

198350

(1) Registry Land Titles (2) Page 1 of 22 pages

(3) Property Identifier(s) Block Property Additional: See Schedule

(4) Nature of Document DECLARATION (The Condominium Act, R.S.O. 1990, Ch. c.26)

(5) Consideration Dollars \$

(6) Description Parcel 6876, in the Register for Algoma East Section, being Block B, Plan M-166, City of Elliot Lake, (formerly Township of Gunterman), District of Algoma SUBJECT TO an Easement registered as Instrument Number 101277 on April 27th, 1979 in favour of The Corporation of the City of Elliot Lake, its successors and assigns over the most easterly five feet of Block B, Plan M-166, being parallel and contiguous to the most westerly boundary of Lots 29-37 inclusive, and the road allowance abutting the said Block B between Lots 32 and 33 all on Plan M-166, being Part of the above parcel.

FOR OFFICE USE ONLY

CERTIFICATE OF REGISTRATION
ALGOMA EAST SECTION
'95 01 23 10 01
ALGOMA CONDOMINIUM CORPORATION NO. 13
New Property Identifiers

Additional: See Schedule

Executions

Additional: See Schedule

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch (b) Schedule for: Description Additional Parties Other

(8) This Document provides as follows:
TO THE LAND REGISTRAR FOR THE LAND TITLES DIVISION OF ALGOMA:
1031466 ONTARIO INC. the registered owner of Parcel 6876, Algoma East Section, hereby applies to have entered on the register for the said Parcel a Declaration made pursuant to the Condominium Act, R.S.O. 1990, Ch. c.26 and the Regulations made thereunder.
The evidence in support of this Application consists of:
1. The Declaration dated the 3rd day of January, 1995.
Continued on Schedule

(9) This Document relates to instrument number(s)

(10) Party(ies) (Set out Status or Interest)
Name(s) Signature(s) Date of Signature Y M D
1031466 ONTARIO INC. [Signature] 1995 01 19
by its solicitor Thomas D. Baulke Thomas D. Baulke

(11) Address for Service c/o 3 Taylor Boulevard, Elliot Lake, Ontario P5A 3T2

(12) Party(ies) (Set out Status or Interest)
Name(s) Signature(s) Date of Signature Y M D

(13) Address for Service

(14) Municipal Address of Property
1-138 Frame Crescent
Elliot Lake, Ontario

(15) Document Prepared by:
CORCORAN, THOMPSON, BAULKE & WRIGHT
Post Office Box 100
150 Hurontario Street
Collingwood, Ontario L9Y 3Z4
Thomas D. Baulke 94-1211

Fees and Tax	
Registration Fee	
Total	

DECLARATION

MADE PURSUANT TO THE CONDOMINIUM ACT

THIS DECLARATION (hereinafter called the "Declaration") is made and executed pursuant to the provisions of the Condominium Act, R. S. O. 1990, Chapter c. 26, as amended, and the regulations made thereunder (all of which are hereinafter referred to as the "Act") by

1031466 ONTARIO INC.
(hereinafter called the "Declarant").

W H E R E A S the Declarant is the owner in fee simple of lands and premises situate in the City of Elliot Lake, District of Algoma, in the Province of Ontario, and being more particularly described in Schedule "A", and in the description submitted herewith by the Declarant for registration in accordance with Section 4 of the Act;

A N D W H E R E A S several buildings have been constructed upon the said lands containing One hundred and Six (106) dwelling units (the "units").

A N D W H E R E A S the Declarant intends that the said lands, together with the said buildings constructed thereon, shall be governed by the Act.

NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:

ARTICLE 1.00 - INTRODUCTORY

1.1 Definitions

The following terms used herein shall have the meanings set out below, unless the context otherwise requires:

- (a) board means the Board of Directors of the Corporation.
- (b) common elements means all the property except the units;
- (c) common interests means the interest in the common elements appurtenant to a unit;
- (d) corporation means the condominium corporation created by the registration of this Declaration.
- (e) owner means the owner or owners of the freehold estate or estates in a unit and common interest, but does not include a mortgagee unless in possession;
- (f) property means the land and interest appurtenant to the land described in the description and Schedule "A" annexed hereto and includes any land and interests appurtenant to lands that are added to the common elements;
- (g) unit means a part or parts of the land included in the description, and designed as a unit by the description, and comprises the space enclosed by its boundaries and all the material parts of the land within this space at the time the Declaration and description are registered;

The definition of "unit" for the purposes of the duties to repair and maintain under Section 41 and Section 42 of the Act and this Declaration shall extend to all improvements made by the Declarant in accordance with its architectural plans.

Other terms used herein shall have ascribed to them the definitions contained in the Act as amended from time to time.

1.2 Statement of Intention

The Declarant intends that the lands and premises described in Schedule "A" and the description and be governed by the Act, and any amendments thereto.

1.3 Consent of Mortgagees

The consent of all persons having registered mortgages against the land or interests appurtenant to the land described in Schedule "A" is contained in Schedule "B" attached hereto.

1.4 Boundaries of Units and Monuments

The monuments controlling the extent of the units are the physical surfaces mentioned in the boundaries of units in Schedule "C" attached hereto.

1.5 Common Interests and Common Expenses

Each owner shall have an undivided interest in the common elements as a tenant in common with all other owners and shall contribute to the common expenses in the proportions set forth opposite each unit number in Schedule "D" attached hereto. The total of the proportions of the common interests and common expenses shall be one hundred per cent (100%).

1.6 Address for Service and Mailing

The corporation's address for service and mailing shall be 3 Taylor Boulevard, Elliot Lake, Ontario P5A 3H2 or such other address as the corporation may by by-law or by resolution of the board determine.

ARTICLE 2.00 - COMMON EXPENSES

2.1 Specification of Common Expenses

Common expenses means the expenses of the performance of the objects and duties of the corporation and, without limiting the generality of the foregoing, shall include those expenses set out in Schedule "E" attached hereto.

