

# Document General

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BY-LAW NO. 3

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Form 4 — Land Registration Reform Act

<p style="writing-mode: vertical-rl; transform: rotate(180deg); font-size: small;">FOR OFFICE USE ONLY</p> <div style="text-align: center; margin-top: 20px;"> <p>Number/Numero <b>AT6391403</b></p> <p><b>CERTIFICATE OF RECEIPT</b></p> <p><b>CERTIFICAT DE RECEPISSE</b></p> <p><b>80</b></p> <p>Office/Bureau: _____</p> <p><i>Gene Szymanski</i></p> <p>Land Registrar Registraireur</p> </div> <div style="text-align: center; margin-top: 20px;"> <p><b>AUG 04 2023 12:37</b></p> </div>	<p>(1) Registry <input type="checkbox"/> Land Titles <input checked="" type="checkbox"/> (2) Page 1 of <b>40</b> pages</p>	<p>(3) Property Identifier(s) <b>76985-0001 to 76985-0775 (both inclusive)</b> Block _____ Property _____ Additional: See Schedule <input type="checkbox"/></p>	
	<p>(4) Nature of Document <b>BY-LAW NO. 3 (s.56(9) of the Condominium Act)</b></p>		
	<p>(5) Consideration  Dollars \$ _____</p>		
	<p>(6) Description <b>All Units on all Levels and Common Elements Toronto Standard Condominium Corporation No. 2985 City of Toronto The Land Titles Division of Toronto (Land Registry Office No. 66)</b></p>		
	<p>New Property Identifiers Additional: See Schedule <input type="checkbox"/></p>	<p>(7) This Document Contains: (a) Redescription New Easement Plan/Sketch <input type="checkbox"/> (b) Schedule for: Description <input type="checkbox"/> Additional Parties <input type="checkbox"/> Other <input type="checkbox"/></p>	
	<p>Executions Additional: See Schedule <input type="checkbox"/></p>	<p>(8) This Document provides as follows: <b>SEE SCHEDULE</b></p>	

Continued on Schedule

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

<p>(10) Party(ies) (Set out Status or Interest) Name(s)</p>	<p>Signature(s)</p>	<p>Date of Signature Y M D</p>
<p><b>TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2985</b></p>	<p>Per: <i>Neil Pattison</i> <b>Name: Neil Pattison</b> <b>Title: President</b></p>	<p><b>2023 08 04</b></p>
<p><b>We have authority to bind the corporation.</b></p>	<p>Per: <i>Spencer Owen</i> <b>Name: Spencer Owen</b> <b>Title: Secretary</b></p>	<p><b>2023 08 04</b></p>

(11) Address for Service **c/o 150 Logan Ave, Toronto, Ontario M4M 0E4**

<p>(12) Party(ies) (Set out Status or Interest) Name(s)</p>	<p>Signature(s)</p>	<p>Date of Signature Y M D</p>
<p>_____</p>	<p>_____</p>	<p>_____</p>
<p>_____</p>	<p>_____</p>	<p>_____</p>

(13) Address for Service

<p>(14) Municipal Address of Property <b>MULTIPLE 150 Logan Avenue Toronto, Ontario M4M 0E4</b></p>	<p>(15) Document Prepared by: <b>Elizabeth Lun BRATTYS LLP Suite 200 7501 Keele Street Vaughan, Ontario L4K 1Y2 (EL/mts)</b></p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: center;">Fees and Tax</th> </tr> <tr> <td style="width:50%;">Registration Fee</td> <td style="text-align: center;"><b>80.50</b></td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;"><b>80.50</b></td> </tr> </table>	Fees and Tax		Registration Fee	<b>80.50</b>							<b>Total</b>	<b>80.50</b>
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**CONDOMINIUM ACT, 1998****CERTIFICATE IN RESPECT OF A BY-LAW**  
(under subsection 56(9) of the *Condominium Act, 1998*)

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2985 (known as the "Corporation") certifies that:

1. The copy of By-law No. 3 attached hereto is a true copy of the By-law.
2. The By-law was made in accordance with the *Condominium Act, 1998*.
3. The owners of a majority of the units of the Corporation have voted in favour of confirming the By-law.

DATED this 4th day of August, 2023

TORONTO STANDARD CONDOMINIUM  
CORPORATION NO. 2985

Per:  \_\_\_\_\_

Name: Neil Pattison

Title: President

Per:  \_\_\_\_\_

Name: Spencer Owen

Title: Secretary

We have authority to bind the Corporation.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2985

BY-LAW NO. 3

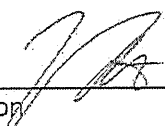
Be it enacted as a By-law of TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2985 (hereinafter referred as to the "Corporation") as follows:


- 1. a Reciprocal Operating Agreement entered into by the Corporation with 462 DEVELOPMENTS INC. dated the 4th day of August, 2023 and attached hereto be ratified and the terms of such Reciprocal Operating Agreement be approved by the board.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2985 hereby enacts the foregoing by-law having been duly approved by the directors of the Corporation and confirmed without variation by the declarant which owns 100 per cent of the units pursuant to the provisions of the Condominium Act, 1998.

DATED this 4th day of August, 2023.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2985

Per:   
 Name: Neil Pattison  
 Title: President

Per:   
 Name: Spencer Owen  
 Title: Secretary

We have the authority to bind the Corporation.

**RECIPROCAL OPERATING AGREEMENT**

THIS AGREEMENT is made this 4th day of August, 2023.

**AMONG:**

**TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2985**

(hereinafter referred to as the "Condominium")

- and -

**462 DEVELOPMENTS INC.** (in its capacity as owner of the Retail Component)

(hereinafter referred to as the "Retail Component Owner")

**RECITALS:**

- A. 462 DEVELOPMENTS INC. has constructed upon the lands and premises described in Schedules "A" and "B" hereto the Project, as defined here, containing residential uses within the Condominium and commercial uses within the Retail Component;
- B. The Condominium Lands comprise the Residential Component, which includes inter alia residential units, parking units, and storage units within the Project;
- C. The Retail Component Lands comprise the Retail Component which contains commercial uses;
- D. The Condominium was created by the registration of a declaration and description (the "Declaration and Description") for the Residential Component under the provisions of the Act as Instrument No. AT6373156;
- E. As of the date of this Agreement 462 DEVELOPMENTS INC. holds legal title to the Retail Component Lands and all of the Units;
- F. The parties wish to have the benefits and obligations provided in this Agreement appurtenant to the lands and premises described in Schedules "A" and "B" and to provide for the operation thereof; and
- G. The parties hereto wish to enter into an agreement regarding, inter alia, the operation of the Project, the establishment of those facilities and services within the development defined herein as the Shared Facilities which are intended to serve various areas of the Project, the cost sharing of the Shared Facilities, the allocation of responsibilities to maintain and repair the Shared Facilities, to provide for the disposition of insurance proceeds received by reason of damage to all or part of the Project, to provide for the disposition of expropriation proceeds received by reason of the taking of all or part of the Project Lands, to provide an arrangement for the sharing of certain costs and expenses and of real estate taxes and other governmental and municipal charges if the assessing or taxing authorities shall at any time fail to assess or tax the Condominium and the Retail Component separately, and to set forth certain other agreements of the parties hereto with respect to the Project and the sharing of other mutual costs.

NOW, THEREFORE, in consideration of the terms and conditions herein contained the parties agree as follows:

**ARTICLE I - DEFINITIONS**

**Section 1.01 - Defined Terms**

In this Agreement the following terms shall have the following meanings:

- (a) "Act" shall mean the Condominium Act, 1998, S.O. 1998, c. 19 as amended or replaced from time to time.
- (b) "Assumption Agreement" shall mean, in respect of the transfer of the ownership of any Component or part thereof (excluding Units) an agreement in the form attached hereto as Schedule "E1", in respect of a lease of any Component for 21 years or more (excluding leases for a portion of Retail Component) an agreement in the form attached hereto as Schedule "E2" and in respect of the creation of a security interest in a

Component or part thereof, (excluding Units) an agreement in the form attached hereto as Schedule "E3".

- (c) "Charge" means a charge, mortgage or other encumbrance created by a party to this Agreement and secured by that party's interest in a Component.
- (d) "Chargee" means a person possessing a Charge.
- (e) "Component" shall mean any of the Residential Component or the Retail Component, provided however, that for the lands which form the subject of the Declaration and Description, the Component shall mean the totality of the lands governed by the Declaration and Description notwithstanding the separate ownership of Units. "Components" shall mean both the Residential Component and the Retail Component, as the context may require.
- (f) "Condominium Lands" means all of the lands and premises described in Schedule "A" to this Agreement.
- (g) "Easements" shall mean any of the easements over all or any part of the Project Lands for the benefit of all or any part of the other lands forming the Project Lands whether created by specific grant of easement or by virtue of the provisions of ARTICLE II - of this Agreement.
- (h) "Historical Components" means those items, components and/or attributes defined and/or depicted as Heritage Attributes in Instrument No. AT5073653 registered on February 8, 2019 and which may be catalogued, located, viewed and/or otherwise made available by the City of Toronto's and within the City of Toronto's archives;
- (i) "Lien" shall have the meaning assigned to it Section 13.04 - (a)(ii) herein.
- (j) "Owner of a Component" shall mean the registered owners from time to time of the Retail Component or the Condominium with respect to the Residential Component.
- (k) "Owners of the Components" shall mean the registered owners from time to time of the Retail Component and the Condominium with respect to the Residential Component.
- (l) "Prohibited Alterations" means any alteration, addition or improvement to a Component which diminishes in any material way the benefits afforded to the owner of another Component pursuant to an Easement or which unreasonably interrupts the use of an Easement by such other party or which detrimentally interferes with any mutual or common building system.
- (m) "Project" means collectively the Residential Component and the Retail Component.
- (n) "Project Lands" shall mean all of the lands and premises described in Schedules "A" and "B".
- (o) "Proportionate Share" means with respect to each of the Components the share of the costs of the Shared Facilities as set out in Schedule "D".
- (p) "Residential Component" means the Condominium Lands and the Structures constructed therein and thereon from time to time.
- (q) "Residential Owners" shall mean 462 DEVELOPMENTS INC. as of the date of this Agreement and all future owners, from time to time, of Units.
- (r) "Retail Component" means the Retail Lands and the Structures constructed therein and thereon from time to time.
- (s) "Retail Component Lands" shall mean all of the lands and premises described in Schedule "B" to this Agreement.
- (t) "Retail Component Owner" shall mean 462 DEVELOPMENTS INC. as of the date of this Agreement and all future owners, from time to time, of the Retail Component.
- (u) "Shared Facilities" means all facilities and services in the Project which have been constructed and/or installed to serve more than one Component of the Project and whose use is secured by one or more of the Easements, including, without limitation, the items listed in Schedule D hereto, and each is a "Shared Facility".

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- (v) "Structures" shall mean the buildings or structures constructed upon the Project Lands or any part thereof.
- (w) "Support Repairs" has the meaning given to it by Section 6.01 - .
- (x) "Terms, Regulations and Rules" means those matters set out in Schedule "C" to this Agreement.
- (y) "Unit(s)" shall mean a registered condominium unit or units as it or they may exist from time to time in regard to the Condominium created upon the Residential Component.

#### Section 1.02 - Other Words

All other words shall have the meanings ascribed to them in the Act.

#### Section 1.03 - Schedules

- (a) Schedule "A" - Legal Description – Condominium Lands
- (b) Schedule "B" - Legal Description – Retail Component Lands
- (c) Schedule "C" - Terms, Regulations and Rules Applicable to the Easements
- (d) Schedule "D" - Allocation of the Cost of Shared Facilities Maintenance, Repair and Operations
- (e) Schedule "E1"- Form of Assumption Agreement - Transfer
- (f) Schedule "E2"- Form of Assumption Agreement - Lease
- (g) Schedule "E3" - Form of Assumption Agreement - Security Interest

These Schedules are incorporated into and form a part of this Agreement in the same way as if they were in the body of this Agreement.

### **ARTICLE II - EASEMENTS, RIGHTS OF WAY, RESERVATIONS**

#### Section 2.01 - Confirmation of Easements

The parties acknowledge and agree that the Project Lands are subject to Easements some of which are set out and created in various severances and conveyances of the Project Lands and any part(s) thereof prior to and/or upon registration of the Condominium. The parties covenant and agree that they shall each be bound by, and that the Components shall each be burdened with, the Easements. If required by any Owner of a Component, the parties shall execute any further instruments, covenants, acknowledgements, other transfer instruments or other documents required to evidence, restate or convey any of the Easements.

