expenses attributable to Units. Purchasers are advised that such adjustments to the Project shall not be deemed to be material amendments to this Disclosure Statement.

- (f) Without limiting the generality of the foregoing, the Declarant shall have the right to increase or decrease the number of Units in the Project by increasing or decreasing the number of buildings or the number of floors in the buildings and/or by altering the design, style, size and/or configuration of the buildings, and/or the Units included in the Project. The Declarant reserves the right to split or combine one or more proposed Units and may also change the legal and municipal numbering of the Unit in its sole discretion; provided however that, subject to the terms of the agreement of purchase and sale entered into by the Purchaser with the Declarant as Vendor, the Purchaser's Unit shall not be materially altered. In the event of any of the above mentioned changes, the Declaration and the Budget will be amended accordingly and such changes shall not be construed as material changes to this Disclosure Statement.

#### 4.2 Approvals:

- (a) The Declarant has applied for or will apply for any required Official Plan amendment, Zoning By-law amendment, site plan approval, minor variance, and/or condominium draft plan approval as may be required to proceed with development and registration of the Proposed Project. In the event that the Declarant is required to enter into any development agreements with the City of Waterloo and or the Regional Municipality of Waterloo (collectively, the "**Municipality**") or any other applicable governmental authorities, then these agreements shall be assumed by and bind the Corporation following registration.

#### 4.3 Construction Activities:

- (a) During construction of the Project, the Declarant, its contractors, suppliers, and trades will be entitled to use those portions of the common areas of the Project as may be necessary and that a certain amount of dust, the noise, traffic, and inconvenience will occur. The Declarant will make reasonable efforts to minimize any disturbance to residents of the Project while construction is proceeding, but purchasers are advised that some level of disturbance to residents may result from such activities until construction is fully complete.

#### 4.4 Interim Occupancies Prior to Project Completion:

- (a) As the Declarant presently intends to register the Phase 1 Units in a single registration, it is expected that interim occupancies may be for an extended period and will continue until such time as the Project is completed to such stage that all of the Phase 1 Units may be registered.

#### 4.5 Sales & Marketing Activities by Declarant:

- (a) Purchasers are advised that until such time as all of the Units in the Project have been transferred by the Declarant or its related companies, the Declarant (or any of its subsidiaries or affiliates), and their respective sales staff, agents, employees, invitees and customer service staff shall have the continued right of access to inspect, view and use such Declarant owned Units and/or the Common Elements, without fee or charge, and any other portion thereof as part of its marketing/sales/lease/customer service programs, including a sales/rental/administrative/customer service office, placement of advertising signage and displays and model suites for display purposes as the Declarant (or any of its subsidiaries or affiliates) may select. The Declarant shall not be charged for the use of such areas nor for any utility supplied thereto, nor shall the Condominium (or anyone on its behalf) prevent or interfere with the right of access of the Declarant

(or any of its subsidiaries or affiliates) and the use of such facilities in the manner as aforesaid.

#### 4.6 Utilities & Other Services:

##### (a) Water and Sewer

(i) *Residential Units and Common Elements:* The Declarant presently intends to design and construct the Project so that water and sewer service supplied to each of the Residential Units and Common Elements is bulk metered and billed to the Corporation directly by the utility, which amount shall then be divided amongst all owners in accordance with their percentage contribution to common expenses, as set out in Schedule D to the Declaration. Accordingly, the cost of water and sewer consumed within each Residential Unit and in Common Element areas, comprises part of the common expenses and is included in the Budget Statement.

##### (b) Heating & Cooling

(i) *Residential Units and Common Elements:* The Declarant presently intends to design and construct the Project so that the cost of heating (anticipated to be supplied by one or more central boilers fired by natural gas) and cooling (anticipated to be supplied by one or more central chillers powered by electricity) service supplied to each of the Residential Units and Common Element areas is bulk metered and billed to the Corporation directly by the applicable utility, which amount shall then be divided amongst all owners in accordance with their percentage contribution to common expenses, as set out in Schedule D to the Declaration. Accordingly, the cost of heating and cooling consumed within each Residential Unit and in Common Element areas, comprises part of the common expenses and is included in the Budget Statement. In the event that electricity is used in the operation of heating and cooling equipment for the supply of Residential Units, and such cost may be individually metered, the cost of heating and cooling consumed within each Residential Unit will not form part of the common expenses and is not included in the Budget Statement; rather it is a cost that will be incurred by the Owner or Occupant of the Residential Unit. The Declarant is permitted to decide how heating and cooling is supplied to the Project in its sole and absolute discretion and any such decision or re-decision shall not be construed as material changes to this Disclosure Statement.

