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AT 1843970

CERTIFICATE OF RECEIPT
RÉCÉPISSÉ
TORONTO (66)

2008-07-25 11:52

(1) Registry Land Titles (2) Page 1 of 36 pages

(3) Property Identifier(s) Block 12952-0001 to 12952-0854 (both - inclusive) Property Additional: See Schedule

(4) Nature of Document BY-LAW NO. 5 (Condominium Act - Section 56(9))

(5) Consideration TWO Dollars \$ 2.00

(6) Description All Units on all Levels and Common Elements comprising the property included in Toronto Standard Condominium Plan No. 1952 in the City of Toronto, Land Titles Division of Toronto (No. 66)

New Property Identifiers Additional: See Schedule

Executions Additional: See Schedule

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

(8) This Document provides as follows:
SEE ATTACHED FOR BY-LAW CERTIFICATE

Continued on Schedule

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

(10) Party(ies) (Set out Status or Interest) Name(s)	Signature(s)	Date of Signature		
		Y	M	D
TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1952 I/ We have authority to bind the corporation		2008	07	18
	Name: Aurelio DiRocco Title: President			
	Per:	2008	07	18
	Name: Gianpiero DiRocco Title: Secretary/Treasurer			

(11) Address for Service c/o 199 Adesso Drive, Concord, Ontario, L4K 3C4

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

(13) Address for Service

(14) Municipal Address of Property
21 & 23 Carlton Street;
4, 6, 8, 10, 12, 14 & 16 Granby Street; Toronto, Ontario

(15) Document Prepared by:
Michael Volpatti (Met 1 / bcp)
Bratty and Partners, LLP
Suite 200
7501 Keele Street
Vaughan, Ontario
L4K 1Y2

Fees and Tax	
Registration Fee	
Total	

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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. 1952 (known as the "Corporation") certifies that:

1. The copy of By-law No. 5, attached as Schedule "A", 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 18th day of July, 2008.

Toronto Standard Condominium
Corporation No. 1952

Per. 
Name: Aurelio DiRecco
Title: President

I have authority to bind the Corporation

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TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1952

BY-LAW NO. 5

Be it enacted as a by-law of TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1952 (hereinafter referred to as "the Corporation" or "this Corporation" as follows:

1. That the Corporation enter into an easement and cost sharing agreement substantially in the form of agreement annexed hereto as Exhibit "A" (hereinafter called the "Cost Sharing Agreement") with the parties set forth in the said Agreement for the purposes of, inter alia,;

- (a) confirming the provisions of the declaration of the Corporation pertaining to the operation and maintenance of the various shared facilities and services contemplated therein;
- (b) providing for the sharing of the overall costs of the operation, maintenance, repair and replacement of such facilities and services and for the mutual use thereof;
- (c) providing for or regulating those other matters therein set forth.

2. That the Corporation be and it is hereby authorized to execute any further documents or other assurances with any requisite parties to the said agreement or any of their successors and assigns, as may be required from time to time in order to give effect to the provisions of the Cost Sharing Agreement.

3. That all terms, provisions and conditions set out in the Cost Sharing Agreement, including without limitation, all covenants and agreements made by or on behalf of the Corporation, are hereby authorized, ratified, sanctioned and confirmed.

4. That the President and the Secretary of the Corporation be and they are hereby authorized to execute, on behalf of the Corporation, the Cost Sharing Agreement, together with all other documents or instruments which are ancillary to the Cost Sharing Agreement, including without limitation, all instruments or affidavits which may be required in order to register the said agreement on the title to the Corporation's property and/or on the title to any lands of or contained within the Adjacent Corporation. The affixation of the corporate seal of the corporation to all such documents and instruments is hereby authorized, ratified, sanctioned and confirmed.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1952 hereby enacts the foregoing by-law having been 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, S.O. 1998, c.19, as amended.

DATED at Toronto, this 18th day of July, 2008.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1952



Per: _____
Name: Aurelio DiRocco
Title: President



Per: _____
Name: Gianpiero DiRocco
Title: Secretary/Treasurer

I/We have the authority to bind the Corporation.

EXHIBIT "A"

EASEMENT AND COST SHARING AGREEMENT

THIS AGREEMENT made this 18th day of July, 2008.