2.2 Payment of Common Expenses

Each owner, including the Declarant, shall pay to the corporation his proportionate share of the common expenses, as may be provided for by the by-laws of the corporation, and the assessment and collection of contributions toward the common expenses may be regulated by the board pursuant to the by-laws of the corporation.

2.3 Reserve Fund

(a) The corporation shall establish and maintain one or more reserve funds and shall collect from the owners as part of their contribution towards the common expenses amounts that are reasonably expected to provide sufficient funds for major repairs and replacement of common elements and assets of the corporation. The establishment of the reserve fund or funds shall be subject to the provisions of the Act.

(b) No part of the reserve fund shall be used except for the purpose for which the fund was established. The reserve fund shall constitute an asset of the corporation and shall not be distributed to any owner except on termination of the corporation.

2.4 Certificate of Common Expenses

The corporation shall upon request provide the requesting party with an estoppel certificate and accompanying statements and information in accordance with the Act. The corporation shall forthwith provide the Declarant with an estoppel certificate and all such accompanying statements and information as may be requested from time to time by or on behalf of the Declarant in connection with the sale or mortgage of any unit, all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

ARTICLE 3.00 - COMMON ELEMENTS

3.1 Use of Common Elements

(a) Subject to the provisions of the Act, this Declaration and the by-laws, and any rules and regulations passed pursuant thereto, each owner has the full use, occupancy and enjoyment of the whole or any part of the common elements, except as herein otherwise provided.

(b) Notwithstanding anything hereinbefore or hereinafter provided to the contrary, and notwithstanding any by-laws or rules of the corporation to the contrary, the Declarant shall be entitled to erect and maintain sign, displays, sales areas for marketing and/or sale purposes and within or outside any unsold units pursuant to the Declarant's ongoing marketing program in respect of all units, at such locations and having such dimensions as the Declarant may determine in its sole discretion until such time as all units are sold and conveyed.

3.2 Exclusive Use Common Elements

(a) Subject to the provisions of the Act, the Declaration, the by-laws and the rules and regulations passed pursuant thereto, the owner of each unit shall have the exclusive use of those parts of the common elements as set out in Schedule "F" attached hereto.

(b) As at the date of registration of this Declaration many of the exclusive use common areas used as yards have been partially or completely fenced. Owners will be permitted to construct fences along the common boundary of exclusive use common areas used as yards. All new and replacement fence construction shall require the prior approval of the board and in situations where abutting exclusive use unit owners cannot agree on the type, construction or repair of the fence, the decision of the board shall govern. Further, all new and replacement fence construction shall require the prior approval of, and the issuance of building permits by, The Corporation of the City of Elliot Lake, if applicable.

(c) In those areas where the boundary of an exclusive use common area used as a yard does not abut a similar exclusive use common area, an owner shall be entitled to construct a fence either on or inside the said boundary, provided however that such fence shall require the prior written approval of the board. Notwithstanding that a fence may be constructed inside the said boundary as herein provided in this section 3.2(b), the owner shall nevertheless remain responsible for maintenance, repair and upkeep of the entire exclusive use common area as provided in Article 6.2 hereof.

3.3 Restrictive Access

Without the consent in writing of the board, no owner shall have any right of access to those parts of the common elements used from time to time as utility areas, building maintenance

storage areas, managers offices, operating machinery, or any other parts of the common elements used for the care, maintenance or operation of the property.

3.4 Additions, Alterations and Improvements

(a) For the purpose of subsection 1 of Section 38 of the Act, the board shall decide whether any addition, alteration or improvement to, or renovation of, the common elements, or any change in the assets of the corporation is substantial.

(b) No alteration, work, repairs, decoration, painting, maintenance, structure, fence, screen, hedge or erection of any kind whatsoever (the work) shall be performed, done, erected or planted within or in relation to the common elements (including any part thereof over which any owner has the exclusive use) except by the corporation or with its prior written consent or as permitted by the by-laws or rules.

(c) The corporation shall have access at all reasonable times to any part of the common elements over which any owner has the exclusive use in order to do the work.

3.5 Parking

Each parking space shall be used for the parking of one (1) passenger motor vehicle. No one who is not in occupancy of a unit shall be entitled to or permitted to use any parking space.

3.6 Motor Vehicles

No motor vehicle other than a private passenger vehicle, or motor cycle shall be parked on any part of the common elements (including any part thereof, of which any owner may have the exclusive use) except a parking space nor shall any repairs be made to such motor vehicle on the common elements, and no motor vehicle shall be driven on any part of the common elements other than on a driveway or parking space.

3.7 Exterior Speakers

No owner shall install or use sound speakers outside of his unit or on the common elements.

3.8 Exterior Appendices

No television or radio antenna aerial, mast or flag-pole, windmill nor any similar structure nor any fixture, flag, or bunting storage structure, shall be erected, located or placed on or in any part of the common elements, including any portion thereof which an owner may have the exclusive use, unless erected or caused to be erected by the corporation.

ARTICLE 4.00 - UNITS

4.1 Occupation and Use

The occupation and use of each unit shall be in accordance with the following restrictions and stipulations:

(a) Each unit shall be occupied and used for no purpose other than as a private single-family residence provided, however, that the foregoing shall not prevent the Declarant from maintaining units as models for display and sale purposes, and maintaining displays and signs until all units have been sold by the Declarant, subject to the specific restriction that no display units, sales offices, displays and signs can be used for any other development.

(b) No owner shall lease or sell his unit in such a fashion whereby numerous persons are

entitled to occupancy of such unit on a weekly or other periodic basis under any arrangement commonly known as "timesharing".

(c) No unit shall be occupied or used by any one in such a manner as to result in the cancellation, or threat of cancellation, of any policy of insurance referred to in this Declaration.

(d) No unit owner shall occupy or do or permit anything to be done in the unit and/or common elements or bring or keep anything thereon which will in any way increase the risk of fire or other perils insured against and consequently will increase the premium rate of the policy or policies of insurance. In the event that this occurs then, in addition to the payment of all costs incurred by the Corporation in enforcing this provision, the unit owner shall pay in his next monthly contributions towards the common expenses after receipt of notice from the corporation, all increases in premium in respect of such policy or policies of insurance. All payments pursuant to this clause are deemed to be additional contributions towards the common expenses and recoverable as such.