##### (c) Electricity

(i) The Declarant intends to design and construct the Project so that electricity consumption within the Residential Units will be individually metered so that the Owner of each such Unit will be responsible to pay the suppliers for any electricity services consumed within such Owner's Unit. Accordingly, the cost of electricity supplied to the Residential Units will not form part of the common expenses and is not included in the Budget Statement.

(ii) Electricity supplied to Common Elements areas or used in the operation of heating or cooling equipment for the supply of Common Elements areas will be the responsibility of the Corporation to pay. Accordingly, the cost of electricity so used or supplied comprises part of the common expenses and is included in the Budget Statement.

(iii) The Declarant may enter into an agreement with a licenced electricity distributor for the supply of electricity to the Units (the "Electricity Supplier"). In such event, the Corporation will be required to enter into a similar agreement with the Electricity Supplier (the "Electricity Agreement") after registration. Purchasers should note that:

- (A) The Electricity Supplier may be responsible for the design, supply, and installation of separate electricity meters within the Project. Typically, the Electricity Supplier retains ownership of any supplied equipment, including electricity meters, such that they do not form part of the Common Elements.
  - (B) The Electricity Agreement is expected to provide that if the agreement is terminated pursuant to Section 112 of the Act or otherwise, the Electricity Supplier shall have the right to remove its equipment, including its meters and/or to recover its capital investment in the Project and all associated termination and/or disconnection removal costs.
  - (C) The Electricity Supplier will be responsible for operate the electricity distribution system within the Project and will therefore be granted a right of access to the Project so as to enable it to carry out its responsibilities.
  - (D) Units will be separately metered for electricity and the Owner of each such Unit will be responsible to pay the Electricity Supplier for any electricity services consumed within such Owner's Unit.
  - (E) Each Owner or occupant of a Unit may be required to enter into the Electricity Supplier's standard Electricity Supply and Services Agreement on or before taking occupancy of their Unit and may be required to pay a security deposit before electricity will be supplied to their Unit.
- (d) Television, Telephone, and Internet
- (i) Each Unit will be pre-wired for television, telephone, and internet service. Television, telephone, and internet services will not be provided on a bulk basis and each owner of a Unit will therefore have to contract independently with the suppliers of such services.
  - (ii) The Declarant has or will enter into an easement agreement with one or more suppliers of television, telephone, and internet service as selected by the Declarant in its sole discretion (the "Suppliers") for the installation, maintenance and repair of television, telephone, internet, and/or other similar service in the Project. Such agreement(s) will not be subject to immediate termination pursuant to the Act. Although the Suppliers will not have exclusive rights to provide television service to the Condominium, the wiring installed in the Project to carry television signals will be the property of the Supplier that provides it. Each Supplier will continue to have the right to use the inside wire provided by it without interference to provide communication services as long as and to the extent that the subscribers serviced by any inside wire of such Supplier wish to subscribe for television service/communication services from such Supplier.
- (e) Natural Gas to Units
- (i) *Residential Units:* The Declarant presently intends to design and construct the Project so that there will be no natural gas supplied to the Residential Units.
- (f) Waste Collection and Recycling
- (i) The Corporation will be required to arrange private waste collection at the Corporation's expense, the cost of which has been included in the Budget Statement. Recycling of waste is required by the municipality and residents will be required to sort waste in accordance with the municipality's recycling requirements.

- (ii) Residential Unit occupants will need to carry their waste and recyclables to the designated waste collection area within the Project and are subject to all Rules relating to waste collection and recycling.
- (g) Mail Delivery
  - (i) Mail will be delivered to one or more central mailbox areas located within Common Element areas of the Project. There will not be door-to-door mail delivery.