#### Section 2.02 - General Easements for Repair, Maintenance and Access

The Project Lands have the benefit of and/or are subject to the specific Easements as set out in their respective descriptions for the purposes therein set out. This Agreement is intended to supplement the provisions of such Easements by clarifying the respective rights of the various parties entitled thereto and allocating responsibilities for various obligations thereunder. Accordingly, and to the extent necessary, this Agreement shall act as an amendment to the terms of such Easements. Notwithstanding that the parties have attempted to set out all of the Easements presently anticipated, it is understood and agreed that the parties shall create all such Easements as are reasonably required to allow the Components to function as designed and to permit their ongoing operation, maintenance and repair and each of the Owners of the Components hereby grants to the others a general Easement of repair, maintenance and access over their respective Structures to and in favour of the other parties hereto and the other respective Components.

#### Section 2.03 - General Easements of Support

Notwithstanding the specific Easements for support already existing, and subject to the conditions herein provided, each Owner of a Component grants to the others, such other Easements of support over the respective Structures (or portions thereof) of the grantor thereof, in and to all existing structural members, footings and foundations for the purpose of supporting the Structures of such grantees.

#### Section 2.04 - General Easement of Emergency Access

Notwithstanding the specific Easements for emergency fire route access already existing, and subject to the conditions herein provided, each Owner of a Component grants to the each other, such other Easements for emergency fire route access, over the Structures (or portions thereof) of the grantor thereof, for the purpose of allowing emergency fire route access over the corridors and stairs designated from time to time by the owner of Structures in compliance with applicable fire regulations.

#### Section 2.05 - General Easements for Services

Notwithstanding the specific Easements for all utility, mechanical, electrical and other services or systems serving any of the Components already existing, and subject to the conditions herein provided, each Owner of a Component grants to each other, such other Easements over all utilities, service areas, mechanical equipment and all other areas that provide any service to another Component and other services or systems which may exist in any of the Structures (or portions thereof), for the purpose of maintaining, operating, repairing, replacing and inspecting or gaining any required access to any utility, mechanical, electrical and other services, systems or areas which provide services to the other Component.

#### Section 2.06 - Specific Easement for Mechanical Equipment

In addition to the Easements already existing and such other rights and easements set out herein, the Residential Component hereby grants to and in favour of the Retail Component a specific easement in respect of the use, maintenance, repair and replacement of the mechanical equipment and facilities serving the Retail Component that is located within the Residential Component, and which includes, without limitation, all heating cooling and ventilation equipment and services.

#### Section 2.07 - Term of Easements

All of the Easements are granted in perpetuity, or for such lesser period as is specifically set out herein or in any specific grant of an Easement or for such lesser period as the Owners of the Components may agree in connection with any redevelopment or rebuilding of the Project.

#### Section 2.08 - Specific Grants of Easements

It is acknowledged and agreed that the Owners of the Components may each obtain from the others further specific grants of easement for any of the general Easements provided for hereunder if such general Easements have been separately shown as parts on a deposited reference plan of survey and the parties agree to execute such further specific grants of easement as may be necessary to do so. Such supplementary specific grants of easement will be provided not more than 60 days following a request by any party entitled to the benefit of such easement provided that such request is accompanied by a draft transfer of easement and draft reference plan of survey delineating the proposed easement.

#### Section 2.09 - Air Flow

The Owners of the Components mutually acknowledge and agree that there has been integration of the air circulation systems within certain portions of the Project. Accordingly, the Owners of all Components have easements for the free flow of air through all mutual air circulation systems as designed. As a result, the Owners of the Components agree not to build any additional structure or installation, nor to do any other act or thing which will result in interference with, or obstruction of, the free flow of air as required to permit the effective operation of such mutual air circulation systems as designed.

#### Section 2.10 - Signage and Access

- (a) The Retail Component Owner shall have complete control and responsibility with respect to any permanent or temporary signage that forms part of its Component and any sign units or sign boxes owned by such parties, including, without limitation, the location and/or relocation of or addition to the signage, the size and shape of the signage, the type of illumination, if any, of the signage, and the hours of illumination, and the language of the signage provided such signage shall be in compliance with all municipal by-laws and regulations and shall not obstruct any ingress or egress points, including ramps, driveways, drive aisles, and walkways. In this regard in the event that the Retail Component requires electricity service for any such signs and it is most practicable to obtain such service from the Condominium, the Condominium shall act reasonably to allow the Retail Component to utilize such electrical service and arrange for metering or

payment of a fixed fee for the use of such electricity.

- (b) The Condominium hereby grants to and in favour of the Retail Component, and the Retail Component grants to and in favour of the Residential Component, Easements to locate wayfinding or directional signs and appurtenant equipment within the Condominium Lands for the benefit of the Retail Component Owner and the Retail Component Lands for the benefit of the Condominium, all provided that such signs and appurtenant equipment does not materially interfere with the operation of the Condominium and any components of the Condominium or the Retail Component and any components of the Retail Component, as applicable. The rights set out herein in favour of the Retail Component over the Condominium include the right to locate directional signage, logos or signs advertising or depicting the operator of the car share service situate within the Retail Component (if any), provided such signs do not interfere with, restrict or otherwise prevent any other signs or signage rights of any other parties, including without limitation any signage rights provided in the declaration of the Condominium.
- (c) The Condominium hereby grants to and in favour of the Retail Component, Easements to locate wayfinding or directional signs and appurtenant equipment for access to and egress from the car share parking spaces within the Retail Component Lands, all provided that such signs and appurtenant equipment does not materially interfere with the operation of the Condominium.
- (d) The Retail Component Owner shall at all times have the right to pass or traverse over and upon the Condominium to obtain full and complete access to such signage in order to install, inspect, maintain, repair and replace such signage.
- (e) Neither Owner of a Component shall not obstruct in any manner whatsoever any signage installed by the aforesaid or its tenants.

#### Section 2.11 - Location of Payment Equipment

The Condominium hereby confirms the Easement granted to the Retail Component for the purposes of use, access to, installation, placement, maintenance, repair and replacement of electronic point of sale machines and appurtenant wires and cables as may be contained therein. Such machines and payment equipment may be located within the common elements of the Condominium and secured to any walls, columns or floors forming part of the Condominium and there shall be no fees charged in connection with such.

#### Section 2.12 - Parking Fees and Easement for Parking

None of the Easement(s) contained in the declaration and description of the Condominium or herein shall in any way restrict or prevent the Retail Component Owner and/or any operator of the commercial parking facility from charging fees to visitors to the Project Lands for any use of parking spaces within the Retail Component, nor shall any easements confer upon any party any right in any manner whatsoever to park or make any use of the parking spaces located within the Retail Component.

#### Section 2.13 - Specific Easement for Historical Components

The Condominium hereby grants to and in favour of the Retail Component and the Retail Component hereby grants to and in favour of the Condominium, Easements for the benefit of the other Owner of a Component over, along, across, through and upon the other respective Component for the purposes of access and egress to and from, maintenance, repair, use and inspection of the Historical Components located within the Condominium Lands, all provided that the exercise of such Easements does not materially interfere with the operation of either of the Components.

#### Section 2.14 - Administration of Shared Security Services

- (a) The Condominium shall engage a security services provider for the provision of concierge service for the Condominium occupants and security services to the Condominium and the Retail Component, which shall include supervision and security to all common element areas of both the Condominium and the Retail Component and such additional services that are usually provided with such contracts by the security providers.
- (b) The initial level of service shall be security monitoring 24 hours a day for 7 days per week which level of service is hereinafter the "Standard Security Services".



- (c) The Standard Security Services may not be reduced or increased by the Condominium unless the Retail Component agrees to the change to the level of service. In the event that one party wishes to increase the level of service and the other does not, the Condominium shall increase the level of service, with the party requesting such increased services being liable for the increased costs in the event that only one party is requesting such increase to the Standard Security Services.
- (d) The Standard Security Services may not be decreased unless agreed to by both parties.

#### Section 2.15 - Chargee's Consent

Any party required to grant a further Easement under the provisions of this Article II shall use its reasonable efforts to obtain any necessary postponements from any Chargee of its Component, and any Chargee by virtue of entering into an Assumption Agreement agrees not to unreasonably withhold its consent to the creation of such Easements and to the postponing of its Charge thereto.

### ARTICLE III - OPERATION

#### Section 3.01 - Compliance with Law and Municipal Requirements

- (a) Each Owner of a Component in performing its obligations and exercising its rights under this Agreement covenants and agrees to comply with all laws, rules, orders, ordinances, regulations and requirements of any government, or municipality, or any agency thereof having jurisdiction over the Project Lands which shall include without limitation, the following:
  - (i) Each Owner of a Component shall assume and fulfill the obligations imposed on it under all zoning by-laws, agreements and undertakings with the City of Toronto and other governmental authorities which have been entered into, assumed or which otherwise relate to or affect its Component;
  - (ii) Each Owner of a Component shall refrain from any action which would jeopardize the status of any part of the Project under the zoning by-laws, agreements and undertakings with the City of Toronto and other governmental authorities; and
  - (iii) Each Owner of a Component shall indemnify and save each of the Owners of the Components harmless from and against any and all liabilities, claims, demands, damages, actions, suits or other proceedings of any kind, losses, costs and expenses, including all legal fees and disbursements that an Owner of a Component might suffer or incur by reason of a failure to comply with the foregoing provisions of this paragraph.
- (b) The parties acknowledge that the applicable City of Toronto By-Law relating to the development of the Project (the "Zoning By-Law") imposes specific zoning restrictions which are applicable to the entire Project. In respect of the Zoning By-Law, the following provisions shall apply:
  - (i) The parties further acknowledge that the Zoning By-Law establishes certain density permissions for the entire Project, and that each party agrees to comply with the foregoing density allocations and agrees not to construct any buildings or other improvements in its Component or use its Component for any purpose so as to appropriate density allocated to another Component.
  - (ii) Except as specifically provided in this Section, nothing precludes any party from applying for amendments from time to time to the Zoning By-Law, or for other relief or permission under the Planning Act (Ontario).
  - (iii) In the event that an Owner of a Component applies for, seeks or supports, directly or indirectly, changes to the Zoning By-Law which would have the effect of changing any Zoning By-Law provisions applicable to any other Component, such other Owners of the Components shall cooperate with such Owner of a Component and execute, deliver, provide any required documents, agreements, undertakings or municipal instruments and effect any required actions, provided that the Component of such Owner is not negatively affected by the documents, agreements, undertakings or municipal instruments it is being requested to execute or in the actions it is being requested to undertake.
  - (iv) Each Party agrees to confirm to the City that they do not object to the processing

of applications under the Planning Act (Ontario) by any of them. In the event of a change to the Zoning By-Law being proposed by the City, or any other person, or any other application being initiated under the Planning Act (Ontario), each party shall be entitled to take such steps as are reasonably necessary and consistent with the spirit and intent of this Agreement to protect and preserve its interests in relation to its Component.

- (v) If the Zoning By-Law is amended or other relief or permission under the Planning Act (Ontario) is granted in conformity with this Agreement so as to change the limits on density which apply to any of the Components or the entire Project, then the parties shall adjust the density allocation for each Component under this Section in accordance with the spirit and intent of this Agreement and the Zoning By-Law amendment or other relief or permission, and failing agreement on such adjustment, such matter shall be determined by arbitration.
- (vi) In the event of any change(s) to any density allocations pursuant to the terms hereof, the party seeking or undertaking such change(s) shall be responsible for the costs incurred as a result of same by the other parties hereto.
- (c) Except as expressly set out in this Agreement, each Owner of a Component shall bear all costs and expenses of whatsoever nature and kind in any way related to, associated with or arising from all zoning by-laws, agreements and undertakings with the City of Toronto and other governmental authorities which have been entered into, assumed or which otherwise relate to or affect its Component.

#### Section 3.02 - Compliance with Agreement

Each Owner of a Component herein covenants and agrees to comply with all of the provisions herein contained and will not authorize or condone any breach thereof by any resident, visitor, guest, invitee or agent.

#### Section 3.03 - Regulation of Easements

The enjoyment, use and operation at any time of the Easements shall be subject to the Terms, Regulations and Rules applicable to such Easements.

#### Section 3.04 - Use of Easements

In exercising the Easements, each Owner of a Component shall act in a prudent and reasonable manner so as to minimize the interference occasioned to the other Owners of Components by the use of such Easements.

#### Section 3.05 - Obligations to Restore

In the event that damage or inconvenience is caused to the Structures of the grantor of an Easement as the result of the exercise of the grantee's right to such Easement, the grantor may repair such damage at the cost of the grantee who caused the damage and such repair shall include any redecoration necessary to restore the damaged Structures to their previous condition. This provision shall also apply to damage done by a party to another party's portion of the Structures while conducting repair of damage.