BETWEEN:

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1952, a corporation created by the registration of a declaration and description on the 30th day of June, 2008, in the Land Registry Office for the Land Titles Division of Toronto (No. 66)

(hereinafter called the "Corporation" or "this Corporation" or "Building 1")

OF THE FIRST PART;

- and -

THE MET 2 INC., being the declarant or proposed owner of the Condominium 2 Lands until registration of a declaration and description pursuant to the Act (hereinafter defined) thereon and thereafter, the corporation thereby created

(hereinafter called the "Building 2")

OF THE SECOND PART;

WHEREAS the Corporation is a corporation in respect of the multi-unit highrise building, the townhome block and the appurtenant common elements which together comprise the property set out in the description, and which consist of those lands and premises situate in the City of Toronto, Ontario, as described in the Parcel Register for Toronto Standard Condominium Corporation No. 1952, registered in the Land Registry Office for the Land Titles Division of Toronto (which lands are hereinafter referred to as the "Condominium 1 Lands");

AND WHEREAS the premises situate in the City of Toronto, Ontario, lying adjacent to the Condominium 1 Lands, are composed of those lands and premises which comprise the Condominium 2 Lands as such term is hereinafter defined;

AND WHEREAS the declarant or owner of the Condominium 2 Lands intends to develop and construct a building upon the Condominium 2 Lands and to register on the said lands a declaration and description to create a separate corporation (referred to as "Corporation 2") with Corporation 2 to be created by registration of a declaration and description on those lands and premises more particularly designated as follows, and which is hereinafter referred to as the "Condominium 2 Lands", namely:

In the City of Toronto and the Province of Ontario, being composed of Part of Park Lot 8, Concession 1, From the Bay and Part of Carlton Street (closed by By-laws 13174 and 13376) as in 25501½ EP, designated as Parts 4, 5, 6, 7 and 9 on Reference Plan 66R-23745.

AND WHEREAS Building 2 shall mean, prior to the creation of a corporation by the registration of a declaration and description on the Condominium 2 Lands, the owner of such lands, and thereafter Corporation 2, the condominium corporation so created on the Condominium 2 Lands.

AND WHEREAS the Corporation and Building 2 have entered into this agreement for, among other things, the purposes of providing for the mutual use, maintenance and cost-sharing of the Shared Servicing Systems, the Specific Servicing Easements, the Exterior Landscaped Areas and Facilities, the Common Interior Roadway, the Outdoor Pedestrian Walkway, the Recreation Unit, the Building 1 Terrace Unit, the Building 2 Terrace Unit, the Loading/Bin Storage Unit, the Visitor Parking Spaces, the Visitor Bicycle Storage Area, the Arch Way and the Garage which will serve and benefit any one or both of the Corporations.

AND WHEREAS upon the creation of the condominium corporation on the Condominium 2 Lands, and its entering into of this Agreement, by counterpart agreement or otherwise, it shall assume all of the obligations and covenants and be entitled to all the benefits accruing to Building 2 as set out in this Agreement.

AND WHEREAS the words "Common Elements", "Common Expenses", "Common Interest", "Declaration", "Description", "By-Laws", "Registration", "Rules", shall have the same meanings as are ascribed to such terms in the Act, hereinafter defined.

AND WHEREAS the capitalized terms used herein shall have the same meanings as are ascribed to them in the Declaration of the Corporation, registered in the Land Registry Office for the Land Titles Division of Toronto on the 30th day of June, 2008, as Instrument No. AT1819790 and some of such capitalized terms and other terms are set forth as Article 1.00 herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration and the sum of TEN (\$10.00) DOLLARS of lawful money of Canada now paid by each of the parties hereto to the other (the receipt and sufficiency of which is hereby acknowledged by all parties), the parties hereto hereby covenant and agree to and with each other and each of them as follows:

ARTICLE 1.00
TRUTH OF RECITALS AND DEFINITIONS

Truth of Recitals

1.01 The recitals hereinbefore set forth are true in substance and in fact.

Definitions

The terms used in this Agreement shall have the meanings ascribed to them in the Condominium Act, 1998, S.O. 1998, c. 19, as amended, and the regulations made thereunder (all of which are hereinafter collectively referred to as the "Act"), unless this Agreement specifies otherwise or unless the context otherwise requires and in particular:

- 1.02 (a) "Adjacent Lands" means the Condominium 2 Lands.
- 1.02 (b) "Building 2" means the declarant and proposed owner of the Condominium 2 Lands, until registration of declaration and description pursuant to the Act thereon and thereafter, such term shall mean the corporation thereby created ("Corporation 2"), until such entity has been terminated in accordance with the Act, after which event, "Building 2" shall mean the owner or owners of the Condominium 2 Lands.
- 1.02 (c) "Common Interior Roadway" means the roadway and driveway constructed or to be constructed on all or part of any of the Condominium 1 Lands and/or Condominium 2 Lands for the purpose of providing vehicular access and egress between the said lands and Buildings thereon and the lands and public roadways adjacent thereto.
- 1.02 (d) "Corporation" means Toronto Standard Condominium Corporation No.1952, unless such entity has been terminated in accordance with the Act after which event, the Corporation shall mean the owner or owners of the Condominium 1 Lands.
- 1.02(e) "Corporations" means, together, the Corporation and Corporation 2.
- 1.02(f) "Declarant" means the declarant of the Corporation.
- 1.02 (g) "Exterior Landscaped Areas and Facilities" means the outdoor exterior landscaped area on grade level, any roof top landscaped area, the pedestrian walkways and garage ramps, situate within the common element areas of the Corporation and the Corporation 2;
- 1.02 (h) "Garage" means the underground parking garage containing the parking units and areas of each of the buildings located on the Condominium 1 Lands and the Condominium 2 Lands.
- 1.02(i) "Garage and Support Easement" means the easements and rights described in clause 8.01 (c), 8.01(d) and 8.01(e) of this Agreement and those facilities contained therein.

- 1.02 (j) "Loading/Bin Storage Unit" means the type "G" loading area and the bin storage area unit proposed to be located on Level 1 of the Condominium 2 Lands.
- 1.02 (k) "Outdoor Pedestrian Walkway" means the paths, walkways and sidewalks constructed or to be constructed on all or part of any of the Condominium 1 Lands and/or Condominium 2 Lands for the purpose of providing pedestrian access to the buildings located on such lands, and their appurtenances and to the adjacent lands.
- 1.02(l) "Owned" whenever the term "owned" or any similar expression is used in conjunction with a reference to a party bound by this Agreement, such term shall mean in the case of a corporation, the operation of the property contained within that corporation's description, by that corporation.
- 1.02(m) "Owner Party" means any one of the Corporation or Building 2 as the context provides, "Owner Parties" means the Corporation and Building 2 together.
- 1.02(n) "Recreation Unit" means Unit 4 on Level 2 of the Corporation.
- 1.02 (o) "Shared Facilities" means, collectively, the Shared Servicing Systems, the Specific Servicing Easements, the Exterior Landscaped Areas and Facilities, the Common Interior Roadway, the Outdoor Pedestrian Walkway, the Recreation Unit, the Building 1 Terrace Unit, the Building 2 Terrace Unit, the Loading/Bin Storage Unit, the Visitor Parking Spaces, the Visitor Bicycle Storage Area and the Arch Way.
- 1.02 (p) "Shared Servicing Systems" means the servicing systems servicing the units and/or Common Elements of each of the buildings located on the Condominium 1 Lands and the Condominium 2 Lands including certain parts of the storm and sanitary system, telephone and cable system and other such systems.
- 1.02(q) "Specific Servicing Easement" means the easements and rights described in clauses 7.01(a) of this Agreement and all those facilities and installations therein contained.
- 1.02(r) "Terrace Units" shall mean the Building 1 Terrace Unit and the Building 2 Terrace Unit, together. "Building 1 Terrace Unit" means Unit 11 on Level 5 of the Corporation and "Building 2 Terrace Unit" means the terrace unit proposed to be constructed on the roof of the townhome portion of Building 2.
- 1.02(s) "Visitor Bicycle Storage Area" means the visitor bicycle storage areas in the Corporation and Corporation 2 intended to benefit and be available for use by both of the Corporations.
- 1.02(t) "Visitor Parking Spaces" means, following the registration of Corporation 2, nine (9) visitor parking spaces forming part of the common elements of Corporation 2, which will be shared by the Corporations and made available for visitors of both Corporations.
- 1.02(u) "Arch Way" means the arch way through the townhomes constructed or to be constructed on the Condominium 1 Lands and the Condominium 2 Lands and anything attached to said arch way, including, without limitation, public art.