## **Article 5 –Recreational and Other Amenities**

5.1 The Declarant presently intends to include the following amenities in the Project:

- (a) A games room (to be located within one of the buildings in the Project to be decided by the Declarant in its sole and absolute discretion);
- (b) A theatre room (to be located within one of the buildings in the Project to be decided by the Declarant in its sole and absolute discretion);
- (c) A business centre (to be located within one of the buildings in the Project to be decided by the Declarant in its sole and absolute discretion);
- (d) A yoga Room (to be located within one of the buildings in the Project to be decided by the Declarant in its sole and absolute discretion);
- (e) A fitness room (to be located within one of the buildings in the Project to be decided by the Declarant in its sole and absolute discretion); and
- (f) A terrace BBQ area (to be located within one of the buildings in the Project to be decided by the Declarant in its sole and absolute discretion).

5.2 The following conditions will apply to the provision of amenities:

- (a) The Corporation may set Rules relating to the provision of amenities, including without limitation Rules relating to permitted times of use, booking requirements, and/or reasonable user fees; and
- (b) Only Owners and occupants of Units in the Project and their invited guests shall be permitted to use the amenities, subject to compliance with the Act, the Declaration, the Rules, and By-laws in relation to such use.

5.3 The Declarant reserves the right to substitute other amenities for those listed above and/or to provide additional amenities. Purchasers are also advised that, in the event that the Project is reduced in size (for example, through the elimination of one or more buildings) or reconfigured, then the Declarant may elect, in its discretion, to eliminate, vary, or reduce certain of the proposed amenities so as to maintain a reasonable level of amenities relative to the overall Project size, Unit mix, and Unit count. Purchasers are advised that such adjustments to the amenities shall not be deemed to be material amendments to this Disclosure Statement.

## **Article 6 – Completion of Amenities**

6.1 The Declarant presently intends to complete the amenities within six (6) months of registration of the Phase 1 Units, if reasonably possible, following completion of all Units within the Project.

## **Article 7 – Amenities During Interim Occupancy**

7.1 The Declarant does not anticipate completing any amenities prior to interim occupancies and it is unlikely that any amenities will be complete and available for use by Owners or occupants during interim occupancy periods.

**Article 8 - Ontario New Home Warranties Plan Act**

- 8.1 The Phase 1 Units and appurtenant common elements are or will be subject to the *Ontario New Home Warranty Plan Act* and the Declarant has enrolled or intends to enrol the proposed Phase 1 Units and appurtenant common elements in the Plan within the meaning of that Act in accordance with the regulations made under that Act.
- 8.2 The Initial Registration Units and appurtenant common elements will **not** be subject to the *Ontario New Home Warranty Plan Act* and the Declarant has not enrolled and does not intend to enrol the proposed Initial Registration Units and appurtenant common elements in the Plan within the meaning of that Act in accordance with the regulations made under that Act.

**Article 9 – Previous Use of Buildings or Units**

- 9.1 No building on the property or any unit or proposed unit has been converted from a previous use. However the Phase 1 Units have been constructed and portions thereof have been occupied by tenants.

**Article 10 – Use of Units for Commercial or Other Purposes**

- 10.1 The Units may not be used for commercial or other purposes not ancillary to residential purposes.

**Article 11 – Block Sales of Units to Investors**

- 11.1 The Declarant may market units in blocks of units to investors. This declaration does not contain any restrictions on the number of units that may be purchased by an individual or corporation, but will restrict the right of owners to lease Residential Units in the condominium on a short-term rental basis, being defined as any rental, lease, or licensing agreement having an initial term of less than six (6) months.

**Article 12 – Leasing**

- 12.1 The Declarant intends to maintain and lease the Initial Registration Units, however the Declarant maintains the right to sell the Initial Registration Units.
- 12.2 The Declarant intends to sell all of the Phase 1 Units in the Project, however, the Declarant maintains the right to lease one or more of the Phase 1 Units that it does not sell.
- 12.3 Based on 488 total Residential Units (109 Initial Registration Units and 379 Phase 1 Units), the anticipated per cent of Units that the Declarant intends to lease is approximately twenty-three (23%) per cent.