(e) The owner of each unit shall comply and shall require all residents, tenants, and visitors to his unit, to comply with the Act, this Declaration, and the by-laws and the rules and regulations passed pursuant thereto.

(f) No boundary wall, load-bearing partition wall, floor, door or window, toilet, bath tub, wash basin, sink, heating, air-conditioning, plumbing or electrical installation contained in or forming part of a unit shall be installed, removed, extended or otherwise altered without the prior written consent of the corporation; but the provisions of this subparagraph shall not require any owner to obtain the consent of the corporation for the purpose of painting or decorating, including the alteration of the surface on any wall, floor or ceiling which is within any unit.

(g) Neither any owner nor the corporation may install, erect, or maintain or permit to be installed, erected or maintained, any drapes, covering or other materials over, on, inside or outside any aperture, door, skylight or window, or balcony unless the same shall be of a buff colour only or the back thereof facing the exterior of any aperture, door, skylight or window, or balcony shall be completely lined with a buff liner or covering sufficient to reflect or show only a buff exterior thereof. The exterior colour scheme shall be maintained and shall not be altered.

(h) Tools, sporting goods (except as herein otherwise provided for in the rules and regulations), cooking equipment, bicycles and other personal articles and equipment must be stored in exclusive use storage areas or common areas designated for such purpose.

4.2 Requirements for Leasing

(a) No owner shall lease his unit unless he causes the tenant to deliver to the corporation an agreement signed by the tenant, to the following effect:

"I,, covenant and agree that I, the members of my household and my guests from time to time will, in using the unit rented by me and the common elements, comply with the Condominium Act, the Declaration and the By-laws, and all rules and regulations of the condominium corporation during the term of my tenancy."

(b) No owner shall lease his unit unless he notifies the corporation in writing as soon as such lease has become effective setting out the full name and address of each such tenant, the term thereof, the amount of the rent or other compensation payable thereunder and the dates on which the same is payable thereunder and further setting out such owner's new address and telephone number.

(c) No tenant shall be liable for the payment of common expenses unless notified by the corporation that the owner is in default of payment of common expenses, in which case the tenant shall deduct, from the rent payable to the owner, the owner's share of the common expenses, and shall pay the same to the corporation.

(d) Any owner leasing his unit shall not be relieved hereby from any of his obligations with respect to the unit, which shall be joint and several with his tenant.

(e) In addition to the foregoing, in the event the Declarant proposes to grant a lease of a unit, he shall in all respects comply with the provisions concerning such leasing as are contained in the Act.

(f) Where a tenant residing in a unit is in breach of any of the provisions of this Declaration, the by-laws and/or rules of the corporation and such breach continues for a period of at least 10 days following written notification by the board or the property manager to the tenant of such breach or if such breach recurs, then the corporation, in addition to any other remedies it may have pursuant to the Act, the Declaration, the by-laws and the rules of the corporation or any other remedies it may have at common law, shall have the right to do the following:

- (i) notify the unit owner of such breach or recurring breach by his tenant and require the unit owner to take immediate steps to remedy such breach; and
- (ii) if the unit owner fails within 7 days after notification to remedy such breach (and the opinion of the board or the property manager shall be conclusive in this regard), the corporation shall be and is hereby irrevocably authorized, constituted and appointed the true and lawful attorney of the unit owner for and in his name to do the following:
 - (a) give notice to the tenant terminating the tenancy in accordance with the Landlord and Tenant Act, R.S.O. 1990, Chapter L. 7 as amended or replaced;
 - (b) apply for an order declaring the tenancy terminated in accordance with the Landlord and Tenant Act; and
 - (c) do all manner of acts, assurances, deeds, covenants and things as shall be required and as the corporation or its counsel may see fit for any or all of the foregoing purposes.

Any and all costs, whether legal or otherwise incurred by the corporation, shall be repaid forthwith by such owner, together with interest at the Canadian Imperial Bank of Commerce Prime Rate charged to its most credit worthy customers plus four (4%) per cent per annum. The corporation may collect all such sums of money in such installments as the board may decide upon, which installments shall be added to the monthly contributions towards the common expenses of such owner after receipt of a notice from the corporation thereof. All such payments are deemed to be additional contributions towards the common expenses and recoverable as such.

ARTICLE 5.00 - BY-LAWS

The corporation may, by a vote of of the board make by-laws:

- (a) governing the management of the property;
- (b) governing the use of units or any of them for the purpose of preventing unreasonable interference with the use and enjoyment of the common elements and other units;

- (c) governing the use of the common elements, including the lease, grant or transfer of an easement or licence thereof in conformity with the Act;
- (d) regulating the maintenance of the units and common elements;
- (e) governing the use and management of the assets of the corporation;
- (f) respecting the board;
- (g) specifying duties of the corporation;
- (h) regulating the assessment and collection of contributions towards the common expenses;
- (i) respecting the conduct generally of the affairs of the corporation; and
- (j) authorizing the borrowing of money to carry out the objects and duties of the corporation.

Any such by-law passed by the board is not effective until it is confirmed with or without variation by owners who own not less than 51 per cent of the units at a meeting duly called for that purpose.

ARTICLE 6.00 - MAINTENANCE AND REPAIRS

6.1 Maintenance and Repairs of Owner's unit

Each owner shall maintain his unit, and those parts of the common elements hereinafter specified and, subject to the provisions of this Declaration and Section 42 of the Act, each owner shall repair his unit after damage, all at his own expense. Without limiting the generality of the foregoing and for greater clarity, each owner shall:

- (a) maintain the interior surfaces of doors which provide the means of ingress and egress from a unit and all surfaces of windows;
- (b) maintain, repair and replace the incremental heating equipment including thermostatic controls and any humidification equipment installed thereon or added thereto;
- (c) maintain and repair the hot and cold water service piping both within the unit and between the shut off valve in the common elements and the unit boundary;
- (d) maintain, repair and replace the hot water heater allocated and wired to his unit and/or the electric baseboard heating system;
- (e) maintain, repair and replace bathtub enclosures, tiles, shower pans, ceiling and exhaust fans and fan motors located in the kitchen and bathroom areas; and
- (f) maintain the fuse box and all electric wiring, cables, conduits, lines and connections which serve his unit and which run from the fuse box to electrical outlets or fixtures in his unit, notwithstanding that any such wiring, cables, conduits, lines or connections may in so doing run outside the surfaces or planes which otherwise define the unit boundaries.