#### Section 3.06 - Maintenance, Repair and Replacement of Shared Facilities

The parties hereto acknowledge their understanding that certain work in connection with the maintenance, repair and replacement of various portions of the Project or of the Structures and various Shared Facilities will benefit the other parties hereto. The Owners of the Components shall operate, maintain, repair and replace their Components (including, but not limited to, Support Repairs and all repairs necessary to ensure the continuity of the Easements) as follows:

- (a) Except as hereinafter expressly set out, the Owner of a Component shall be responsible for the ongoing repair, maintenance and operation of such Component, even though other parties to this Agreement may possess Easements over a portion of such Component, subject, however, to the obligation of the other parties to contribute towards such costs incurred in connection with the foregoing in accordance with this Agreement; and
- (b) Each Owner of a Component shall promptly perform the operations, maintenance, repair or replacement of all of those Shared Facilities which are their respective

responsibilities, which shall include the responsibilities allocated to each Owner of a Component in Schedule "D" hereto, and promptly pay all of the costs of performing such work, and exercise their best efforts to ensure no liens are registered in respect of any Component or Structure or all or part of the Project Lands during the course of any work performed pursuant to this subsection, and to remove any construction liens which may be registered against any of the Components or Structures or all or part of the Project Lands in accordance with the provisions of Section 3.17 - hereof.

#### Section 3.07 - Performance of Work and Maintenance Standards

- (a) All work required to be performed pursuant to this Agreement shall be performed in a manner equivalent to standards from time to time maintained in other similar buildings in the Greater Toronto Area, provided where any service, utility, system or equipment serves any two or more of the Structures or Components, the same shall be continuously repaired, operated and maintained, in order to provide continuous ongoing service to such applicable Structures or Components. All work performed shall be performed in such a way as to cause minimal disturbance to the tenants and occupants of the Structures or Components. All Shared Facilities shall be maintained and operated to the standards required by each of the Components hereto.
- (b) Each Owner of a Component shall operate, maintain, pay utilities, repair and replace such Component in the aforesaid manner including without limitation, keeping such Component clean and tidy, providing all necessary services and utilities, promptly removing all garbage and refuse and providing all necessary security.
- (c) In the event that either of the parties which do not have responsibility for any of the items of Shared Facilities listed on Schedule "D" are not satisfied with the performance of work and the maintenance standards of any of the Shared Facilities, then upon request of either of such other parties, the Owners of the Components shall meet to determine what practices are to be implemented by the party(ies) allocated responsibility for any of the facilities listed in Schedule "D" in order to manage and operate all such systems and facilities in a manner that is satisfactory to all of the Owners of the Components. In the event that agreement cannot be reached by the parties on such administration, or following any such meetings, the performance of work and the maintenance standards are not satisfactory as required hereunder, then the parties shall either:
  - (i) create a shared facilities committee comprised of members of each of the Owners of the Components and provide an operational mandate for such committee to mandate the performance of work and the maintenance standards of the Shared Facilities; or
  - (ii) agree to allocate the maintenance of the facilities listed on Schedule "D" hereto which are at issue to another Owner of a Component; or
  - (iii) proceed pursuant to the arbitration provisions of this Agreement in order to allow the disagreement between the parties as to the performance of work and the maintenance standards of the Shared Facilities to be determined and allow the arbitrator to make a decision as to the allocation of responsibilities, level of the performance of work and the maintenance standards, and such other matters as may be determined by the arbitrator.

Notwithstanding the terms of this Section, the provisions hereof do not relieve any Owner of a Component from being in default of the terms of this Agreement on account of failing to maintain the Shared Facilities to a standard required by the parties hereto and the other provisions of this Agreement dealing with such default shall apply at all times.

#### Section 3.08 - Cost Sharing of Repair, Maintenance and Operation

Schedule "D" of this Agreement sets forth an allocation of responsibility respecting certain of the Shared Facilities including the party bearing the responsibility for maintenance, operation, repair, paying utilities and replacement of each of the Shared Facilities as well as the Proportionate Share of the costs of the Shared Facilities for each of the Components. The party performing the ongoing maintenance and repair of each of the Shared Facilities shall prepare for each budget year a proposed budget for any of the costs which it will be incurring and which are to be shared in accordance with Schedule "D" and such budget shall show the budgeted share of such costs to be borne by each of the contributing parties. Such budget shall be circulated to each of the contributing parties by not later than 60 days prior to the commencement of the budgeted year. The budget year ends shall be changed from time to time

to be the same as that of the Condominium from time to time. The performing party shall provide the contributing party with such documentation in support of the budgeted amounts, and expenses incurred, as may be reasonably requested. The contributing parties shall pay to the performing party their share of the Schedule "D" costs in accordance with such budget in equal payments due on the last day of each month. Any contributing party who disagrees with any budgeted share may refer the matter to arbitration as otherwise provided for hereunder, pending the resolution of which the contributing party shall pay in accordance with the budget, subject to reconciliation if necessary after the arbitration has been completed. Within 60 days of the end of any calendar year the party who prepared a budget shall prepare a reconciliation of the budget for such year with the actual expenditure for the budgeted matters and forward a copy of such reconciliation to the contributing party or parties. The contributing party or parties shall be credited with the amount of any overpayment against future payments or shall forthwith pay the amount of any underpayment to the party performing the work in respect of such overpayment.

#### Section 3.09 - Allocation of the Cost of Shared Facilities Maintenance, Repair and Operations

- (a) Each party is responsible for the repair, maintenance, operation, utilities and replacement of its own Component, at its sole cost, even when portions of its Component also serve or benefit another Component, save and except as set out in Section 3.10 - and Section 3.11 - herein, and save and except for the costs that are to be shared pursuant to Schedule "D". In the event of an insurance claim in respect of a Shared Facility the deductible reasonably allocated to the repair/replacement of that Shared Facility and damage resulting to such Shared Facilities constitutes a Shared Facilities Cost.
- (b) If the Owner of a Component is not to be responsible for the repair, maintenance, operation, utilities and replacement of some portion or element of its Component, then it is explicitly stated in the description of such portion or element of the Component in Schedule "D".
- (c) The portion of the costs of the annual repair, maintenance, operation, utilities and replacement of any portion or element of a Component where such costs are to be shared, is expressly set out in Schedule "D" opposite the description of such portion or element of such Component.
- (d) If any of the parties identify a matter not included in Schedule "D" but which is in fact functioning as one of the Shared Facilities as defined by this Agreement or is required by any of the Components, then, at a meeting of the Owners of the Components, the parties will in good faith negotiate to establish a fair allocation of the responsibility and cost of operating and maintaining such additional Shared Facilities which, upon the agreement of the parties shall be added to the matters set out in Schedule "D" without the need for amendment to this Agreement. In negotiating the fair allocation of cost and responsibilities in accordance with the preceding sentence, the parties shall consider and have regard to the following factors:
  - (i) The approximate benefit of such new Shared Facility to each Component (based on consumption, usage, load area, or other relevant empirical measure(s));
  - (ii) The cost allocation treatment of similar or analogous Shared Facilities among the Owners of the Components; and
  - (iii) The proportionate burden or hardship resulting from the failure or non-operation of such new Shared Facility to each of the Components.

If the parties cannot agree, the matter will be determined in accordance with the arbitration provisions of this Agreement.

#### Section 3.10 - Acknowledgement of Historical Components

- (a) Each Owner of a Component hereby acknowledges and agrees that the Condominium contains Historical Components which shall, at all times, be maintained in accordance with any instrument, notice, agreement and/or other document registered on title to any portion of the Project Lands, including without limitation, Instrument No. AT5073653 registered on February 8, 2019, By-Law 0675-2019, By-Law 0676-2019, and any other relevant registrations, easements, by-laws, ordinances, codes, regulations and the like governing the conservation, protection and preservation of any such Historical Components.
- (b) Notwithstanding any provisions of this Agreement to the contrary, the costs in respect of

the maintenance, repair and replacement of the Historical Components and any aspect or matter relating thereto shall be borne solely by the Condominium as set out in Schedule "D" hereof, notwithstanding that the Historical Components may benefit the Retail Component. The Retail Component is not intended to and shall not at any time be required to contribute towards any costs relating to the Historical Components.

- (c) For certainty, any provision of this Agreement which may be construed as obligating the Retail Component to contribute to any costs in respect of the maintenance of the Historical Components shall not be applied in such a manner to charge back such costs to the Retail Component.

#### Section 3.11 - Utilities

- (a) Notwithstanding any of the terms hereof, in the event that any utilities serving either of the Components is shared, such utilities shall be maintained and repaired by the party allocated responsibility for same on Schedule "D" of this Agreement. In the event that a utility service is in fact shared and not reflected in this Agreement, the parties shall proceed pursuant to the terms of Section 3.09 - (d) in respect of amending this Agreement in respect of such utility.
- (b) In no event shall any of the costs relating to maintenance or repair of any utility service be shared which is solely used by only one of the Components. For the purpose of clarification, after the demarcation point of any utility service to each of the Components, the other Owner Parties shall not share in any of the maintenance costs whatsoever and the affected Owner Party shall maintain its own water services and facilities and its own cost and expense.
- (c) Each of the aforesaid Owners of a Component will own and be responsible for all costs relating to the maintenance, repair and replacement of the check meter(s) that meter services or utilities to its respective Component.
- (d) If a check meter fails to operate or to accurately record the utilities consumed by any of the aforesaid Components, the Condominium shall, acting reasonably and in good faith, estimate the utilities consumption for the period in which the check meter failure occurred and each of the aforesaid Owners of a Component shall pay for the utility consumption based on the Condominium's estimate. If an Owner of a Component objects to such estimate, the parties agree to resolve the dispute in accordance with this Agreement.
- (e) If (i) it is determined that a check meter failed to properly record the utility consumption; and (ii) it is reasonable to conclude that the malfunction existed prior to the date on which such failure was discovered, then any retroactive adjustment to utility consumption charges (positive or negative) shall be limited to the 180-day period prior to the date such failure was discovered.
- (f) Each of the aforesaid Owners of a Component shall maintain its respective check meter(s) in accordance with the applicable manufacturer's guidelines and comply with any mandatory Measurement Canada standards applicable to such check meter(s) having regard to their application.

#### Section 3.12 - Person of Responsibility and the City of Toronto

The President of the board of directors of the Condominium is established as the "Person of Responsibility" who will be the person responsible in the case of any issues regarding the shared services and shared stormwater services, including but not limited to issues arising with respect to the City of Toronto Municipal Code Chapters 681 and 851. The contact information for the Person of Responsibility is:

President of Toronto Standard Condominium Corporation No. 2985

Toronto Standard Condominium Corporation No. 2985  
150 Logan Avenue  
Toronto, Ontario  
M4M 0E4

The Person of Responsibility from time to time shall be responsible to maintain up-to-date contact information with the General Manager, Toronto Water, and shall update all contact information and changes in the Person of Responsibility from time to time.

### Section 3.13 - Management or Administration Fees

The administration of this Agreement, the Shared Facilities and all shared services or utilities which are administered by either party for the other shall be undertaken without charge and without including in any budget, charge or invoice any management, administration or similar fee other than an administrative fee of \$600 plus HST monthly, subject to inflation by no more than 6% per year of the Shared Facilities Costs.

### Section 3.14 - Management Contract for Shared Facilities

- (a) The property manager for the Condominium is the manager for the management, administration and operation of the Shared Facilities. At the Condominium's option, it may and is hereby authorized to enter into a contract for the provision of management, administration and operation of the Shared Facilities on behalf of all parties to this agreement with another property manager. The Condominium may, at its discretion and acting reasonably, change or appoint a different manager for the Shared Facilities.
- (b) Notwithstanding paragraph (a), the Condominium board of directors shall keep the Retail Component Owner apprised with respect to all meetings wherein the Shared Facilities are an agenda item and the Condominium discusses and/or decides to enter into a contract regarding the Shared Facilities. The Retail Component Owner may, at its discretion, choose to attend said meetings and provide input and ensure compliance of said contracts with this Agreement but shall not have the ability to cast any votes or make any decisions for or on behalf of the Condominium who shall retain final decision making ability.

### Section 3.15 - Payment of Reserve Fund Amounts and Segregated Amounts

- (a) All payments made pursuant to this Agreement shall be held by the Condominium in segregated accounts for operations and reserve funds, which accounts shall be opened and maintained at a Schedule I Canadian bank or trust company for the purposes of payment of the costs pursuant hereto all in accordance with the requirements of the Act.
- (b) The Condominium and the manager in respect of the Shared Facilities shall keep accurate accounts of the financial transactions involved in the management of the Shared Facilities and shall render to each of the parties hereto regular (but not more often than quarterly) statements of income and expenditures with respect thereto and to keep such accounts open for inspection by any of the parties hereto at all reasonable times and to maintain such accounts in accordance with generally accepted accounting principles.
- (c) Each party shall pay the amounts established as reserve fund amounts which shall be held in reserve account established pursuant to the terms hereof in accordance with the established budget, provided that in the event that the Retail Component is required to maintain such reserves in its own accounts for the purpose of compliance with the Act, then the Retail Component shall establish its own segregated reserve fund accounts in respect of the foregoing reserve amounts.