**Article 13 – Declaration, By-laws, Rules, and Insurance Trust Agreement**

- 13.1 The proposed Declaration, By-laws, and Rules, are attached to and form part of this disclosure statement. There is no proposed insurance trust agreement.

**Article 14 – Agreements Between the Corporation and Another Corporation**

- 14.1 There are no agreements proposed between the Corporation and another condominium corporation.

**Article 15 – Agreements Between the Corporation and Another Corporation**

- 15.1 The Corporation will be required to enter into the following agreements upon or following registration:
- (a) **Indemnity Agreement:** This agreement will obligate the Corporation to comply with all applicable municipal agreements, provide information that the Declarant needs for disclosure, set limitations on budget expenditures, and execute one or more Section 98 Agreements with the Declarant and indemnify and save the Declarant harmless with respect to all of the foregoing.

- (b) Management Agreement: The Corporation will enter into a Management Agreement with a property manager (the “**Manager**”). The Declarant anticipates that, under the terms of the Management Agreement, the Manager will, for the term of the Agreement, be responsible for managing the condominium Property as authorized agent of the Corporation, subject to the oversight and control of the Board and compliance with the Act, the Declaration, Bylaws, and Rules. Responsibilities of the Manager will include, amongst other matters, the collection and expenditure of common expenses, the preparation of monthly statements and annual budgets, the arrangement of all required reserve fund studies, performance audits, annual audits, the placement of all required insurance coverage, and the enforcement of the Act, the Declaration, Bylaws, and Rules upon and within the condominium Property. The Corporation shall be required to pay the Manager those management fees set out in the Management Agreement, which fees shall form part of the common expenses of the Corporation and which are included in the Budget Statement.
- (c) Performance Audit: Pursuant to the Act, the Corporation will be obliged to undertake a Performance Audit of the Common Elements, no earlier than 6 months and no later than 10 months following registration. Pursuant to the provisions of the Declaration, the Corporation is obliged to permit the Declarant to accompany (and confer with) the consultant who is retained to undertake the Performance Audit and to provide the Declarant with at least fifteen (15) days written notice prior to the commencement of the performance audit.
- (d) Electricity Supply and Services Agreement: The Corporation may be obliged to enter into an Electricity Supply and Services Agreement with the Electricity Supplier. Such agreement will, among other things, confirm that the Electricity Supplier is the owner of the electricity meters within the Project, will outline the Electricity Supplier's obligations with respect to operating the electricity distribution system within the Building and will confirm the rates and charges that the Electricity Supplier will be entitled to charge to the Corporation and unit owners. The form of agreement that each unit owner will be required to enter into with the Electricity Supplier shall be attached as a Schedule to the Electrical Supply and Services Agreement. In the event that the Declarant contracts with the Supplier for electricity service to the Project, such contract may provide that in the event the Corporation cancels the contract with the Supplier during the first year after the registration of the Corporation in accordance with the terms of the Act, the Supplier will be entitled to charge the Corporation for its cost of the removal of its equipment from the Building as well as the undepreciated capital cost of such equipment at the time that the contract is canceled by the Corporation.
- (e) Sub-metering Agreement: The Corporation may enter into one or more other private sub-metering agreements for sub-metering of various utilities and/or services to certain Units and/or classes of Units, including without limitation water, electricity, and/or heating and cooling services or utilities. The cost of any sub-meter associated with any Unit shall be the responsibility of the Unit owner to pay, in default of which the cost shall be collectable against such Unit in the same manner as common expenses. All costs of a sub-metered utility or service shall be payable by the owner of the sub-metered Unit. Sub-meters are the property of the sub-metering entity and will not form part of the Common Elements of the condominium.
- (f) Miscellaneous Contracts: The Declarant and/or the Declarant Board will enter into such contracts as may be necessary or required for the provision of services to the Project including, without limitation, electricity, water, gas, landscaping, snow removal, pest control, window washing, garage sweeping and maintenance, garbage pick-up and disposal, provision of supplies, cleaning services, insurance, accounting services, and such other matters as may be required for proper management of the Property and the affairs of the Corporation.
- (g) Mutual Use Agreements: The Declarant does not presently intend to enter into any agreements for the mutual use, provision or maintenance or cost-sharing of facilities or services.