Each owner shall be responsible for all damages to any and all other units and to the common elements, which are caused by the failure of the owner to so maintain and repair his unit, save and except for any such damages to the common elements for which the cost of repairing same may be recovered (after taking into account any deductible portion of the claim) under any policy or policies of insurance held by the corporation.

The corporation shall make any repairs that an owner is obligated to make and that he does not make within a reasonable time; and in such event, an owner shall be deemed to have consented to having repairs done to his unit by the corporation; and an owner shall reimburse the corporation in full for the cost of such repairs, including any legal or collection costs incurred by the corporation in order to collect the costs of such repairs, and all such sums of money shall bear interest at the Canadian Imperial Bank of Commerce Prime Rate charged to its most credit-worthy customers at the date repairs were commenced, plus four per cent (4%) per annum until paid and satisfied, and the cost of such repairs shall be added to the owner's contribution toward common expenses and recoverable as such. The corporation may collect all such sums of money in such installments as the board may decide upon, which installments shall be added to the monthly contributions towards the common expenses of such owner, after receipt of a notice from the corporation thereof.

6.2 Repairs and Maintenance of Common Elements by the Corporation

The corporation shall repair and maintain the common elements, except as follows:

- (a) the owners shall be responsible for keeping clean enclosed balconies and patios and for replacing, servicing and repairing all exterior glass (including that of doors and windows), screens or patio doors, and air-conditioning units, all at his own expense; and
- (b) the repair, maintenance and replacement of all electrical outlets attached to the exterior wall of the unit and all electrical light fixtures attached to the exterior of the unit shall be the responsibility of the owner; and
- (c) the owner shall be responsible for maintenance and repairs of a non-structural nature, respecting all exclusive use common areas used as yards, (including repair and maintenance of fences and regular cutting of grass) as well as patios and walkways, if any.
- (d) the owner shall be responsible for maintenance and repair of the doors of the storage areas contained in the exclusive use yard areas, however, the corporation shall repair the roofs and exterior brick of such storage areas.

The corporation shall make any repairs that an owner is obligated to make and that he does not make within a reasonable time; and in such event, an owner shall be deemed to have consented to having repairs done to his unit by the corporation; and an owner shall reimburse the corporation in full for the cost of such repairs, including any legal or collection costs incurred by the corporation in order to collect the costs of such repairs, and all such sums of money shall bear interest at the Canadian Imperial Bank of Commerce Prime Rate charged to its most credit-worthy customers at the date repairs were commenced, plus four per cent (4%) per annum until paid and satisfied, and the cost of such repairs shall be added to the owner's contribution toward common expenses and recoverable as such. The corporation may collect all such sums of money in such installments as the board may decide upon, which installments shall be added to the monthly contributions towards the common expenses of such owner, after receipt of a notice from the corporation thereof.

6.3 Additions, Alterations or Improvements by the Owners

No owner shall make any structural change in or to his unit including without limiting the generality of the foregoing, any change to, moving of, extension, removal or replacement of any outer boundary wall, any inner partition wall, any door or window, bathtub, shower or washbasin, or any change of any description whatsoever to the common elements or any installation thereon without the prior express written consent thereto of the corporation. Any such change shall, if consented to by the corporation, be made in accordance with the provisions of all relevant municipal and other governmental by-laws, rules, regulations or ordinances, the restrictive covenants to which the title to the real property is subject, and in accordance with the conditions, if any, of such consent by the corporation.

6.4 Violations By Owners

- (a) In the event an owner shall fail to maintain or repair in accordance with this Article, the corporation may, in lieu of its rights hereunder to do or make such maintenance or repairs, institute and prosecute all actions or proceedings, including all appeal procedures, necessary to obtain an injunction or other court order requiring such owner to comply with all applicable provisions of this Article.
- (b) In the event an owner shall make, or threaten or prepare to make, any change in or to his unit, the common elements or any installation thereon contrary to the provisions of Articles 3, 4, or 6, or use or permit the use of his unit or the common elements contrary to the provisions of Article 3 or 4, or threaten or prepare so to do, the corporation may institute and prosecute all actions or proceedings, including all appeal procedures, to obtain an injunction or other court order necessary to prevent any such breach from being committed by such owner or to require any such breach to be rectified by such owner and the premises in question to be restored by such owner to full compliance with the aforesaid provisions of this Declaration. The corporation may also take all such steps and do all such acts to remove any such authorized change and to restore the premises in question to full compliance with the aforesaid provisions of this Declaration and to good condition and repair, to rectify any such breach, or to remove or abate any such unauthorized use of such owner's unit or the common elements and for the purposes of this Declaration all such steps and acts shall be deemed to be duties imposed upon the corporation. Such owner shall be obligated to reimburse the corporation for all costs of or incidental to the taking of all such steps and the doing of all such acts forthwith after notice from the corporation of the amount thereof. The rights of the corporation hereunder to institute court proceedings or to take the aforesaid steps and do the aforesaid acts are not mutually exclusive and the corporation may prevent or rectify any breach of the aforesaid provisions of this Declaration by either method, or partly by one method and partly by the other, as the corporation may deem appropriate or advisable. The rights of the corporation provided hereunder shall not derogate from the rights of any other person, firm or corporation to prevent any such breach from being committed by such owner or to require any such breach to be rectified by such owner and the premises in question to be restored by such owner to full compliance with the aforesaid provisions of this Declaration or to enforce compliance with the restrictive covenants to which the title to the real property or any part thereof is subject.