### Section 3.16 - Authorized Users

The Easements are granted to the grantees thereof, their successors and assigns and its or their servants, agents, workmen, invited guests, residents and tenants and others authorized by it or them for the purposes herein referred to.

### Section 3.17 - Construction and Other Liens

Each Owner of a Component shall, at its cost, remove any construction lien or other encumbrance or charge arising from a dispute regarding a contract entered into by or on behalf of such owner and registered against its Component or the Structures thereon and which also affects any other Component, within 30 days of written request from the other party whose Component is so affected.

### Section 3.18 - Emergency

In the event of an emergency situation where:

- (a) the life or safety of the public is endangered; or
- (b) another Component or Easement area or areas over which another Owner of a

Component has a right of entry or use and/or the related improvements are in imminent danger of collapse or damage; or

- (c) a failure of any building systems or Shared Facilities occurs which requires access by any one Component to access any systems required to allow a situation to be remedied, which situation may include protecting loss of inventory, goods or equipment by the Retail Component;

then the Owner of such Component requiring access shall give notice that an emergency condition exists, provided that if the provision of notice is not feasible then no notice shall be required prior to such entry, and the Owner of a Component and its agents and tradespersons shall be entitled to enter the applicable Components and to perform such emergency work as is necessary to deal with the emergency situation, with the cost of the work forming part of the Shared Facilities Costs. In the situation where prior notice of an emergency and entry is not feasible, then the party making such entry shall provide notice as soon as possible following such entry and shall provide notice to the other parties of such entry and the actions taken to any part of the Project.

#### Section 3.19 - Efficiency

The Owners of the Components shall use their reasonable best efforts to work together to manage such Components in an efficient manner so as to reduce the costs of operation. In that regard, the Owners of the Components shall consider the appointment of the same property management company for all Components, or retain the same service providers or contractors, if applicable, and shall, when possible, appoint the same contractors for similar work required in respect of separate Components.

### ARTICLE IV - TAXES

#### Section 4.01 - Separate Assessments

Each Owner of a Component will do all acts and things necessary and desirable so that each of the Components will be assessed separately on the assessment rolls of the taxing authority and taxed separately based upon such assessments.

#### Section 4.02 - Combined Assessment

If at any time the Components are not assessed as separate Components, then the Owners of the Components shall use their best efforts to agree on a division of the realty tax liability imposed, and shall share the payment of such taxes in the manner agreed upon. If such Owners of a Component are unable to reach an agreement within 30 days from the receipt of the notice of combined assessment, then any of them may seek a decision by arbitration in accordance with Article X.

#### Section 4.03 - Failure to Pay Taxes

If an Owner of a Component fails to pay any tax or other charge which is due in regard to its interest in that Component, and if such unpaid tax or charge is a lien or encumbrance upon the Component of another Owner of a Component, or if any lawful authority would thereafter have the right to sell or otherwise foreclose such other Component by reason of such non-payment, then the other Owner of a Component hereto may, after 10 days written notice to the defaulting Owner of a Component, pay such tax or charge, together with any interest and penalties thereon, and the defaulting Owner of a Component shall upon demand, reimburse the party making such payment for the amount of such payment and for all costs and expenses incurred, together with interest thereon as provided in Section 14.01 - .

#### Section 4.04 - Cooperation

Each Owner of a Component shall cooperate with the others in minimizing their respective realty tax burdens provided, however, that the cooperating Owner of a Component shall not be required to expend funds or take on obligations or actively make representations to public officials or governmental authorities and further provided that such cooperating Owner of a Component shall not be required to take any action which would result in an increase in the realty tax burden which it would otherwise bear.

### ARTICLE V - INSURANCE

### Section 5.01 - Property Insurance

Each Owner of a Component shall keep in effect at all times, with respect to its Component the following policies of insurance and coverages:

- (i) All Risks of Physical Loss or Damage, subject to standard industry exclusions, to such Component's improvements, contents, fixtures, stock in trade and any other contents, equipment or other personal property belonging to such Component. Such coverage shall include but not be limited to flood, earthquake, collapse and sewer back up and any other coverages or extensions that a prudent owner of such Component in the Greater Toronto Area would carry from time to time. Such coverage may be subject to standard industry exclusions. Such coverage shall be on a replacement cost basis without deduction for depreciation and include, but not be limited to, the value of: such Component's improvements, contents, fixtures, stock in trade and any other contents, equipment or other personal property belonging to such Component and as would be carried by such Component in the Greater Toronto Area from time to time.
- (ii) For Owners of a Component, excluding the Residential Component, Business Interruption (and contingent business interruption as may be required) in such amounts as would reimburse each Component for direct or indirect loss of earnings and any extra expense attributable to loss or damage to such Component or the Project/Structures and as may be commonly insured against by a prudent owner of such component of a similar use, occupancy and operations. Such coverage shall have an indemnity period of a minimum of 12 months.
- (iii) Boiler & Machinery (also referred to as Mechanical Breakdown policy) for direct and indirect damage coverages shall be maintained on a replacement cost basis without deduction for depreciation (where allowable) with values corresponding to the policies outlined in 5.1(a)(i) and 5.1(a)(ii) on a comprehensive form subject to policy exclusions including, but not limited to additional extensions for blanket bylaws, expediting expenses, extra expenses, water damage, hazardous substances, professional fees and off-site power interruption.
- (iv) Separate policies of liability insurance with respect to their individual ownerships of such Components, their operations, use and occupancy of such Components and their obligations under the terms of this Agreement, with the following coverages, terms and conditions: Commercial General Liability in an amount of not less than \$5,000,000 per occurrence and in the aggregate or higher limits as a prudent owner of such Component in the Greater Toronto Area may carry from time to time. Such coverage shall include at minimum but not be limited to: Products and Completed Operations, Premises Liability, Property Damage, including loss of use thereof, Bodily Injury, Contingent Employers Liability, Employees as Additional Insureds, Employee Benefit Liability, Employers Liability, Cross Liability and Severability of Interest clause, Blanket Contractual Liability, Owners – Contractors Protective Liability, Standard Garage Automobile Liability (with respect to any Component providing valet services or parking garage operations and/or providing access to Project Lands or on lands providing access to the Project Lands or occurring on any street, sidewalk or passageway adjacent or contiguous with or to the Project Lands), Non-Owned Automobile Liability and Personal and Advertising Injury Liability.
- (v) Any other coverages that a prudent owner of such a Component in the Greater Toronto Area would carry from time to time.
- (vi) In addition to the insurance maintained by each Owner of a Component, the parties shall cause the operator or manager of the Shared Facilities to undertake and maintain insurance on the Shared Facilities in the same coverages noted in this Section with all costs of the foregoing insurance being part of the Shared Facilities costs.
- (vii) If the burdened Owner's insurers impose a penalty or increase insurance premiums due to the Easements granted to the benefitting Owner, the benefitting Owner shall rectify the situation and pay the additional premiums and related costs incurred. The additional insurance premiums incurred as a result of the Easements shall be identified by the burdened Owner's insurers by means of a certified letter, signed by an authorized officer or representative of the insurer.



#### Section 5.02 - Notice of Cancellation

All policies of insurance shall provide 30 days' prior written notice of cancellation and any party receiving such notice shall immediately notify all other Owners of a Component of this Agreement.

#### Section 5.03 - Failure to Pay Premiums or Maintain Insurance

If a party fails to maintain insurance or to pay its premiums or its portion of any premium, for a policy required by this Article V when due, and which such party is obligated to pay pursuant to this Article V or otherwise, then such other party or parties to this Agreement insured by such policy may, after 10 days written notice to the defaulting party, pay such insurance premium or portion of the insurance premium or obtain such insurance at the expense of the defaulting party. The defaulting party shall upon demand, reimburse the party or parties obtaining such insurance or making such payment for the amount thereof and for all costs and expenses incurred in connection therewith in accordance with the provisions of Section 14.01 - .

#### Section 5.04 - Application of Insurance Proceeds

Any monies payable as a result of damage to the Project Lands or any part thereof shall first be utilized to satisfy the obligations of the parties under Article VI and thereafter distributed as their interest may appear in accordance with the apportionment determined by the Insurer. In the event it can reasonably be demonstrated that the apportionment is in error, the parties may agree upon a different apportionment, failing which the apportionment shall be determined by arbitration in accordance with Article X. In the event that the monies are insufficient to complete any required work, the parties shall fund any deficiencies within 30 days of receipt of the monies paid. The amount to be funded by each party shall be subject to mutual agreement of the affected parties failing which the apportionment shall be determined by arbitration in accordance with Article X.

#### Section 5.05 - Rating

All insurance placed by Owners of the Components to satisfy their obligations to insure pursuant to this Agreement shall only be with insurers with a financial rating of A- or better.

#### Section 5.06 - Waiver of Subrogation

Neither party shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income and benefits (even though such loss or damage might have been occasioned by the negligence of such party, its agents or employees) if any such loss or damage is covered by insurance benefiting the party suffering such loss or damage or which would have been covered by insurance required to be maintained pursuant to this Agreement or by the Act, except for loss or damage arising out of arson or fraud by the other party. The parties shall require their respective insurance companies to include a waiver of subrogation provision in their respective policies in order to implement the provisions of this Section.

### ARTICLE VI - DAMAGE TO THE PROJECT LANDS

#### Section 6.01 - Support Repairs

Each Owner of a Component shall, from time to time, make all Support Repairs as may be required, and shall make all repairs necessary to ensure the continuity of the Easements. For the purpose of this Agreement the term "Support Repairs" means all repairs necessary to any of the Structures to provide adequate support for other Structures, and to permit the occupants of the other Structures the full use of utilities, systems and components serving the other Structures, together with full and safe access to the other Structures and the benefit of all easements hereinbefore granted over the Structures undergoing Support Repairs.

#### Section 6.02 - Obligation to Perform

If damage occurs to one or more of the Structures then:

- (a) If a decision is made under the Act not to terminate the Condominium pursuant to the Act, the Condominium and the Retail Component Owner will, subject to subsection (c), repair their respective Structures.
- (b) If a decision is made under the Act to terminate the Condominium pursuant to the Act,

the Owner of a Component which has not decided to terminate will rebuild its respective Structures and carry out the Support Repairs necessary for the benefit of any Structures forming a part of the Component which has decided to terminate and the Residential Owners or Retail Component Owner, as applicable, of the terminating condominium will carry out Support Repairs of their respective Structures for the benefit of the other. For the purposes hereof, in respect of this Section, Residential Owners and Retail Component Owner shall mean the former owners of the Units in the terminating condominium in proportion to the ownership interests following termination of the applicable condominium.

- (c) Without limiting the foregoing, in the event of any damage or destruction to any of the Structures, the owner of the applicable damaged structure shall repair such damage forthwith in a good and workmanlike manner and if the damage or destruction has been caused by an insured peril, all insurance proceeds shall be applied accordingly.

#### Section 6.03 - Safety

In any event areas damaged and not otherwise rebuilt or repaired in accordance with the foregoing provisions, shall be cleared and restored to a reasonable state acceptable to the continuing occupants of the Project from the standpoint of public health and safety, and in compliance with all municipal requirements and applicable codes, and in a manner which ensures the continuation of the Easements, and that responds to the foregoing obligation to undertake Support Repairs.

#### Section 6.04 - Notice

For the purpose of this ARTICLE VI - , notice to Residential Owners will be validly given if given to the Condominium or if the Condominium has been terminated, if placed for a period of 3 days in the Toronto Star or the Toronto editions of the Globe and Mail or such other major Toronto newspaper with a similar customer circulation.

#### Section 6.05 - Completing Repairs

- (a) A party advising of its intention under this Article VI to carry out repairs and a party otherwise obligated under this Article VI to carry out repairs or Support Repairs, will commence such repairs or Support Repairs at the earliest date that is reasonable in all of the circumstances and will proceed to completion thereof expeditiously and with reasonable diligence.
- (b) If under this Agreement or pursuant to the Act a party is required to make repairs and does not in fact repair (the "Non-Repairing Party"), then either or both of the remaining parties (the "Repairing Party") may effect such repairs of the Structures of the Non-Repairing Party as the Repairing Party deems necessary for the continued use, operation and enjoyment of the Structures owned or governed by the Repairing Party.
- (c) All actions, decisions and construction undertaken pursuant to this Article VI shall be undertaken expeditiously.
- (d) Any costs of a Repairing Party for actions taken hereunder shall be recoverable from the Non-Repairing Party pursuant to Section 13.01 of this Agreement.