- (h) Insurance Trust Agreement: The Declarant does not presently intend to enter into an Insurance Trust Agreement with a trust company registered under the Loan and Trust Corporations Act or a chartered Bank (the "Trustee") for the first year of operation of the condominium. However, pursuant to Act, the Corporation may at any time elect to enter into an Insurance Trust Agreement with a Trustee.

15.2 Amounts shown in the Budget Statement may be based upon the Declarant's knowledge of market rates for such services or utilities and/or specific negotiated agreements. In the event that, after turnover of the Corporation by the Declarant, the Corporation cancels or terminates any Declarant negotiated and/or in place agreements, then it is the Declarant's position that any resultant increase in the relevant Budget Statement amount during the first year is not the responsibility of the Declarant and that such increases shall be solely borne by the Corporation.

#### **Article 16 – Amalgamation**

16.1 To the knowledge of the Declarant, the Corporation does not intend to amalgamate with another corporation and the Declarant does not intend to cause the Corporation to amalgamate with another corporation within sixty (60) days following the date of registration of the declaration and description for the Corporation.

#### **Article 17 – Phasing of the Condominium Corporation**

17.1 A phased condominium is simply expanded as each new phase is completed and registered as part of the already existing condominium plan. To create a phased condominium, the Declarant registers a declaration for the initial registration of the condominium plan (i.e the Initial Registration Units and appurtenant common elements). Each subsequent phase is added by way of an amendment to the declaration and description of the condominium (i.e. the Phase 1 Units).

17.2 No amendments to the declaration and description creating a phase may be registered more than ten (10) years after the registration of the declaration and description that created the Corporation.

17.3 The Declarant presently intends to create zero (0) additional phases following the registration that will create the unit being purchased. However, the Declarant reserves the right to register the Phase 1 Units and appurtenant common elements in one or more phases.

17.4 The Declarant is not required to create a phase after the registration that will create the unit being purchased.

17.5 The Declarant presently intends to register the Initial Registration and the amendments to the declaration and description required for creating the Phase 1 Units and appurtenant common elements as follows:

<b>Phasing Plan</b>	<b>Projected Year of Registration</b>	<b>Approximate Number of Units Included in the Registration/Phase</b>	<b>Legal Description of Land included in the Registration/Phase</b>
Initial Registration	2016-2017	109	Part of Lots 9-15, 17-29 Plan 707; City of Kitchener
Second Phase	2018	379	The remaining Part of Lots 9-15, 17-29 Plan 707; City of Kitchener

17.6 The current Phasing Plan showing the approximate location of the buildings and structures to be contained in the initial registration and subsequent phase is provided in the preliminary sketches of the proposed Project. The Declarant reserves the right to adjust phase lines and construction timing for each phase and to not proceed with any subsequent phase.



- 17.7 All facilities and services are intended to be included in the subsequent phase to added by way of an amendment to the declaration and description of the condominium (i.e. the registration of the Phase 1 Units and the appurtenant common elements).
- 17.8 The common interests and common expenses will be adjusted as each subsequent phase is added. The anticipated common interests and common expenses for the Project are shown in the amended Schedule "D" attached to the Amendment to Declaration and Description to Create a Phase which forms part of this disclosure statement.
- 17.9 There are no representations with respect to the quality of materials or appearance of buildings in any subsequent phase other than those specifically set out as representations in this disclosure statement.
- 17.10 The statements in this disclosure statement pertaining to any subsequent phases reflect the Declarant's estimates and present intentions only and are included only because the Act requires the statements to be made. There really is no way of accurately estimating when registration of a subsequent phase will occur. How quickly construction and marketing occurs will determine if and when a subsequent phase will be created. No one knows how quickly construction and marketing will occur.
- 17.11 The lands for each subsequent phase will have access through the condominium plan to and from a public street. Cross easements will be created between the initial registration and the lands for each subsequent phase, if necessary, to accommodate common services (as that term is defined in the proposed declaration) and for ingress and egress to and from the condominium plan to ensure there is access to public roads from the condominium plan and requisite private services within the condominium plan.