ARTICLE 7.00 - RULES GOVERNING USE OF COMMON ELEMENTS

- 7.1 The by-laws may provide for the making of rules by the corporation respecting the use of the common elements for the purpose of preventing unreasonable interference of the use and enjoyment of the units and common elements.
- 7.2 The rules shall be reasonable and consistent with the Act, the Declaration, and the by-laws.
- 7.3 The rules shall be complied with and enforced in the same manner as the by-laws.

ARTICLE 8.00 - DAMAGE

8.1 Procedure Where Damage Occurs

Where the board has determined that there has been substantial damage to twenty-five (25%) per cent of the buildings, notice of such determination shall be given within thirty (30) days thereof to all owners and mortgagees of record, with such notice to the mortgagees to be sent by registered mail. Such notice may be combined with notice to the owners of a meeting called for the purpose of voting for repair.

8.2 Plans and Specifications

A complete set of all the reproduced architectural and structural plans and specifications for the buildings, including plans and specifications for any additions, alterations or improvements from time to time made to the common elements or to any unit with the prior consent in writing of the board, shall be maintained in the office of the corporation at all times, for the use of the corporation in rebuilding or repairing damage to the building, and for the use of any owner.

ARTICLE 9.00 - INSURANCE TRUSTEE AND PROCEEDS OF INSURANCE

9.1 Insurance Trustee

The corporation shall enter into an agreement with an Insurance Trustee which shall be a Trust Company registered under the Loan and Trust Corporations Act, or shall be a Chartered Bank, which agreement shall without limiting its generality, provide the following:

- (a) the receipt by the Insurance Trustee of any proceeds of insurance payable to the corporation;
- (b) the holding of such proceeds in trust for those entitled thereto pursuant to the provisions of this Declaration;
- (c) the disbursement of such proceeds in accordance with the provisions of the Insurance Trust Agreement; and
- (d) the notification by the Insurance Trustee to the mortgagees of any insurance monies received by it.

In the event that the corporation is unable to enter into such agreement with such Trust Company, or such Chartered Bank, by reason of their refusal to act, the corporation may enter into such Agreement with such other corporation authorized to act as a Trustee, as the owners may approve by by-law at a meeting called for that purpose. The corporation shall pay the fees and disbursements of any Insurance Trustee and any fees and disbursements shall constitute a common expense.

9.2 Obligation to Repair

In the event that:

- (a) the corporation is obligated to repair any unit insured under paragraph (l) subclause (a) of Article 10.00 hereof, in accordance with the provisions of Section 41 or Section 42 of the Act, the Insurance Trustee shall hold all proceeds for the corporation and shall disburse same in accordance with the provisions of the Insurance Trust Agreement, in order to satisfy the obligation of the corporation to make such repairs.
- (b) there is no obligation by the corporation to repair any unit in accordance with the provisions of Section 41 of the Act and where there is termination in accordance with the provisions of Section 42 of the Act, or otherwise, the Insurance Trustee shall hold all proceeds for the owners in the proportion of their respective interests in the common elements and shall pay such proceeds to the owners in such proportions, upon registration of a notice of termination by the corporation.
- (c) the board, in accordance with the provisions of Section 42 of the Act, determines that there has not been substantial damage to twenty-five (25%) per cent of the buildings, the Insurance Trustee shall hold all proceeds for the corporation and the owners whose

units have been damaged, and shall disburse such proceeds for the benefit of the corporation and the owners whose units have been damaged, as their respective interests may appear, in accordance with the provisions of the Insurance Trust Agreement in order to satisfy their respective obligations to make repairs pursuant to the provisions of Article 6.00 of this declaration, and Section 42 of the Act.

Notwithstanding anything to the contrary herein contained, any proceeds payable by the Insurance Trustee to an owner, in accordance with the provisions of paragraph (b) of this subclause (2) of Article 9.00 hereof, shall be subject to payment in favour of any mortgagee or mortgagees and in satisfaction of the amount due under any liens registered by the corporation against such unit.

ARTICLE 10.00 - INSURANCE

10.1 By the Corporation

The corporation shall be required to obtain and maintain, to the extent obtainable from the insurance industry, the following insurance, in one or more policies:

- (a) insurance against damage by fire with extended coverage and such other perils as the board may from time to time deem advisable, insuring:
 - (i) the property, excluding improvements and betterments made by or acquired by an owner;
 - (ii) personal property owned by the corporation but not including furnishings, or other personal property supplied or installed by the owners in an amount equal to the full replacement cost of such real and personal property, without deduction for depreciation, which policies may be subject to a loss deductible clause.

Every policy of insurance shall insure the interests of the corporation and the owners from time to time as their respective interests may appear, with mortgagee endorsements, which shall be subject to the provisions of this Declaration and any Insurance Trust Agreement, and shall contain the following provisions:

- (i) waivers of subrogation against the corporation, its directors, officers, manager, agents, employees and servants and as against the owners, and any member of the household or guests of any owner or occupant of a unit, except for arson, fraud, vehicle impact, vandalism or malicious mischief;
 - (ii) that such policy or policies of insurance shall not be terminated or substantially modified without at least sixty (60) days prior written notice to the corporation and to any insurance trustee;
 - (iii) a waiver of the insurer's option to repair, rebuild or replace in the event that after damage the government of the property by the Act is terminated;
 - (iv) a waiver of any defence based on co-insurance (other than a stated amount co-insurance clause);
 - (v) a waiver of any defence based on invalidity arising from the conduct or act or omission of or breach of a statutory condition by any person.
- (b) Public liability and property damage insurance for a minimum of Two Million Dollars (\$2,000,000.00) and insuring the liability of the corporation and the owners from time to time and without right of subrogation as against the corporation, its manager,

agents, servants and employees, and as against the owners, and any member of the household or guests of any owner or occupant of a unit.

- (c) Boiler and machinery insurance to the extent required as the board may from time to time deem advisable.