#### Section 6.06 - New Easements

A party obligated to carry out Support Repairs and the owner or owners of the Structures undergoing Support Repairs, will grant such new Easements over those Structures to the owner or owners of the Structures benefiting from the Support Repairs, as will enable the latter owner or owners to enjoy all of the benefits of the Easements. Such new Easements will be subject to the provisions of this Agreement and will have the same force and effect as if granted under Article II.

#### Section 6.07 - Section 127(1)(d) of Act

For purposes of Section 127(1)(d) of the Act, the obligations created by Subsection 6.02 shall be deemed to be encumbrances against all of the Units.

#### Section 6.08 - Original Building Plans

All repairs and Support Repairs shall be effected and performed substantially in accordance with the original plans, specifications, drawings and designs used in the original construction of

the Structures, or if the original plans are no longer functional or cannot be legally utilized, the repairs shall be effected utilizing such plans, specifications, drawings and designs as may be agreed to by the affected parties. Failing agreement, the parties shall be entitled to have the plans, specifications, drawings and designs determined by arbitration in accordance with ARTICLE X - herein.

#### Section 6.09 - Co-ordination of Work

Where two or more of the Structures are damaged, all repairs and Support Repairs shall be carried out simultaneously and in a coordinated manner, whenever reasonably possible, with all such coordination being administered by the manager appointed pursuant to Section 3.14 - .

### ARTICLE VII - ALTERATIONS

#### Section 7.01 - Right to make Alterations

Subject to the provisions of Section 7.02 - and Section 7.03 - , each Owner of a Component may, at any time, at such party's sole cost and expense, make alterations, additions or improvements to its Component, including without restriction, demolition, reconstruction and Support Repairs, and in connection therewith may relocate any Easement within its Component that has been granted to the other party pursuant to this Agreement (the "Alterations"), provided, however, that such alterations, additions or improvements and relocations shall not be performed without the written consent (as provided in Section 7.02 - and Section 7.03 - ) of such other party if they constitute Prohibited Alterations. In the event of a dispute, the parties shall be entitled to have such matters determined by arbitration in accordance with ARTICLE X - .

#### Section 7.02 - Plans and Specifications

If at any time the Owner of a Component hereto proposes to make any Alterations to its Component which constitute Prohibited Alterations then, before commencing such Alterations, such party (the "Changing Party") shall give to the other Owner of a Component a copy of the plans and specifications showing the proposed Alterations. If the other Owner of a Component, within 30 days after delivery of said plans and specifications, shall not give to the Changing Party a written notice specifying the respect or respects in which the proposed Alterations constitute Prohibited Alterations then the other party shall conclusively be deemed to have agreed that such Alterations are not Prohibited Alterations provided such Alterations are the Alterations actually made and are, in all material respects, as shown on the plans and specifications furnished by the Changing Party. If a party gives a written notice as aforesaid, the Changing Party shall not commence any Alteration until the parties have agreed to a resolution of the disagreement, or until the disagreement has been resolved by arbitration in accordance with Article X. Notwithstanding the foregoing, alterations to the exterior of the Retail Component, alterations made to the Retail Component in the nature of leasehold improvements, the removal or replacement of partitions, the alteration or removal of non-structural or non-loadbearing walls or columns, the removal or replacement of or change to the mechanical, electrical and plumbing fixtures, equipment, services and systems which exclusively serve the Retail Component or any portion thereof, need not be performed or effected in compliance with this Section and are deemed not to be Prohibited Alterations. Any costs incurred by any Owner of a Component for the review by it of all proposed alterations of another Owner of a Component shall be borne by the Changing Party. Such costs shall be limited to those of third parties' professional consultants and advisors.

#### Section 7.03 - Undertaking Alterations

The Changing Party shall make Alterations in compliance with all laws, rules, orders, ordinances, regulations and requirements of any government or municipality or any agency thereof having jurisdiction over the Project Lands. Each party shall, to the extent reasonably practicable, make Alterations in such a manner as to reasonably minimize noise, vibration and other interference with the use or enjoyment of the other Components by their occupants and during time periods which will not cause inconvenience or nuisance to the other Components and their occupants. In that regard, the Changing Party shall consult with the other owners to arrange for an agreeable time period. Prior to making any Alterations, the Changing Party shall be required to obtain insurance appropriate to the situation.

### ARTICLE VIII - EXPROPRIATION AND EASEMENTS

#### Section 8.01 - Ownership of Expropriated Portion

The Owners of the Components agree to cooperate with each other in respect of any expropriation of all or any part of the Project Lands, so that each may receive the maximum

award in the case of any expropriation to which they are respectively entitled at law. If and to the extent that any portion or portions of the Project Lands are expropriated and to the extent that such portion so expropriated (whether or not the same represents the whole portion so expropriated) is not affected by the Easements, then the full proceeds accruing therefrom or awarded as a result thereof shall enure to the benefit of, belong to and be paid to the party who is the owner thereof and the remaining party will abandon or assign to the party so entitled to receive such award any rights which such other party may have or acquire by operation of law to such proceeds or award and will execute such documents as in the opinion of the party entitled to such proceeds or award are or may be necessary to give to this effect to this intention. The parties agree that if a portion of the Project Lands is expropriated and the Easements which attach to that portion of the Project Lands expropriated are not, the Easements shall continue to bind the portion of the Project Lands expropriated.

#### Section 8.02 - Allocation

If and to the extent that any portion or portions of the Project Lands are expropriated and to the extent that such portion so expropriated is affected by any of the Easements, then the proceeds accruing therefrom or awarded as a result thereof relating to the portion affected by said Easements shall be allocated amongst the Owners of the Components, as agreed upon by them. The parties shall be entitled to have such allocation determined by arbitration in accordance with Article X. The arbitrator shall determine the sum of money which should be allocated to that part of the Project Lands owned by each Owner of a Component and in so doing shall consider and have regard to the following factors:

- (a) the ownership of each affected part of the Project Lands;
- (b) the nature and frequency of use over such part of the Project Lands by each party under the Easements or under any other easements to which each party may be entitled to by laws and the feasibility of alternate easements; and
- (c) the relation that any such portion of the Project Lands may bear to the overall appearance or design of the Project.

#### Section 8.03 - Easements to Governmental Authorities

If any party has to give an easement to a governmental authority over the portion of the Project Lands which it owns as a result of an action or application initiated by the party granting such easement, it shall be entitled to do so provided it does not materially affect another party's use and enjoyment of any Easement or right which it enjoys over the lands to be affected by the new easement.

### ARTICLE IX - FORCE MAJEURE

#### Section 9.01 - Force Majeure

Whenever and to the extent any party is prevented, hindered or delayed in the fulfilment of any obligation hereunder or the doing of any work or the making of any repairs or replacements by reason of force majeure, that party's obligation shall be postponed and such party shall be relieved from any liability in damages or otherwise for breach thereof, for so long as and to the extent such prevention, hindering or delay continues to exist. The term "force majeure" means any war or other catastrophe, acts of God, act of the Queen's enemies, riot or insurrection, strike, lockout or labour disturbance, government order, pandemic, inability to obtain material, goods, equipment, services or utilities required, provided the relevant party's inability to obtain materials, goods, equipment, services or utilities required is not due to that party's lack of finances, or any law, by-law, regulation or order of a public authority or inability to obtain any permission or authority required thereby.

### ARTICLE X - ARBITRATION

#### Section 10.01 - Notice to Arbitrate

Any Owner of a Component may commence arbitration proceedings by giving notice of arbitration to the other party or parties interested in the matter in dispute, in regard to any matter stipulated in this Agreement to be subject to arbitration, or in regard to any disagreement as to the application or interpretation of this Agreement. Such notice shall specify the subject matter of the arbitration and shall give the name, address and telephone number of the person which such party appoints as arbitrator. Within 15 days of the giving of such notice, if they have been unable to agree with the notifying party upon a single arbitrator, the party or parties receiving such notice shall advise the other party, in writing, of the name, address and telephone number

of the person whom each of them appoints as arbitrator. Any arbitrator so nominated shall have expertise in the general subject matter of the issue being arbitrated.

#### Section 10.02 - Failure to Appoint

If a party does not name an arbitrator within 10 days of the date during which that arbitrator should have been named, the arbitrator named in the notice to arbitrate will determine the matter or matters in dispute.

#### Section 10.03 - Appointment of Additional Arbitrators

If the number of arbitrators appointed by the parties is two then those arbitrators shall forthwith and within 10 days after the appointment of the last of them as arbitrator, and before exchanging views as to the question at issue, appoint in writing an additional arbitrator and give written notice of such appointment to each of the parties. In the event that the two arbitrators shall fail to appoint or agree upon the additional arbitrator within the said ten day period, the said parties shall select the additional arbitrator within a further period of 10 days. If the parties do not agree upon an additional arbitrator within the said 10 days, then the additional arbitrator shall be chosen upon application by any of the parties to the Superior Court of Justice for the Province of Ontario pursuant to the Arbitration Act 1991, S.O. 1991, c.17 or such successor or replacement legislation.

#### Section 10.04 - Arbitration Proceedings

The arbitrator or arbitrators chosen in accordance with Sections 10.01, 10.02 and 10.03 shall be sworn faithfully and fairly to determine the question at issue. The arbitrator or arbitrators shall afford to each party a hearing and the right to submit evidence with the privilege of cross-examination, on the question at issue, and shall, with all possible speed, make a determination in writing and shall give written notice to such parties of such determination. The determination of a single arbitrator or the concurring determination of majority of the arbitrators shall be final and binding upon both parties and there shall be no appeal therefrom. Judgment upon the determination rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction thereof. The arbitrators shall be permitted to make a determination with respect to all costs of the arbitration, including, without limitation, all legal fees, consultants costs and the fees of the arbitrators all of which shall be determined and allocated amongst the parties as determined by the arbitrators. If a party shall fail to pay any fees or expenses as determined by the arbitrators, then the other party may pay the same and the defaulting party shall, upon demand, reimburse the party who has made such payment.

### ARTICLE XI - FUTURE COMPONENTS AND DEVELOPMENT PROJECT

#### Section 11.01 - Future Components and Development of Project

- (a) It is acknowledged that there may be further development on the Project Lands. The parties also acknowledge that the Retail Component existing as of the date of this Agreement may be subdivided into new Components.
- (b) It is acknowledged that upon the creation of each new Component, it may be necessary to create easements necessary for the construction of Structures upon and the use, enjoyment and maintenance of such new Component. Similarly, the parties acknowledge that upon the construction of new Structures on a Component, or the replacement of existing Structures on a Component, it may be necessary to create new Easements necessary for the construction, use, enjoyment and maintenance of such new Structures. The parties will determine within a reasonable period of time prior to the creation of each new Component the additional Easements which are required for the construction of Structures upon and the use, enjoyment and maintenance of each new Component; similarly, the parties will determine within a reasonable period of time prior to the construction of each of the new Structures on an existing Component, or the replacement of existing Structures on a Component, the Easements which are required for the construction, use, enjoyment and maintenance of such Structures. The parties will also determine within a reasonable period of time prior to the creation of each such new Component, or the construction or replacement of such Structures, the contribution of each of the parties to the resulting additional Shared Facilities costs in accordance with this Agreement.
- (c) It is the intention of the parties to facilitate development of the Project and of any Component, and accordingly the parties shall consider any reasonable requests made by a Chargee which may require an amendment to this Agreement, provided:

- (i) any such amendment does not (1) materially adversely affect the rights of the parties under this Agreement; or (2) deprive any party of the use and enjoyment of the Shared Facilities as provided in the Easements or in this Agreement; or (3) reduce the obligations and covenants of the parties under this Agreement; or (4) deprive any party of the benefit of the Easements to which it is otherwise entitled in accordance with this Agreement; and
  - (ii) an assumption agreement substantially in the form attached as Schedule "E3" in respect of this Agreement as amended in accordance with (i) immediately preceding, is executed and delivered by the Chargee requesting such amendments concurrently with such amendments.
- (d) If the parties are unable to agree upon the matters referred to in Subsection 11.01(b) above, then any party may refer the matter to Arbitration.

#### Section 11.02 - Parties to Execute Agreements

All parties will, at no cost to any other party, execute any further agreements or amendments to this Agreement or give such further assurances as may be required to further evidence or register notice of any amendments made to this Agreement as a result of Section 11.01 hereof. Any such agreement, amendment or further assurance shall be prepared at the expense of the party requesting its execution.