#### **Article 18 – Budget Statement(s) & Effect of Inflation**

- 18.1 The Budget Statement for the one year period immediately following registration of the Amendment to Declaration and Description to Create a Phase as required by section 72(3)(q) and 72(3)(r) of the Act, is attached to and forms part of this disclosure statement.
- 18.2 Utilities and services comprise a very significant proportion of the Budget Statement. These costs are subject to inflation pressures and fluctuations due to market conditions and other factors outside the control of the Declarant. An inflation rate has been described in the Budget Statement. In the event that actual inflation is greater than the estimated amount set out in this Budget Statement, the Declarant shall provide to each unit purchaser a revised copy of the condominium corporation's first year Budget Statement. In such event, purchasers acknowledge and agree that they shall be bound by such revised Budget Statement, and the acceptance of such revised Budget Statement shall not be considered nor be construed as a material change to the disclosure statement. See the Budget Statement for further information.

#### **Article 19 – Fees or charges to be paid to the Declarant or another person**

- 19.1 There are no fees or charges that the Corporation will be required to pay the Declarant.
- 19.2 There are no fees and charges that the Corporation is required to pay to another person, other than those fees and charges that are set out in the proposed budget that accompanies this disclosure statement.

#### **Article 20 – Proposed Condominium By-law**

- 20.1 Proposed By-law Number One (the "By-law") is attached to and forms part of this disclosure statement. The By-law addresses and sets requirements for the following matters:
- (a) holding and conducting annual and special meetings of unit owners;
  - (b) notice requirements for meetings;
  - (c) voting rights of owners and mortgagees;

- (d) election of a Board of Directors and appointment of officers of the condominium;
- (e) assessing and collecting common expenses;
- (f) the borrowing of money by the proposed condominium;
- (g) establishes what constitutes a “standard unit”, for the purpose of determining the responsibility for repairing improvements after damage and insuring them; and
- (h) mediation.

#### **Article 21 – Parking for Owners and Visitors**

- 21.1 Parking for owners of Parking Units is allowed. There are restrictions on parking, as fully set out in the proposed rules, declaration, and by-laws.
- 21.2 There is visitor parking on the property.
- 21.3 Parking will be available for visitors to the Project. Visitors must pay for parking.
- 21.4 The anticipated costs for visitor parking are unknown at this time.

#### **Article 22 – Major Assets and Property to be Provided by the Declarant**

- 22.1 The Declarant does not intend to provide the condominium with any major assets or property. The Declarant will determine, in its sole discretion, the types of furnishings and equipment to be provided for the Common Elements areas, including amenity areas. Such furnishings and equipment may be provided by the Declarant before or after registration of the condominium in the Declarant’s sole discretion.

#### **Article 23 – Units, Assets, and Services Required to be Purchased by the Corporation**

- 23.1 It is anticipated that the Corporation will be required to purchase from the Declarant a property manager unit, guest unit and/or parking units.
- 23.2 There are no assets that the corporation is required to purchase, services that it is required to acquire, or agreements and leases that it is required to enter into with the Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the Declarant other than the proposed Management Agreement and the proposed Indemnity Agreement, copies of which accompany this disclosure statement.

#### **Article 24 – Adjacent Lands**

- 24.1 Neither the Declarant nor any subsidiary, holding, or affiliated entity of the Declarant (as described in Ont. Reg. 48/O1, s. 17(h)) owns land adjacent to the Project land (consisting of the initial registration and subsequent phases(s)) described in the proposed condominium description and amendment to description. However, the Declarant reserves the right to seek to acquire adjacent lands for further mixed use development.

#### **Article 25 – Standard Unit Schedule**

- 25.1 The standard unit definition for each class of unit that the Declarant intends to deliver to the Corporation pursuant to section 43(5)(h) of the Act for the purpose of determining the responsibility for repairing improvements after damage and insuring them shall be the following:

##### **Schedule**

Residential Unit: The standard unit definition for Residential Units shall be finalized prior to the turnover meeting and shall include all standard features to be provided by the Declarant for insurance purposes but shall not include floor coverings or countertops.

Parking Unit: The standard unit definition for Parking Units shall be finalized prior to the turnover meeting.