10.2 General Provisions

- (a) Prior to obtaining any policy or policies of insurance under subclause (l) of this Article 10.00, or any renewal or renewals thereof, or at such other time as the board may deem advisable, the board shall obtain an appraisal from an independent, qualified appraiser, of the full replacement cost of the property, for the purpose of determining the amount of insurance to be effected pursuant to subclause (l) of this Article 10.00 and the cost of such appraisal shall be a common expense.
- (b) The corporation, its board, and its officers, shall have the exclusive right, on behalf of itself, and as agents for the owners, to adjust any loss and settle any claims with respect to all insurance placed by the corporation, and to give such releases as are required, and any claimant, including the owner of a damaged unit, shall be bound by such adjustment. Provided, however, that the board may, in writing, authorize an owner to adjust any loss to his unit.
- (c) No mortgage may be placed against any unit unless the mortgagee agrees to waive any contractual or statutory provision giving the mortgagee the right to have the proceeds of any insurance policy or policies applied on account of the mortgage and thereby prevent application of the proceeds of any insurance policy or policies towards the repair of the property pursuant to the provisions of this Declaration. This paragraph (c) shall be read without prejudice to the right of any mortgagee to exercise the right of an owner to vote or to consent, if the mortgage itself contains a provision giving the mortgagee that right, and also to the right of any mortgagee to receive the proceeds of any insurance policy, if the property is not repaired.
- (d) A certificate or memorandum of all insurance policies and endorsements thereto shall be issued as soon as possible to each owner and a duplicate original or certified copy of the policy to each mortgagee if requested in writing by such owner or mortgagee; if requested in writing renewal certificates or certificates of new insurance policies shall be furnished to each owner and renewal certificates or certified copies of new insurance policies to each mortgagee, not later than ten (10) days before the expiry of any current insurance policy. The master policy of any insurance coverage shall be kept by the corporation in its offices, available for inspection by an owner or mortgagee on reasonable notice to the corporation.
- (e) No insured, other than the corporation, shall be entitled to amend any policy or policies of insurance obtained and maintained by the corporation, or to direct that loss shall be payable in any manner other than as provided in this Declaration.

10.3 By the Owner

It is acknowledged that the foregoing insurance is the only insurance required to be obtained and maintained by the corporation, and that the following insurance, or any other insurance, is the responsibility of and may be obtained and maintained by such owner:

- (a) Insurance on any additions or improvements made by the owner to his unit and for furnishings, fixtures, equipment, decorations and personal property and chattels of the owner contained within his unit, and his personal property and chattels stored elsewhere on the property, including his automobile or automobiles, and for loss of use and occupancy of his unit in the event of damage.
- (b) Public liability insurance covering any liability of any owner to the extent not covered

by any public liability and property damage insurance obtained and maintained by the corporation.

ARTICLE 11.00 - INDEMNIFICATION

Each owner shall indemnify and save harmless the corporation from and against any loss, costs, damage, injury or liability whatsoever which the corporation may suffer or incur resulting from or caused by an act or omission of such owner, his family or any member thereof, any other resident of his unit or any guests, invitees or licensees of such owner or resident to or with respect to the common elements and/or all other units, except for any loss, costs, damages, injury or liability caused by an insured (as defined in any policy or policies of insurance) and insured against, without right of subrogation against the unit owners, by the corporation.

All payments pursuant to this clause are deemed to be additional contributions toward the common expenses and recoverable as such.

ARTICLE 12.00 - FIRST MEETING

Within three (3) months of the registration of this Declaration, the members shall hold their first meeting for the purpose of electing directors. The board so elected may, without notice, hold its first meeting, provided a quorum of directors is present. Any by-law may be passed by the corporation, without a meeting, provided the consent to the by-law, by the members who own one hundred (100%) per cent of the common elements, is endorsed thereon.

ARTICLE 13.00 - GENERAL MATTERS AND ADMINISTRATION

13.1 Rights of Entry

- (a) The corporation, or any insurer of this property or any part thereof, their respective agents, or any other person authorized by the board, shall be entitled to enter any unit or any part of the common elements over which any owner has the exclusive use, at reasonable times and upon giving reasonable notice for the purposes of making inspections, adjusting losses, making repairs, correcting any condition which violates the provisions of any insurance policy or policies, remedying any condition which might result in damage to the property, or carrying out any duty imposed upon the corporation.
- (b) In the case of an emergency, an agent of the corporation may enter a unit at any time and without notice, for the purpose of repairing the unit, common elements or part of the common elements over which any owner has the exclusive use, or for the purpose of correcting any condition which might result in damage or loss to the property. The corporation or anyone authorized by it may determine whether an emergency exists.
- (c) If an owner shall not be personally present to grant entry to his unit, hereunder, the corporation, or its agents, may enter upon such unit without rendering it, or them, liable to any claims or cause of action for damages by reason thereof; provided that they exercise reasonable care.
- (d) The corporation shall retain a key to all doors to each unit. No owner shall replace any lock or place any additional locks on the doors to any unit, or in the unit, to any part of the common elements of which the owner has exclusive use. If an owner wishes to replace or add any such locks it must be first approved as to type and style by the manager of the corporation. The addition or replacement of locks shall be carried out under the manager's supervision and the unit owner shall pay the costs of such installation or addition to the manager, which costs shall be collectible as common expenses. The owner shall, if requested, immediately provide the corporation or its manager with a key for any lock for any entry door.

- (e) The rights and authority hereby reserved to the corporation, its agents, or any insurer or its agent, do not impose any responsibility or liability whatever for the care or supervision of any unit except as specifically provided in this Declaration or by by-laws.

13.2 Units Subject to Declaration, By-laws, Common Elements and Rules and Regulations

All present and future owners, tenants and residents of units, their families, guests, invitees or licencees, shall be subject to and shall comply with the provisions of this Declaration, the by-laws, and any rules and regulations of the corporation.

The acceptance of a deed or transfer, or the entering into a lease, or the entering into occupancy of any unit, shall constitute an agreement that the provisions of this Declaration, the by-laws, and any other rules and regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or resident, and all of such provisions shall be deemed and taken to be covenants running with the unit and shall bind any person having, at any time, any interest or estate in such unit as though such provisions were recited and stipulated in full in each and every such deed or transfer or lease or occupancy agreement.