### ARTICLE XII - AMENDMENTS TO RESPONSIBILITIES AND COMPONENTS

#### Section 12.01 - Division of Components

- (a) The Retail Component Owner shall be entitled at any time, from time to time, to divide its Component, thereby creating one or more additional Components, including Components which may be registered as a condominium pursuant to the Act. If the Retail Component Owner so creates any additional Components, it shall allocate among the owners of the resulting Components the responsibilities under this Agreement for the performance of obligations, (including but not limited to contribution to the payment of Shared Facilities costs), previously borne by the Retail Component which was so divided and such allocation among the resulting Components shall be set out in an Assumption Agreement executed by the owners of such new Components including an existing party to this Agreement if they continue to own the divided Retail Component. It is the intent of this Agreement that such allocations shall equal one hundred percent of the responsibilities previously borne by the Retail Component which was subdivided such that the share of such responsibilities borne by the Corporation shall be unaffected. The Assumption Agreement shall provide the owners of such new Components shall perform and observe the terms of this Agreement and any insurance trust agreement to the extent that they apply to their respective Components. The owner of each such new Component shall be required to perform all of the obligations required to be performed under this Agreement and any insurance trust agreement in respect of such additional Component.
- (b) Prior to the creation of any new Component, the party creating such new Component shall have obtained all consents, approvals and agreements required to be obtained under this Agreement (for example, consents to the creation of new Easements in accordance with Section 11.01), and shall have obtained and delivered to all of the other Owners of a Component an Assumption Agreement as set out above from the proposed owner of the new Component.

#### Section 12.02 - Amendments to this Agreement

- (a) The Owners of Components shall be entitled to agree in writing to any adjustment with respect to their respective responsibilities for contributing to the payment of Shared Facilities costs, or to adjust between them the boundaries of their respective Components or the Easements in favour of each of such owners provided, however, that any such adjustment shall not in any way reduce the individual or collective obligations of the Owners of the Components so agreeing vis-a-vis other Components, or release the Owners of the Components so agreeing from the performance of their individual or collective obligations to the other Owners of the Components.
- (b) In any of the situations described in Subsection (a) above, upon notice being given to all of the other Owners of the Components, this Agreement shall be deemed to be amended as required by the agreements made pursuant to Subsection (a) above. In addition, the parties affected by any adjustment or adjustments contemplated by

Subsection 12.02(a) shall, acting in good faith, negotiate, execute and deliver those amending agreements required to amend this Agreement to accommodate the adjustment or adjustments effected in accordance with Subsection 12.02(a).

- (c) If any of the Owners of the Components wish to amend this Agreement with respect to any provision contained therein that relates to their respective Components and the amendments do not affect the other Component(s) in any manner whatsoever, such Owners may amend this Agreement as aforesaid without the consent of the other Owner(s).

#### Section 12.03 - Disputes Regarding Shared Facilities

- (a) Any Owner of a Component (the "Requesting Party") who is required to perform any work or services with respect to any Shared Facilities or who is obligated to contribute to the payment of Shared Facilities costs, and who wishes to clarify the allocation of responsibility for performance or payment as set out in Schedule "D", shall first give written notice to all of the other parties affected by the item or matter sought to be clarified, and if such other parties and the Requesting Party cannot agree on the amendment requested by the Requesting Party within 30 days of the giving of such notice, then the Requesting Party may apply to have the request for amendment determined by Arbitration.
- (b) Notwithstanding any dispute, until any request made pursuant to Subsection 12.03(a) above is finally determined by Arbitration, the Requesting Party shall continue to perform all work and services required to be performed by it and pay all amounts required to be paid by it as previously performed as being in accordance with this Agreement.
- (c) Following a decision by Arbitration, the appropriate payments and reimbursements among the parties hereto shall be made to recognize and give effect to the decision of the Arbitrator seized of the matter. Any amounts so payable shall be paid within 30 days of the date that notice of the decision of the Arbitrator is received by all parties.

#### Section 12.04 - Parties to Execute Agreements

All parties hereto and their respective successors and assigns will, at no cost to any other party, execute any further agreements or amendments to this Agreement or grant such further assurances as may be required to further evidence or register notice of any amendments made to this Agreement as a result of Sections 12.02 or 12.03 hereof, whether by reason of agreement among the parties, or a decision of an Arbitrator. Any such agreement, amendment or further assurance shall be prepared by the party requesting its execution, at such party's expense.

### ARTICLE XIII - EVENTS OF DEFAULT AND SELF HELP

#### Section 13.01 - Event of Default

An "Event of Default" shall exist if:

- (a) any Owner of a Component fails to pay an amount which it is required to pay pursuant to this Agreement within 15 days of the date that the amount is due; or
- (b) any Owner of a Component remains in default for 15 days after notice thereof from another party with respect to a provision of this Agreement other than with respect to the payment of money, unless they have commenced to remedy the default and are diligently pursuing the remedying of the default to its completion;

and the party alleged to be in default is not arbitrating the existence of or liability for the alleged default.

#### Section 13.02 - Self Help

- (a) If any of the Owners of a Component (the "Non-Performing Party") fails to perform any of its obligations under this Agreement and/or an Event of Default exists with respect to such failure or any facility, service, equipment or utility is not functioning properly or being adequately provided, then in addition to any other right or privilege specifically provided for in this Agreement, and without waiving or derogating from any right otherwise provided in this Agreement, any other party (the "Requesting Party") may give the Non-Performing Party notice outlining the nature of the default and requesting that the Non-Performing Party perform its obligations.

- (b) If, without reasonable cause, the Non-Performing Party either does not within 24 hours of receipt of such notice, or such longer period as is reasonable in the circumstances, commence or thereafter does not take all reasonable steps necessary to cure the default set out in such notice, then the Requesting Party may take all reasonable steps necessary to cure the default outlined in such notice, including, without limitation, the payment of any cost or expense required to be paid by the Non-Performing Party, the performance of work, the hiring of contractors, entry onto the Structures of the Non-Performing Party, the exercise of any right of access of such Non-Performing Party.
- (c) The Non-Performing Party will pay directly to the Requesting Party any cost or expense actually paid or incurred by the Requesting Party in performing the obligations of the Non-Performing Party pursuant to this Agreement in accordance with this Section, together with interest from the date such payment is made by the Requesting Party until reimbursement is made to the Requesting Party, calculated in accordance with Section 14.01 - hereof. However, any amount expended or incurred by the Requesting Party that can clearly be demonstrated to be substantially in excess of the reasonable costs or expenses which would properly have been paid to cure the default by a party acting in good faith and reasonably is not recoverable from the Non-Performing Party.
- (d) Any Requesting Party exercising a right of entry onto the Component of a Non-Performing Party upon so doing shall be deemed to have agreed to indemnify the Non-Performing Party against any damage or losses resulting from such entry, to use its best efforts to minimize disruption and inconvenience to the Non-Performing Party and to repair any damage or remedy any unnecessary inconvenience.
- (e) Notwithstanding paragraphs (a) and (b) immediately preceding, if any party, acting in good faith, is of the opinion that an emergency exists requiring the immediate attention of another party, and the nature of the emergency does not permit the providing of notice as contemplated by paragraph (a) immediately preceding, the party which or who, as the case may be, is of the view that the emergency requires immediate attention may take such steps that are reasonable in the circumstances to deal with the emergency, subject to the other provisions of this Section.

#### Section 13.03 - Exercising Rights of the Condominium

If a Non-Performing Party is the Condominium, and if a Requesting Party has elected to cure the default set out in the notice to the Non-Performing Party, then the Requesting Party shall be entitled, to the extent necessary, to exercise all of the rights of access over and through the Units to which the Condominium is entitled under the Act and which are reasonably necessary to permit the cure of the default.

#### Section 13.04 - Charging Provisions

- (a) If any Owner of a Component (the "Defaulting Party") fails to pay any amount (the "Unpaid Amount") of money required to be paid pursuant to this Agreement and an Event of Default exists with respect to such failure then, in addition to any other rights, powers or remedies available to the other owners (the "Non-Defaulting Party(ies)") at common law, by statute, or in equity, any Non-Defaulting Party shall be entitled to:
  - (i) charge and levy interest against the Defaulting Party in respect of the Unpaid Amount and on all costs and expenses incurred by the Non-Defaulting Party in collecting (or attempting to collect) same, including all legal expenses incurred by the Non-Defaulting Party on a solicitor-client basis, at the rate described in Section 14.01 - , with interest on the Unpaid Amount commencing to accrue from and after the date which the Unpaid Amount is due and payable and with interest of all of the expenses incurred in collecting (or attempting to collect) same commencing to accrue from and after the respective dates that the Non-Defaulting Party incurred or expended same, and all such interest shall continue to accrue at the aforesaid rate until the date that all of the foregoing amounts are fully paid; and
  - (ii) maintain and enforce a lien (the "Lien") against the Defaulting Party's lands, as security for the payment of the Unpaid Amount and all costs and expenses incurred by the Non-Defaulting Party in collecting (or attempting to collect) same together with all outstanding interest accruing thereon as aforesaid, with the Lien being enforceable by the Non-Defaulting Party in the same manner, and to the same extent, as a real property mortgage or charge, and with all the powers, rights and remedies inherent in (or available to) a mortgagee or chargee when a mortgage or charge of real estate is in default, pursuant to the provisions of the



Mortgages Act, R.S.O. 1990 as amended and/or any other applicable statutory provision or common law principle applicable thereto, and in the event that the Land Registrar requires the Non-Defaulting Party, as a prerequisite to the registration and/or enforcement of the Lien, to apply to a court of competent jurisdiction for any order, direction, advice or authorization, then the Non-Defaulting Party shall be entitled to forthwith apply to such court for same and the Defaulting Party shall for all purposes be deemed to have consented to any such application by the Non-Defaulting Party, and concurrently, the Defaulting Party shall be forever barred and estopped from bringing or instituting any action, suit, claim or other proceeding to defend, defeat, hinder or delay any such application by the Non-Defaulting Party or the maintenance and enforcement of the Lien by the Non-Defaulting Party.

#### ARTICLE XIV - INTEREST AND COSTS

##### Section 14.01 - Interest and Costs

In each instance when a party shall be obligated to pay any sum of money to another party hereunder interest shall accrue thereon and be payable hereunder at 5% above the prime lending rate charged from time to time by the Royal Bank of Canada at Toronto to its most creditworthy customers from the date such sum first became due, calculated and compounded monthly, not in advance. If any legal action, demand or proceeding is brought, instituted or taken by a party, or if a party shall cure a default of another party, the party in default shall pay to the other party all expenses incurred therefor, including a solicitor's fee (on a solicitor and his own client basis), unless a Court shall otherwise award.

#### ARTICLE XV - TRANSFER, ASSIGNMENT AND ASSUMPTION

##### Section 15.01 - Assignment of Rights to Lessees, Mortgagees

Any party may, without the necessity of conveying title to such party's Component or lands, assign or otherwise transfer to any lessee for a term equal to or greater than 21 years of any part of the Project Lands or to any mortgagee of any part of the Project Lands, as appurtenant to their leasehold or estate or mortgagee's interest, all or any of the rights, benefits, privileges, easements and rights of entry contained in this Agreement or otherwise applicable to the lands and premises described in Schedules "A" and "B" and any such lessee may in turn assign or otherwise transfer all or any of such rights, privileges, easements and rights of entry to a mortgagee covering the leasehold estate of such lessee, and any such lessee or mortgagee may exercise any such right, benefit, privilege, easement and right of entry so assigned or otherwise transferred to it to the same extent as if in each instance this Agreement specifically granted such right, benefit, privilege, easement or right of entry to such lessee or mortgagee provided, however, that such lessee, mortgagee or mortgagee of a lessee agrees with the other parties to this Agreement to be bound by and to perform the obligations hereunder applicable to the lands affected by their lease or mortgage by execution of an Assumption Agreement in the form provided for in Schedule "E2" or "E3" as may be applicable. Notwithstanding the foregoing no party hereto (or any other person having any rights hereunder) shall be bound to recognize any such assignment or other transfer, or the exercise or accrual of any rights pursuant to such assignment or other transfer, until such party has provided the required executed form of Assumption Agreement.

##### Section 15.02 - Judgments Against the Condominium

The parties hereto agree that any judgment which may be obtained against the Condominium shall be a judgment against the Unit owners thereunder in the percentages referred to in the Declaration and Description.

##### Section 15.03 - Sale of a Component and Limitation of Liability

Nothing in this Agreement shall prevent or be deemed to prevent the sale, transfer, mortgaging, pledging, encumbering or other disposition (the "Disposition") of the whole or any part of a Component provided that the party making such disposition shall obtain from the party receiving such Disposition a written Assumption Agreement in the form provided for in Schedule "E1" with respect to the lands contained in such Disposition and upon execution of such Assumption Agreement the party giving the Disposition shall be released from its future obligations under this Agreement in relation to the lands contained in such Disposition and Assumption Agreement. Notwithstanding the above, an Assumption Agreement in the form provided for in Schedule "E1" shall not be required for the Disposition in respect of any Units.