- 25.2 Purchasers and occupants of Units should ensure that, from and after the earlier of any interim occupancy or closing date, that they maintain sufficient insurance under their own property and/or contents insurance policies, as applicable, in respect of any items excluded from the standard unit definition, including in respect of any betterments or improvements made to their unit (over the standard unit) and for any furnishing or personal belongings of purchasers and occupants. The insurance placed by the Declarant and/or the Corporation will only insure against damage or loss to the common elements and the standard unit.

#### **Article 26 – Miscellaneous**

- 26.1 Rules: Purchasers are advised that the Board may make, amend, or repeal rules respecting the use of the units and common elements. The rules shall be reasonable and consistent with the provisions of the Act, the declaration and the by-laws of the Corporation. The rules shall be complied with and enforced in the same manner as the by-laws of the Corporation, but the owners may, at any time, and from time to time, amend or repeal a rule at a meeting of owners duly called for that purpose, and for greater certainty, each of the rules shall be observed by all owners, and by all residents, tenants, invitees and licencees of the units. Purchasers should therefore pay specific attention to the proposed rules of the Corporation accompanying this Disclosure Statement, which will be adopted and approved by the Board following the registration of the declaration, in accordance with the provisions of the Act. The rules restrict, regulate, or otherwise deal with alterations to the common elements, the disposal of garbage, the emission of noise, the obstruction of walkways, the parking of vehicles, the utilization and installation of barbecue equipment, the storage or placement of patio furniture, the keeping of pets and the implementation of any repair work between certain designated hours.
- 26.2 Costs & Damages: All costs and damages incurred by the Corporation as a result of a breach of any of the provisions of the Act, Declaration, the Bylaws, or the rules committed by any owner (or by such owner's tenants or guests) shall be borne by such owner and be recoverable by the Corporation against such owner in the same manner as common expenses.
- 26.3 Notices Registered on Title: Under the terms of the agreement of purchase and sale, unit buyers are obliged to accept title subject to any noise and other warning clauses to which the units may be subject. The municipality, approval authority, or other governmental authorities may also require additional notices and/or agreements to be registered on title as a condition of approval and dealing with such matters as land-use, maintenance obligations, landscaping features, waste management, noise abatement, noise and vibration levels due to proximity to noise emitting uses, and/or school transportation arrangements. Purchasers are obliged to accept title subject to all such notices and/or agreements.
- 26.4 Insurance: From and after the earlier of any interim occupancy or closing date, Purchasers and occupants are advised to place their own insurance for any betterments or improvements made to their unit (over the standard unit) and for any furnishing or personal belongings of purchasers and occupants, as the insurance placed by the Declarant and/or the Corporation will only insure against damage or loss to the common elements and the standard unit.
- 26.5 Noise & Vibration: The proposed Project includes various features which will emit noise and vibration, including without limitation elevators, garbage and recycling rooms and chutes, chiller/cooling tower units, emergency generators, intake and exhaust fans, mechanical rooms, parking garages, loading and unloading bays, common areas, amenity areas (such as the fitness rooms, theater room, party room, and outdoor amenity areas), patio and balcony areas. Units within the Project may be located in proximity to any one or more noise and/or vibrating emitting feature. Such emissions may be of a periodic, intermittent, or constant nature. Purchasers are advised to review the project plans carefully to assess their Unit's likely exposure to such noise and vibration. All Units are anticipated to experience some level of noise and vibration, but some Units will have relatively greater noise and vibration impacts due to

proximity to the Project features that emit noise and vibration. In addition, the Project is located in proximity to other land uses which may emit noise and vibration, including without limitation an arterial roadway, public transit including buses, a rail corridor, nearby helicopter landing area, as well as manufacturing and maintenance yard uses.

- 26.6 Smells & Odour: Nearby commercial, retail, and/or industrial uses, including restaurants and bakeries, may emit smells and odours that some occupants might find disruptive or offensive.
- 26.7 Under subsection 82(8) of the Act, the Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest that it is required to pay to the purchaser under section 82 of the Act.
- 26.8 The Declarant has no actual knowledge of any judgments against the proposed corporation, nor does it have any actual knowledge of any pending lawsuits to which the corporation is or will be a party.
- 26.9 There are no reserve funds nor will there be any reserve funds established for the corporation other than the reserve funds collected after registration of the corporation.