13.3 Invalidity

Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, and in such event all the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

13.4 Waiver

The failure to take action to enforce any provision contained in the Act, this Declaration, the by-laws, or any rules and regulations of the corporation, irrespective of the number of violations or breaches which may occur, shall not constitute a waiver of the right to do so thereafter, nor be deemed to abrogate or waive any such provision.

13.5 Notice

Except as hereinbefore set forth, any notice, direction or other instrument required or permitted may be given if served personally by delivering the same to the party to be served, or to any officer of the party to be served, or may be given by ordinary mail, postage prepaid, addressed to the corporation at its address for service herein, to each owner at his respective unit or such other address as is given by the owner to the corporation for the purpose of notice, and to such mortgagee who has notified his interest to the corporation at such address as is given by such mortgagee to the corporation for the purpose of notice; and if mailed as aforesaid, the same shall be deemed to have been received and to be effective on the third business day following the date on which it was mailed. Any owner or mortgagee may change his address for service by notice given to the corporation in the manner aforesaid.

13.6 Construction of Declaration

This Declaration shall be read with all changes of number and gender required by the context.

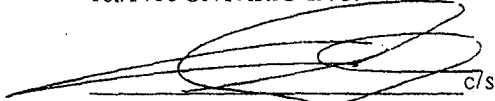
13.7 Headings

The headings in the body of this Declaration form no part of the Declaration, but shall be deemed to be inserted for the convenience of reference only.

D A T E D at the City of ^{Toronto} ~~Elliott Lake~~, in the Province of Ontario, this 3 day of January, 1995

IN WITNESS WHEREOF the Declarant has hereunto affixed its corporate seal under the hands of its proper signing officers duly authorized in that behalf.

1031466 ONTARIO INC.


_____ c/s

Dennis Van Dyke

President I have the authority to bind
Per: _____ the Corporation
authorized signing officer

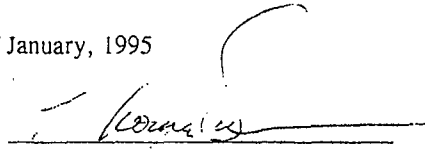
SCHEDULE "A"

Parcel 6876, in the Register for Algoma East Section, being Block B, Plan M-166, City of Elliot Lake, (formerly Township of Gunterman), District of Algoma

SUBJECT TO an Easement registered as Instrument Number 101277 on April 27th, 1979 in favour of **The** Corporation of the City of Elliot Lake, its successors and assigns over the most easterly five feet of Block B, Plan M-166, being parallel and contiguous to the most westerly boundary of Lots 29-37 inclusive, and the road allowance abutting the said Block B between Lots 32 and 33 all on Plan M-166, being Part of the above parcel.

In my opinion, based on the parcel register or abstract index and the plans and documents recorded in them, the legal description is correct, the easements described exist in law and the declarant is the registered owner of the land and appurtenant elements.

Dated at Collingwood this 19th day of January, 1995


Thomas D. Baulke

SCHEDULE "B"

THE CONDOMINIUM ACT

Consent under Clause B, Subsection 1 of
Section 3 of the Act

363003 ONTARIO LIMITED

having a registered encumbrance within the meaning of clause B of
subsection 1 of section 3 of the Condominium Act registered as Number 187943 in the
Land Registry Office for the Land Titles Division of Algoma (No. 01) of this Declaration
pursuant to the Condominium Act against the land or interests appurtenant to the lands described
in the description. hereby consents to the
registration

D A T E D at Toronto, this 2nd day of January, 199~~4~~⁵

373003 ONTARIO LIMITED
Per: ~~_____~~ x

Aileen Wolff
Aileen Wolff-President
I have the authority to bind the Corporation.

SCHEDULE "C"

DESCRIPTION OF UNIT BOUNDARIES

Each unit shall comprise the area within the heavy lines as shown on Sheet One of Part One of the Description with respect to the Unit numbers indicated thereon. The monuments controlling the extent of the units are the physical surfaces referred to immediately below and are illustrated on Sheet One of Part One of the Description and all dimensions shall have reference to them.

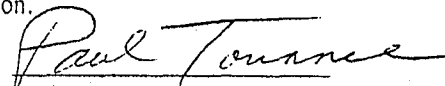
1. HORIZONTALLY: All units are bounded by:
 - a) In the case of Units 1 to 17 (both inclusive), 33 to 60 (both inclusive), 64 to 80 (both inclusive), 87 to 94 (both inclusive) and 102 to 106 (both inclusive), the backside surface of the drywall and its projection between floors and in the case of the basements the unitside face of the poured concrete foundation walls.
 - b) In the case of Units 18 to 32 (both inclusive), 61 to 63 (both inclusive), 81 to 86 (both inclusive), 95 to 101 (both inclusive) the backside surface of the drywall and its projection between floors.
2. VERTICALLY: All units are bounded by:

In the case of Units 1 to 106 (both inclusive) the upper surface of the poured concrete slab and the lower face and plane of the ceiling joist forming the uppermost ceiling of the Unit.
3. WITH RESPECT TO ALL UNITS:
 - a) In cases where any surface or plane referred to in a unit description is interrupted by apertures for windows or doors, the horizontal measurement shall extend to the unfinished interior surface of all window frames, doors, door frames, fixed and/or sliding glass doors, window or door glass, window or door screening.
 - b) In the cases where any such surface or plane aforesaid is interrupted by apertures for heating or cooling ducts or exhaust ducts, such surface or plane shall extend across such apertures.
 - c) The description of the units shall include the heating, air-conditioning or air-treatment equipment which serves that unit only and the appurtenances, ducts, connections, etc., with respect thereto, no matter where located.
 - d) The description of the unit shall include all electrical wiring, cables, conduits, lines and connections which serve that unit only and which run from the fuse box in that unit to electrical outlets or fixtures in that unit, notwithstanding that any such wiring, cables, conduits, lines or connections are situate outside the lines that otherwise define the unit boundaries.
4. NOTWITHSTANDING the foregoing, the unit shall not include:
 - a) In the case of Units 1 to 106 (both inclusive), any load bearing columns, structural members or any load bearing partitions contained within the unit and shown on the Description.
 - b) All pipes, air-vents, gas lines, electrical wiring, cables, conduits, lines and connections which may run within the boundaries of the unit but which serve another unit units.