#### ARTICLE XVI - TERMINATION

#### Section 16.01 - Termination

This Agreement cannot be terminated other than by the written consent of the Owners of the Components. Except as may otherwise be agreed upon, and subject to the provisions of Sections 6.06 and 7.01, if this Agreement is terminated, the Easements hereby granted shall remain in full force and effect, regardless of whether the Project Lands is in a form similar to that which existed on the date this Agreement came into effect.

#### Section 16.02 - Debts Survive

Notwithstanding the termination of this Agreement, if at the time of such termination any party shall be obligated to pay any sum of money pursuant to the provisions hereof, such obligation shall not be extinguished until such sum of money, together with any interest accruing thereon, shall be paid, together with any interest and costs with respect to such monies payable pursuant to Section 14.01 - or any other provision of this Agreement.

#### Section 16.03 - Termination of Condominium

Notwithstanding the termination pursuant to the Act of the Condominium, the Residential Owners covenant and agree that they will continue after such termination to be bound by the provisions of this Agreement, *mutatis mutandis*, and will execute such further assurances as may be required to give effect to this Section 16.03 subject to the provisions of this Agreement. In the event that the Condominium gives notice that they are going to terminate the Condominium because of substantial damage to their respective Structures and they do not do so within 120 days, they will not be entitled to terminate.

### ARTICLE XVII - MISCELLANEOUS

#### Section 17.01 - Notice

- (a) Any notice required to be sent pursuant to the provisions of this Agreement shall be sent by prepaid registered mail or may be delivered to the parties in person or by electronic at the following address:

The Condominium: 150 Logan Avenue  
Toronto, Ontario  
M4M 0E4

Attention: President

The Retail Component: 200 King Street West, Suite 1602, Box 42  
Toronto, Ontario  
M5H 3T4

Attention: President

or any other address as each party may designate from time to time. Any notice shall be deemed to be received 2 business days from the date of mailing, in the case of personal delivery, on the date of delivery, and in the case of electronic or facsimile transmission on the date of transmission.

- (b) Any notice given in accordance with this Section 17.01 - to the Condominium shall be deemed also to be given to the Residential Owners.

#### Section 17.02 - Provisions Run with the Land

The provisions of this Agreement are intended to and shall run with the Project Lands and shall benefit and burden the Project Lands, and shall bind and enure to the benefit of the parties hereto and their successors and assigns.

#### Section 17.03 - Certificate of Compliance

- (a) Each Owner of a Component agrees, at any time and from time to time during the term of this Agreement, within 10 days after written request by a requesting party, to execute, acknowledge, and deliver to the requesting party a certificate stating (1) that this Agreement and the Schedules attached hereto are unmodified and in force and effect, or if there has been any modification that this Agreement is in force and effect, as modified, and identifying the modification, (2) whether or not there is any existing default hereunder by any party and if there is any such default, specifying the nature and extent

thereof, (3) whether or not the party executing such certificate has performed or caused to be performed, or is then performing or causing to be performed, any maintenance or other work not in the normal course of operation of its Component, the cost of which such party is or will be entitled to charge in whole or in part to any other party but has not yet charged such other party, and if there be any such maintenance or other work, specifying the nature and extent thereof, (4) the current address to which notices given to the party executing such certificate are required to be mailed under Section 17.01 - hereof, and (5) whether it has received notice under the self help provisions contained herein.

- (b) If an Owner of a Component does not provide the certificate contemplated herein within such 10 day period, such Owner of a Component (the "Certifying Owner") shall be deemed to have certified that (1) this Agreement and the Schedules attached hereto are unmodified and in full force and effect, or, if there has been any modification, that this Agreement is in force and effect, as modified; (2) that there is no existing default hereunder by any party, (3) that there are no costs for which the Certifying Owner is or will be entitled to charge in whole or in part to any other Owner of a Component but has not yet charged such other Owner of a Component; (4) that the current address to which notices given to the Certifying Owner are required to be mailed is as set out in Section 17.01 - hereof; and (5) that the Certifying Owner has received no notice under the self help provisions contained herein.
- (c) The certificate given by any party as contemplated hereby, may be pleaded and shall constitute a complete defence by anyone to whom it is supplied in regards to the veracity of the statements made therein, and, if such certificate has not been provided in accordance with this Section, the party who has requested such certificate shall be entitled to plead Section 17.03 - (b) as to the veracity of the statements made therein.

#### Section 17.04 - Termination of Liability of the Declarant

Upon a sale, transfer or conveyance by the Declarant of any Unit within the Corporation, the Declarant shall be automatically released and discharged pro tanto from any of the liabilities and obligations it would bear hereunder as the owner of such Unit or proposed Unit, sold, transferred or conveyed, and it shall no longer be liable, for any breach of this Agreement caused or occurring subsequent to the date of such sale, transfer or conveyance relative to such Unit. Correspondingly, such person to whom such Unit is sold, transferred or conveyed by the Declarant and any other person to whom such Unit is subsequently sold, transferred or conveyed shall assume pro tanto such liability and obligations in respect of such Unit from the effective date of such sale, transfer or conveyance transaction, insofar as the burden of such liability and obligations are capable of passing to such persons by operation of law.

#### Section 17.05 - Termination of Liability of the Retail Component Owner

Upon the sale of the Retail Component by the Retail Component Owner thereof from time to time, the selling party shall be released from any liability and obligations in respect of this Agreement for any periods after the period for which such party owned the respective Component provided the purchaser or transferee has executed the assumption agreement attached hereto as Schedule "E1".

#### Section 17.06 - Reciprocal Benefit and Burden

The parties hereto expressly declare their mutual intention and agreement, that the principles of reciprocal benefit and burden shall apply to their relationship, and as such, the parties hereby acknowledge and agree that each of the easements, rights and privileges hereinbefore set forth in this Agreement, establish a basis for the mutual and reciprocal use and enjoyment of certain parts of the Condominium and the Retail Component and including those certain parts of such lands which are being used and enjoyed by all of the parties to varying degrees. As an integral and material consideration for the continuing enjoyment of and right to the use and enjoyment by each one of the parties of such easements, rights and privileges as are granted to them in this Agreement, each party hereto should, and does hereby accept and agree to assume the burdens and obligations imposed on such party herein and agrees to be bound by each and every one of the covenants made by them in this Agreement, subject to any provision of this Agreement to the contrary.

#### Section 17.07 - Conditional Grant

The mutual easements and rights granted herein and in the Declaration or other creating documents were granted conditionally with the intention that the Shared Facilities and the mutual rights would benefit all of the Structures and the Owners of the Components, and

accordingly each party would bear the burdens and positive obligations contained herein as a condition of the granting and creation of such easements, including the covenants which may be positive in nature.

Section 17.08 - Time of the Essence

Time shall be of the essence of this Agreement and of each of the provisions hereof.

Section 17.09 - No Partnership or Agency

The parties hereto do not in any way whatsoever or for any purpose become partners of each other, or joint venturers or members of a joint enterprise, nor is the relationship of principal and agent created.

Section 17.10 - Headings

The Article headings and Section headings have been inserted for convenience of reference only and do not form part of this Agreement. They shall not be referred to in the interpretation of this Agreement.

Section 17.11 - Further Assurances

The parties hereto shall and will sign such further documents, cause such meetings to be held, resolutions passed, by-laws enacted, do and cause to be done and performed such further acts and things as may be necessary or desirable from time to time, in order to give full effect to this Agreement and each and every part hereof.

Section 17.12 - Planning Act

This Agreement is conditional upon compliance with the subdivision and part lot control provisions of the Planning Act, 1990, and any amendments thereto, in respect of the Easements and this Agreement.

Section 17.13 - Indemnity

Each Owner of a Component (in this provision the "Indemnitor") shall indemnify and save harmless each other Owner of a Component (in this provision the "Indemnitee") from all claims, demands, actions, causes of action, losses, damages, costs, charges, expenses and any other liability whatsoever incurred by each Indemnitee in respect of any and all property damage, personal injury or death to the extent arising out of the construction, maintenance, operation, the making of repairs and replacements to, alterations and improvements to and the redevelopment of the Component of the Indemnitor or entry onto the Component of another Owner of a Component, or the negligence, act or omission to act by the Indemnitor, its lessees, sublessees, agents, contractors, and others for whom it is in law responsible, but such indemnity shall not include and the respective Owners disclaim all right to recover in respect of any liability for consequential damages and loss of profits and, further, that this indemnity shall not apply to any such matters as a result of the Indemnitor performing such acts as a result of the failure of the Indemnitee to perform its obligations hereunder provided that such actions are performed by the Indemnitor in accordance with the provisions of this Agreement.

Section 17.14 - Entire Agreement

This Agreement sets forth the entire agreement between all of the parties hereto respecting the subject matter hereof and there are no other agreements, oral, express or implied, other than as specifically set forth herein.

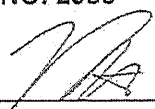
Section 17.15 - Effective Date of Agreement

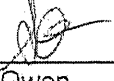
It is intended that notwithstanding the actual date of execution of this Agreement by the parties hereto, this Agreement, and its terms and provisions, shall take effect from the date of registration of the Declaration of the Corporation which shall constitute the effective date of this Agreement.

*[Balance of Page blank; signing Page follows]*

Executed by the parties as of the date first written above.

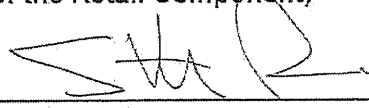
**TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2985**

Per:   
Name: Neil Pattison  
Title: President

Per:   
Name: Spencer Owen  
Title: Secretary

We have the authority to bind the corporation.

**462 DEVELOPMENTS INC. (in its capacity as owner of the Retail Component)**

Per:   
Name: Stephen Price  
Title: Secretary

I have the authority to bind the corporation and the limited partnership.

SCHEDULE "A"

CONDOMINIUM LANDS

All Units and their appurtenant common interests in Toronto Standard Condominium Plan No. 2985

SCHEDULE "B"RETAIL COMPONENT LANDS

Part of Lots 31 to 38 inclusive and part of Lane lying north of Lots 31 to 38 inclusive and west of Lots 27 to 30 inclusive (closed by By-Law No. 12392), Plan M-19, designated as Parts 2, 3, 4 and 13 to 18 inclusive, Plan 66R-33185; City of Toronto

SCHEDULE "C"Terms, Regulations and Rules

## Non-Exclusive

Unless otherwise specifically stated all of the Easements whether specific or general shall be non-exclusive.

## Collections

Notwithstanding anything in this Agreement to the contrary, if an Owner of a Component (the "Billing Owner") wishes to collect from any other Owner(s) its (their) proportionate share of costs relating to a Shared Facility in accordance with this Agreement, the Billing Owner must do so in writing no later than 2 years from the date on which the costs became payable by the Billing Owner, together with all statements and other material to support the billing of the outstanding amount.

## Reasonable Access to Loading and Garbage Areas

In accordance with the Easement set out in the Condominium's description, the Condominium shall cooperate with the occupants of the Retail Component to provide access to and use of the loading and garbage areas as reasonably necessary for the operations and maintenance of the Retail Component in light of the fact that the Retail Component may require more frequent use of such areas and facilities than the Condominium. In this regard the parties shall cooperate in order to allow the Retail Component flexibility and the ability to schedule use of such areas and facilities.

## Easements of Support

All Easements for support shall provide such support to the benefiting lands as may be necessary to fully and properly support such lands and the related improvements. The owner of the lands subject to such Easements further acknowledges and agrees that it and its successors shall keep and repair all Structures and building elements to provide the support required by the terms of this easement and shall keep and repair all Structures and building elements lying within the lands subject to the Easement of support in a state of repair sufficient to provide full and proper support for the benefiting lands and the related improvements, as constructed as at this date. The owner shall be entitled to repair and/or replace the supporting structure and building elements so long as such repaired or replaced Structures or elements will continue to provide at least the same degree of support for the benefiting lands and the related improvements as was originally provided and further provided that to the extent reasonably possible such work shall be performed at times and in a manner which it will cause the least disruption reasonably possible to the benefiting lands. In the event that the owner fails to repair or maintain such structure and elements so as to properly provide the rights of support referred to above and the benefiting party has provided the owner with not less than 30 days prior notice in writing setting out the alleged defect or failure to repair or maintain and the owner has still not corrected such failure or defect, then the benefiting party may enter upon the lands subject to the support Easement or any adjacent lands necessary for access to such lands and do such repair or maintenance work as is necessary to provide the required support at the cost of the owner. In the event of an emergency situation where the life or safety of the public is endangered or the benefiting lands and/or the related improvements are in imminent danger of collapse or damage then the benefiting party shall give the owner such notice as is possible and shall be entitled to enter the lands subject to the Easement and to perform such emergency work as is necessary to deal with the emergency situation, at the cost of the owner. Such costs shall include the costs of repairs or replacement of the improvements constructed on the benefiting lands. The Easements of support are intended to provide support only for the Structures presently on the benefiting lands. The owner of any benefiting lands shall not erect or construct any improvements or place equipment or materials on or in the benefiting lands in such a manner as to impair, endanger, burden or damage or threaten to damage the improvements situated on the owner's lands. In particular, the owners of any benefiting lands acknowledges that the Easements of support are not intended to provide support for any additional Structures, equipment or materials and that the owners of any benefiting lands shall indemnify and hold harmless the owners of any lands subject to the Easements of support from all claims, demands, losses, damages, costs, charges, liabilities and expenses which may arise as a result of the overburdening of the Easements of support.