**SCHEDULE "A"**  
**SECTIONS 73 AND 74 OF**  
**THE CONDOMINIUM ACT, 1998**

**Rescission of agreement**

73. (1) A purchaser who receives a disclosure statement under subsection 72 (1) may, in accordance with this section, rescind the agreement of purchase and sale before accepting a deed to the unit being purchased that is in registerable form. 1998, c. 19, s. 73 (1).

**Notice of rescission**

(2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor who must receive the notice within 10 days of the later of,

(a) the date that the purchaser receives the disclosure statement; and

(b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser. 1998, c. 19, s. 73 (2).

**Refund upon rescission**

(3) If a declarant or the declarant's solicitor receives a notice of rescission from a purchaser under this section, the declarant shall promptly refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it. 1998, c. 19, s. 73 (3).

**Material changes in disclosure statement**

74. (1) Whenever there is a material change in the information contained or required to be contained in a disclosure statement delivered to a purchaser under subsection 72 (1) or a revised disclosure statement or a notice delivered to a purchaser under this section, the declarant shall deliver a revised disclosure statement or a notice to the purchaser. 1998, c. 19, s. 74 (1).

**Definition**

(2) In this section,

"material change" means a change or a series of changes that a reasonable purchaser, on an objective basis, would have regarded collectively as sufficiently important to the decision to purchase a unit or proposed unit in the corporation that it is likely that the purchaser would not have entered into an agreement of purchase and sale for the unit or the proposed unit or would have exercised the right to rescind such an agreement of purchase and sale under section 73, if the disclosure statement had contained the change or series of changes, but does not include,

(a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the declaration and description for the corporation,

(b) a substantial addition, alteration or improvement within the meaning of subsection 97 (6) that the corporation makes to the common elements after a turn-over meeting has been held under section 43,

(c) a change in the portion of units or proposed units that the declarant intends to lease,

(d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been completed as of the date on which the disclosure statement was made, or

(e) a change in the information contained in the statement described in subsection 161 (1) of the services provided by the municipality or the Minister of Municipal Affairs and Housing, as the case may be, as described in that subsection, if the unit or the proposed unit is in a vacant land condominium corporation. 1998, c. 19, s. 74 (2).

#### **Contents of revised statement**

(3) The revised disclosure statement or notice required under subsection (1) shall clearly identify all changes that in the reasonable belief of the declarant may be material changes and summarize the particulars of them. 1998, c. 19, s. 74 (3).

#### **Time of delivery**

(4) The declarant shall deliver the revised disclosure statement or notice to the purchaser within a reasonable time after the material change mentioned in subsection (1) occurs and, in any event, no later than 10 days before delivering to the purchaser a deed to the unit being purchased that is in registerable form. 1998, c. 19, s. 74 (4).

#### **Purchaser's application to court**

(5) Within 10 days after receiving a revised disclosure statement or a notice under subsection (1), a purchaser may make an application to the Superior Court of Justice for a determination whether a change or a series of changes set out in the statement or notice is a material change. 1998, c. 19, s. 74 (5); 2000, c. 26, Sched. B, s. 7 (5).

#### **Rescission after material change**

(6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice as required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,

(a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;

(b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and

(c) the date on which the Superior Court of Justice makes a determination under subsection (5) or (8) that the change is material, if the purchaser or the declarant, as the case may be, has made an application for the determination. 1998, c. 19, s. 74 (6); 2000, c. 26, Sched. B, s. 7 (5).

#### **Notice of rescission**

(7) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the declarant or to the declarant's solicitor. 1998, c. 19, s. 74 (7).

#### **Declarant's application to court**

(8) Within 10 days after receiving a notice of rescission, the declarant may make an application to the Superior Court of Justice for a determination whether the change or the series of changes on which the rescission is based constitutes a material change, if the purchaser has not already made an application for the determination under subsection (5). 1998, c. 19, s. 74 (8); 2000, c. 26, Sched. B, s. 7 (5).

#### **Refund upon rescission**

(9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated

at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it. 1998, c. 19, s. 74 (9).

**Time of refund**

(10) The declarant shall make the refund,

(a) within 10 days after receiving a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or

(b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8). 1998, c. 19, s. 74 (10).