ARTICLE 2.00

RECREATION UNIT, TERRACE UNITS, LOADING/BIN STORAGE BIN AND SHARED FACILITIES BUDGET AND COMMITTEE

Allocation/Assessment of Proportionate Share of Costs of the Recreation Unit, Terrace Units and Loading/Bin Storage Unit

2.01 As at the date of this Agreement, it is intended by the Declarant and Building 2, that the buildings constructed or to be constructed on the Condominium 2 Lands will be comprised of 334 residential dwelling units, together with 104 parking units and the buildings constructed on the Condominium 1 Lands are comprised of 398 residential dwelling units, together with 187 parking units. The Proportionate Share of the operation, maintenance and repair costs related to the Recreation Unit, the Terrace Units and the Loading/Bin Storage Unit (the "Shared Unit Costs") borne by each of the Corporations shall be in the proportion that the actual

number of residential dwelling units in each of the Corporations bears to the total number of residential dwelling units in both of the Corporations (herein referred to as its "Proportionate Share" thereof). Notwithstanding the generality of the foregoing, until such time as any portion of the Adjacent Lands is constructed and completed to a stage that will permit occupancy of the residential dwelling units therein by the public, the owner of such portion of the Adjacent Lands shall not be required to contribute towards its Proportionate Share of such Shared Unit Costs and such share will be borne by the Corporation alone.

Adjustment in Calculating Proportionate Share

2.02 Pursuant to the provisions of section 2.01 hereof, should the actual total number of residential dwelling units in either of the Corporations change from those presently intended, as set out in subsection 2.01 above, resulting in a change in their respective Proportionate Share, then the Corporations covenant and agree to effect an appropriate re-adjustment between themselves in respect of any amounts theretofore paid by them in respect of the Shared Unit Costs.

Acknowledgement of Ownership of the Recreation Unit, the Terrace Units and the Loading/Bin Storage Unit

2.03 (a) The parties hereto hereby acknowledge, confirm and agree that ownership of the Recreation Unit, the Terrace Units and the Loading/Bin Storage Unit shall ultimately be shared between the Corporations as tenants in common, in the proportions that the total number of residential dwelling units in each of the Corporations bears to the total number of residential dwelling units in both of the Corporations (the "Proportionate Interests").

Time for Transfer of Ownership

2.03 (b)(1) The actual transfer of ownership of the Recreation Unit and the Building 1 Terrace Unit by the Declarant to the Corporation shall occur on or about thirty (30) days after the date when the Corporation has been created, or such earlier time as the Declarant may determine in its sole discretion. The Corporation shall transfer to Corporation 2 its Proportionate Interests in the Recreation Unit and the Building 1 Terrace Unit forthwith following the creation of Corporation 2. The Corporation shall execute and deliver without delay or charge any documentation as may be required to facilitate such conveyance(s). If required by the Declarant, the Declarant shall be appointed the agent of the Corporations for the purposes of executing all documentation required to effect the registration of such transfer(s), including without limitation, to complete any Land Transfer Tax Affidavit(s) on behalf of the Corporations for the purposes of registering such transfer(s) of the Recreation Unit and the Building 1 Terrace Unit, the Corporations agreeing that the value of consideration for land transfer tax purposes shall be \$2.00.

2.03 (b)(2) The actual transfer of ownership of the Building 2 Terrace Unit and the Loading/Bin Storage Unit by the declarant of the Adjacent Lands to the Corporations, pro rata as tenants in common in accordance with their respective Proportionate Interests, shall occur on or about thirty (30) days after the date when Corporation 2 has been created, or such earlier time as the declarant of the Adjacent Lands may determine in its sole discretion. If required by the declarant of the Adjacent Lands, the declarant of the Adjacent Lands shall be appointed the agent of the Corporations to complete any Land Transfer Tax Affidavit on behalf of the Corporations for the purposes of registering such transfer of the Building 2 Terrace Unit and the Loading/Bin Storage Unit, the Corporations agreeing that the value of consideration for land transfer tax purposes shall be \$2.00.