### Mutual Rights of Entry

Each party owning lands subject to an Easement for support, maintenance, construction or repairs of any kind acknowledges that such Easement further provides the benefiting party the right to enter upon the lands not explicitly subject to such Easements for the purpose exercising such Easements, where such support, construction, maintenance or repairs are only capable of being effected by entry upon those lands or where substantial economic savings would result from such entry for such purposes and to take upon such machinery, equipment, materials and workmen as may be necessary or desirable, subject, however, to the following conditions and restrictions:

- (a) except in the case of an emergency, no such entry shall be made until the owner of the land upon which entry is to be made shall be given at least 60 days notice of the intention to make such entry and the intended time of commencement and completion of such repairs, improvements or maintenance;
- (b) such repair, improvement or maintenance shall be done expeditiously so as to cause the least possible interference with the use or operation of the lands affected thereby and, to this end, shall be performed after normal business hours whenever possible; and
- (c) such repair, improvement or maintenance shall not interrupt the operations of the improvements on such additional lands without the prior written consent of the owner thereof, which consent shall not be unreasonably withheld or delayed.

### Interpretation of Easements

All Easements shall be interpreted so as to affect only those portions of the Project Lands as are reasonably required for the purposes of such Easements set out therein, taking into consideration, inter alia, the location of any service, facility, corridor and/or passageway utilized for the purpose of the Easement, and the physical limitations and boundaries of the building and/or property. In particular any easements over, in and through the common elements of the Condominium shall not include the right to use of any amenity areas and shall be restricted for the purposes of access, use and service of the intended shared facilities, services and areas.

### Postponements and Partial Discharges

If The City of Toronto and/or any other governmental authority or agency and/or any utility provider (each, an "Authority") requires (a) an easement over, or (b) a conveyance of, any portion of the Project Lands, then each party to this Agreement shall (a) postpone this Agreement in favour of any such easement to be transferred to an Authority; and (b) partially release and discharge this Agreement from the lands to be conveyed to an Authority, and this shall constitute the irrevocable Acknowledgment and Direction of all of the Owners to the solicitor registering the transfer and/or easement to (a) postpone this Agreement; or (b) release and discharge this Agreement, as the case may be, from the lands transferred or conveyed.

SCHEDULE "D"Allocation of the Cost of Shared Facilities Maintenance, Repair and Operations

	FACILITY AND SERVICES	RESPONSIBILITY	PROPORTIONATE SHARE
1.	<b>Emergency Generator</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	Preventative emergency generator maintenance. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.		
2.	<b>Grounds Maintenance</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	Includes the cost of exterior landscaping and snow removal, but specifically excludes the costs of maintaining planters located within any exclusive use common element areas attributable to the residential units within the Condominium on the ground floor. Grounds maintenance also includes the areas fronting or adjacent to the Retail Component along Eastern Avenue, Booth Street and Logan Avenue. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.		
3.	<b>Garage Door Maintenance</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	A provision for garage door maintenance. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.		
4.	<b>Tractor Lease</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	Represents associated annual leasing costs for equipment to mobilize waste compactor bins. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.		
5.	<b>Maintenance and Repairs</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	A provision for associated general maintenance and repairs of Shared Facilities including, but not limited to, emergency generator (non-contractual repairs), storm tank maintenance and repairs, drain maintenance/repairs, loading area maintenance/cleaning/repairs, carbon monoxide testing and re-calibration, ramp and power washing. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.		
6.	<b>Maintenance of Hydro Transformer Vault and Switch Gears</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	Annual cost associated with the maintenance of the hydro transformer vault and switch gears. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.		
7.	<b>Fire Safety</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	Monthly and annual testing of the fire safety equipment and off site monitoring of the fire alarm system in accordance with the Ontario Fire Code, including repairs not covered under warranty. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.		
8.	<b>Utilities</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	Hydro, water and gas costs for the associated use of the Shared Facilities. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.		
9.	<b>Administration</b>	Condominium	Condominium: 95.62% Retail: 4.38%
	The management fees paid to the professional Property Manager include, among others, insurance representing a one year premium for all risk insurance for the full replacement value of the Shared Facilities, meeting costs, legal fees, office expenses, telephone costs, annual operating budget for Shared Facilities and reserve fund Study/Consulting Services.		
10.	<b>Groundwater Discharge Compliance Costs</b>	Condominium	Condominium: 95.62% Retail: 4.38%

	<p>An allowance for associated fees and inspections as required by the City of Toronto for the discharge of ground water into the City's sanitary sewer system. The Proportionate Share is based on the average of the following percentages: the above grade GFA of the Condominium being 23,182.51 square meters and the Retail Component being 1,062.78 square meters.</p>
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SCHEDULE "E1"

FORM OF ASSUMPTION AGREEMENT FOR TRANSFER OF INTEREST IN A COMPONENT

TO: [Insert names of Parties to Agreement other than Party transferring its interest]

RE: A certain agreement dated \_\_\_\_\_ between Toronto Standard Condominium Corporation No. 2985 and 462 DEVELOPMENTS INC. [recite any amendments and registered assignments] (the "Agreement")

AND RE: A transfer by [name of assignor Party] (the "Assignor") to [name of assignee] (the "Assignee") of the lands described in Schedule "A" hereto [insert particulars of transfer]

- (a) The Assignor has transferred its interest in the lands described in Schedule "A" hereto to the Assignee effective [insert date].
- (b) In consideration of the right to use and enjoy the Easements provided for in the Agreement in accordance with the provisions of the Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignee agrees to be bound by and, subject to Section [Insert 14.03 as applicable] of the Agreement, to assume the obligations of the Assignor under the Agreement effective [insert effective date].

[If the Assignee is receiving a transfer of a part of the Component of the Assignor, then the Assignor and Assignee shall prepare a revised Schedule "E" providing for the division of all repairs and maintenance costs and contributions of the original Component as between the new Components formed by its division, and this agreement shall provide for such revised Schedule "E" to replace the then existing Schedule "E".]

- (c) The Assignees address for the giving of Notice in accordance with Section 16.01 of the Agreement is as follows:

[INSERT ASSIGNEE'S ADDRESS]

- (d) All capitalized terms used in this agreement shall have the meanings ascribed thereto in the Agreement.
- (e) The execution and delivery of this agreement by the Assignee constitutes delivery by the Assignee of the covenant required pursuant to Subsection [Insert 14.03 as applicable] of the Agreement.
- (f) This agreement shall be binding on the Assignee, its successors and assigns.

This Agreement has been executed by the parties [on the ● day of ●, 20●●].

[●]

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

The undersigned hereby acknowledge that [name of Assignee] has acquired the interest of [name of Assignor] in the lands described in Schedule "A" hereto and accept that [name of Assignee] has replaced [name of Assignor] as a Party to the Agreement with respect to the lands described in Schedule "A" hereto.

[●]

Per: \_\_\_\_\_  
Name:

Title:

Per: \_\_\_\_\_

Name:

Title:

[ ]

Per: \_\_\_\_\_

Name:

Title:

Per: \_\_\_\_\_

Name:

Title:

[Attached will be a Schedule "A" containing a legal description of the lands transferred]

SCHEDULE "E2"

FORM OF ASSUMPTION AGREEMENT FOR GRANT OF LEASE

TO: [Insert names of Parties to Agreement other than Party granting the Lease]

RE: A certain agreement dated \_\_\_\_\_ between Toronto Standard Condominium Corporation No. 2985 and 462 DEVELOPMENTS INC. [recite any amendments and registered assignments] (the "Agreement")

AND RE: A Lease between [name of landlord Party] (the "Landlord") to [name of tenant] (the "Tenant") of the lands described in Schedule "A" hereto. [insert particulars of Lease]

- (a) The Landlord has granted a Lease to the Tenant, having a term commencement date of [insert date] with respect to the lands described in Schedule "A" hereto.
- (b) In consideration of the entitlement to use and enjoy the Easements provided for in the Agreement in accordance with the provisions of the Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Tenant agrees to be bound by and to assume the obligations of the Landlord under the Agreement with respect to such lands effective [insert date]
- (c) All capitalized terms used in this agreement shall have the meanings ascribed thereto in the Agreement.
- (d) The execution and delivery of this agreement by the Tenant constitutes delivery by the Assignee of the covenant required pursuant to Section 15.01 - of the Agreement.
- (e) This agreement shall be binding on the Tenant, its successors and assigns.

This Agreement has been executed by the parties [on the ● day of ●, 20●].

[●]

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

The undersigned hereby acknowledge that [name of Tenant] has become the Obligant with respect to the lands described in Schedule "A" hereto effective [insert date] pursuant to a Lease and accept that [name of Tenant] has replaced [name of Landlord] as Obligant with respect to such lands.

[●]

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[●]

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[Attached will be a Schedule "A" containing a legal description of the lands leased pursuant to the Lease]

SCHEDULE "E3"

FORM OF ASSUMPTION AGREEMENT FOR CHARGE OF INTEREST IN A COMPONENT

TO: [Insert names of Parties to Agreement other than Party charging its interest]

RE: A certain agreement dated \_\_\_\_\_ between Toronto Standard Condominium Corporation No. 2985 and 462 DEVELOPMENTS INC. [recite any amendments or registered assignments] (the "Agreement")

AND RE: A charge by [name of chargor Party] (the "Chargor") to [name of chargee] (the "Chargee") of the lands described in Schedule "A" hereto [insert particulars of Charge]

(a) The Chargor has charged its interest in the lands described in Schedule "A" hereto to the Chargee effective [insert date].

(b) In consideration of the right to use and enjoy the Easements provided for in the Agreement in accordance with the provisions of the Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Chargee agrees to be bound by and to assume the obligations of the Chargor under the Agreement as follows:

(i) notwithstanding that the security in its favour is valid and binding, the Chargee shall not be either entitled to the benefit of the Easements nor liable to the other Parties with respect to obligations of the Chargor prior to either becoming a mortgagee in possession or commencing to enforce its security and notifying the other Parties to the Agreement that such is the case;

(ii) if the Chargee either becomes a mortgagee in possession or commences to enforce its security and notifies the Parties to the Agreement that such is the case, the Chargee shall thereafter be entitled to the benefit of the Easements granted to the Chargor and shall be responsible for all obligations of such Party that have arisen to such date and that arise thereafter, subject to clause 2(c) below; and

(iii) if the Chargee shall cease to be a mortgagee in possession and ceases to be enforcing its security and notifies the Parties to the Agreement that such is the case, it shall not be responsible for any obligations of the Chargor that arise thereafter.

(iv) All capitalized terms used in this agreement shall have the meanings ascribed thereto in the Agreement.

(v) The execution and delivery of this agreement by the Chargee constitutes delivery by the Chargee of the covenant required pursuant to Section 15.01 - of the Agreement.

(vi) This agreement shall be binding on the Chargee, its successors and assigns.

(vii) Notwithstanding that its security is not in default, the Chargee shall receive notice at the following address: [ ] of any default of the Chargor where the Chargor is to receive notice hereunder and where the Chargee has the right to cure any default the Chargee shall have the right to exercise any rights or powers of the Chargor hereunder for the purposes of curing such default and the non-defaulting parties under the Agreement shall not take any steps to enforce their rights as against a defaulting Chargor without the Chargee having received its opportunity to cure such default as herein provided for.

This Agreement has been executed by the parties [on the ● day of ●, 20●].

[●][name of Chargee]

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:

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Title:

The undersigned hereby acknowledge that [name of Chargee] has acquired the interest of [name of Chargor] in the lands described in Schedule "A" hereto and accept that [name of Chargee] has the rights granted to a Chargee under the Agreement with respect to the lands described in Schedule "A" hereto.

[●]

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

[●]

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

[Attached will be a Schedule "A" containing a legal description of the lands charged]