Surveyor's Certificate

I hereby certify that the above description of boundaries of units corresponds with the boundaries specifications as shown on Part 1 of the description.

November 30, 1994
Elliot Lake, Ontario


Paul H. Torrance O.L.S.
Paul H. Torrance Surveying Ltd.

SCHEDULE "D"

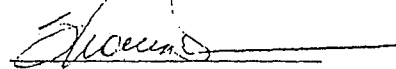
Percentage of Common Interest and Proportion of the Contribution to Common Expenses

<u>Unit No.</u>	<u>Level No.</u>	<u>Common Elements</u> <u>Percentage</u>	<u>Unit No.</u>	<u>Level No.</u>	<u>Common Elements</u> <u>Percentage</u>
1	1	.943396%	54	1	.943396%
2	1	.943396%	55	1	.943396%
3	1	.943396%	56	1	.943396%
4	1	.943396%	57	1	.943396%
5	1	.943396%	58	1	.943396%
6	1	.943396%	59	1	.943396%
7	1	.943396%	60	1	.943396%
8	1	.943396%	61	1	.943396%
9	1	.943396%	62	1	.943396%
10	1	.943396%	63	1	.943396%
11	1	.943396%	64	1	.943396%
12	1	.943396%	65	1	.943396%
13	1	.943396%	66	1	.943396%
14	1	.943396%	67	1	.943396%
15	1	.943396%	68	1	.943396%
16	1	.943396%	69	1	.943396%
17	1	.943396%	70	1	.943396%
18	1	.943396%	71	1	.943396%
19	1	.943396%	72	1	.943396%
20	1	.943396%	73	1	.943396%
21	1	.943396%	74	1	.943396%
22	1	.943396%	75	1	.943396%
23	1	.943396%	76	1	.943396%
24	1	.943396%	77	1	.943396%
25	1	.943396%	78	1	.943396%
26	1	.943396%	79	1	.943396%
27	1	.943396%	80	1	.943396%
28	1	.943396%	81	1	.943396%
29	1	.943396%	82	1	.943396%
30	1	.943396%	83	1	.943396%
31	1	.943396%	84	1	.943396%
32	1	.943396%	85	1	.943396%
33	1	.943396%	86	1	.943396%
34	1	.943396%	87	1	.943396%
35	1	.943396%	88	1	.943396%
36	1	.943396%	89	1	.943396%
37	1	.943396%	90	1	.943396%
38	1	.943396%	91	1	.943396%
39	1	.943396%	92	1	.943396%
40	1	.943396%	93	1	.943396%
41	1	.943396%	94	1	.943396%
42	1	.943396%	95	1	.943396%
43	1	.943396%	96	1	.943396%
44	1	.943396%	97	1	.943396%
45	1	.943396%	98	1	.943396%
46	1	.943396%	99	1	.943396%
47	1	.943396%	100	1	.943396%
48	1	.943396%	101	1	.943396%
49	1	.943396%	102	1	.943396%
50	1	.943396%	103	1	.943396%
51	1	.943396%	104	1	.943396%
52	1	.943396%	105	1	.943396%
53	1	.943396%	106	1	.943396%
TOTALS					100.0000%

I hereby certify that the total of the above percentages is correct.

CORCORAN, THOMPSON, BAULKE & WRIGHT

Per:



Thomas D. Baulke

SCHEDULE "E"

COMMON EXPENSES

(a) All expenses of the corporation incurred by it in the performance of its objects and duties whether such objects and duties are imposed under the provisions of the Act or of the within Declaration are performed pursuant to any registered By-law of the corporation, including without limiting the generality of the foregoing, the cost of borrowing money to carry out the objects and duties of the corporation and the repayment, including principal and interest, of debts incurred for the objects and duties of the corporation; provided that the borrowing of such money shall have been duly authorized under the terms of the By-laws of the corporation, and the provisions of the Act.

(b) All sums of money payable by the corporation on account of any and all public and private supplies of insurance coverage, utilities and services for condominium property, including without limiting the generality of the foregoing, monies payable on account of:

- (i) snow removal, sanding and landscaping;
- (ii) insurance premiums and the necessary appraisals;
- (iii) electricity respecting common elements;
- (iv) water and sewage, unless separately metered for each unit or unless charged to the unit on a flat rate basis;
- (v) waste disposal (where applicable);
- (vi) property maintenance and supervisory staff; and
- (vii) maintenance materials, tools and supplies for common elements;
- (viii) pest control;

(c) All sums of money required by the corporation for the acquisition or retention of real property for the use and enjoyment of the property or for the acquisition, repair, maintenance or replacement of personal property for the use and enjoyment in or about the common elements.

(d) All sums of money paid or payable by the corporation to any and all persons, firms or companies engaged or retained by the corporation, its duly authorized agents, servants and employees for the purpose of performing any or all of the duties of the corporation.

(e) All sums of money paid or payable by the corporation for legal, engineering, accounting, auditing, expert appraising, advising, maintenance, managerial and secretarial advice and services required by the corporation in the performance by the corporation of its objects and duties.

(f) The fees and disbursements of the Insurance Trustee.

(g) All sums of money paid or payable by the corporation pursuant to the provisions of Subsections 1 and 2 of Section 14 of the Act.

(h) The cost of the corporation's share of maintenance, repairs and operation of the common elements.

SCHEDULE "F"

Schedule of Exclusive Use Areas
In Common Elements

YARD AREA

Each owner of a unit is entitled to the exclusive use and possession of the yard shown in heavy outline and designated on Sheets Two and Three of Part 1 of the description with the same number as the owner's unit and the Suffix "A".

In the case of all units the exclusive use area includes a storage shed.