Prohibition Against Further Sale

2.03 (c) Subject to the Corporation's obligation to transfer to Corporation 2 its Proportionate Interests in the Recreation Unit and the Building 1 Terrace Unit as set out in section 2.03 (b)(1) hereinabove, once ownership of any part of the Recreation Unit, the Building 1 Terrace Unit, the Building 2 Terrace Unit and the Loading/Bin Storage Unit has been transferred to the Corporations by the Declarant and the declarant of the Adjacent Lands as aforesaid, any further sale, transfer, mortgage, charge or other conveyance of the whole or any portion of the Recreation Unit, the Building 1 Terrace Unit, the Building 2 Terrace Unit or the Loading/Bin Storage Unit, so transferred, including any sale, transfer, other conveyance, or any mortgage, charge or creation of any other encumbrance on or in respect to the beneficial ownership or interest of the Corporations, shall require, in addition to any other approvals which may be required pursuant to the provisions of the Act or the declaration

of such corporation, the prior written consent of the respective remaining co-tenants of the Recreation Unit, Building 1 Terrace Unit, Building 2 Terrace Unit and the Loading/Bin Storage Unit, respectively, and the prior written approval of a majority of those owners of such corporation purporting to sell, transfer, mortgage, charge or encumber their interest in the Recreation Unit, Building 1 Terrace Unit, Building 2 Terrace Unit and the Loading/Bin Storage Unit, respectively, and the written approval of each respective registered mortgagee of the Recreation Unit, Building 1 Terrace Unit, Building 2 Terrace Unit and the Loading/Bin Storage Unit, respectively, who has notified the Corporation of his entitlement to vote, in accordance with the Act, which consents or approvals may be unreasonably or arbitrarily withheld. In addition, every new owner, mortgagee, chargee or encumbrancer, as the case may be, shall be required to execute by way of counterpart or otherwise, a written agreement agreeing to be bound by all the terms and conditions of this Agreement, and any of those matters referred to in the declaration of any of the Corporations pertaining to said Recreation Unit, Building 1 Terrace Unit, Building 2 Terrace Unit and the Loading/Bin Storage Unit, to the same extent and effect as if it was an original party thereto.

Invalidity of Conveyance Document

2.03 (d) Subject to the Corporation's obligation to transfer to Corporation 2 its Proportionate Interests in the Recreation Unit and the Building 1 Terrace Unit as set out in section 2.03 (b)(1) hereinabove, any instrument or other document purporting to sell, transfer, convey, mortgage, charge or encumber either of the Corporations' undivided interests as tenants-in-common in the Recreation Unit, the Building 1 Terrace Unit, the Building 2 Terrace Unit or the Loading/Bin Storage Unit, without the requisite consents being given or without the new agreement or counterpart being executed and delivered as the case may be and as required in the immediately preceding subparagraph (c) shall be null and void and of no effect whatsoever.

Shared Facilities Budget

2.04 (a) The "Transfer Date" is herein defined as the date that is the earlier of (i) 10 years following the date of creation of the Corporation; (ii) the creation of both of the Corporations; and (iii) such earlier time as the Declarant may determine in its sole discretion. Until the Transfer Date, the Declarant shall have the unilateral right in its sole discretion to repair, replace, operate and maintain all of the Shared Facilities and the Garage and shall prepare and submit to the Corporation (not less than once annually) for incorporation as part of the latter's overall annual budget, a separate budget or a separate schedule to form part of the Corporation's overall budget (the "Shared Facilities Budget") outlining the costs of repairing, replacing, operating and maintaining the Shared Facilities and the Garage (the "Shared Facilities Costs"), which shall constitute the then applicable Shared Facilities Costs of which the Corporation shall be responsible for payment in accordance with this Agreement. The Corporation hereby covenants and agrees to adopt and be bound by the Shared Facilities Budget as part of the Corporation's overall annual budget, without any qualification whatsoever, and the Corporation shall pay and be solely responsible for its share of the Shared Facilities Costs in accordance with this Agreement.

After Transfer Date/Shared Facilities

2.04 (b) From and after the Transfer Date, and subject to the Declarant's rights thereafter provided for in the declaration of any of the Corporations, the repair, replacement, operation and maintenance of the Shared Facilities and the Garage, as well as the preparation and submission of an annual Shared Facilities Budget outlining the Shared Facilities Costs, shall be governed by a Shared Facilities committee (hereinafter referred to as the "Shared Facilities Committee") to be established in accordance with the provisions of the Corporation's By-Laws. Notwithstanding their respective Proportionate Interests in the Recreation Unit, the Building 1 Terrace Unit, the Building 2 Terrace Unit and the Loading/Bin Storage Unit, each of the Corporations shall have equal representation on the Shared Facilities Committee, provided that if Corporation 2 is not created by the Transfer Date, then the Declarant shall be entitled to nominate its own representatives on the Shared Facilities Committee in place and stead of the representatives of Corporation 2, which is not then so created. As and when Corporation 2 is so created, the nominees of the Declarant on the Shared Facilities Committee in respect of Corporation 2 shall resign, and be replaced by representatives of Corporation 2 nominated by its directors.

2.04 (c) From and after the Transfer Date, the Corporation and Corporation 2 covenant and agree to adopt and be bound by the Shared Facilities Budget prepared by the Shared Facilities Committee, as part of their respective

overall annual budget, and agree to pay and be solely responsible for their Proportionate Share of the Shared Facilities Costs. Notwithstanding the generality of the foregoing, until such time as any portion of the Adjacent Lands is constructed and completed to a stage that will permit occupancy of the residential dwelling units therein by the public, the owner of such portion of the Adjacent Lands shall not be required to contribute towards its Proportionate Share of the Shared Facilities Costs and such share will be borne by the Corporation alone.

ARTICLE 3.00
EASEMENT AND COST SHARING PROVISIONS FOR THE
COMMON INTERIOR ROADWAY AND OUTDOOR PEDESTRIAN WALKWAY

Mutual Easement among the Corporation and Building 2 for
Common Interior Roadway and Outdoor Pedestrian Walkway

3.01 The Corporation and Building 2 each respectively hereby grants, conveys and transfers to each other in perpetuity an easement, right and right in nature of an easement in, on, over and along those parts of the Condominium 1 Lands and the Condominium 2 Lands for the purposes of vehicular and pedestrian access, egress and/or use of any part of the Common Interior Roadway and the Outdoor Pedestrian Walkway as is/are situate on such lands, all given in favour of the Corporation as owner of the Condominium 1 Lands and Building 2 as owner of the Condominium 2 Lands and their occupants such as to serve and benefit such lands.

Ascertainment of Proportionate Share

3.02 Each of the Corporations shall be solely responsible for that proportion or percentage of the total cost of maintaining, repairing or replacing the Common Interior Roadway and the Outdoor Pedestrian Walkway in the proportion that the total number of residential dwelling units in each of the Corporations bears to the total number of residential dwelling units in both of the Corporations (herein referred to as its "Proportionate Share" thereof). Notwithstanding the generality of the foregoing, until such time as any portion of the Adjacent Lands is constructed and completed to a stage that will permit occupancy of the residential dwelling units therein by the public, the owner of such portion of the Adjacent Lands shall not be required to contribute towards its Proportionate Share of such maintenance, repair and replacement costs and such share will be borne by the Corporation alone.

Adjustment in Calculating Proportionate Share

3.03 Pursuant to the provisions of section 3.02 hereof, should the actual total number of residential dwelling units in either of the Corporations change from those presently intended as set out in sub-section 2.01 above, resulting in a change in their respective Proportionate Share of the cost of maintaining, repairing, or replacing the Common Interior Roadway and the Outdoor Pedestrian Walkway, then the Corporations covenant and agree to effect an appropriate re-adjustment between themselves in respect of any amounts theretofore paid by them in respect of the total costs of maintaining, repairing and replacing the Common Interior Roadway and the Outdoor Pedestrian Walkway above described.

ARTICLE 4.00
EASEMENT AND COST-SHARING PROVISIONS
FOR THE EXTERIOR LANDSCAPED AREAS AND FACILITIES

Mutual Easement of the Corporation and Building 2
over Exterior Landscaped Areas and Facilities

4.01 The Corporation and Building 2 each respectively hereby grants, conveys and transfers to each other in perpetuity an easement, right and right in nature of an easement, in, on, over and along its respective property which constitutes any part of the Exterior Landscaped Areas and Facilities as is situate on such lands and premises for the purposes of using and enjoying such areas and facilities, as well as in, on over and along its respective property to extent as is required for the purposes of pedestrian access, egress and/or any other similar or related use appropriate for the reasonable use and enjoyment of the Exterior Landscaped Areas and Facilities situate thereon, and which easements and rights are being given in favour of the Corporation, as owner of the Condominium 1 Lands, and Building 2, as the owner of the Condominium 2 Lands and their

occupants such as to serve and benefit such lands.

Ascertainment of Proportionate Share

4.02 Each of the Corporations shall be solely responsible for that proportion or percentage of the cost of maintaining, repairing and replacing the Exterior Landscaped Area and Facilities in the proportion that the total number of residential dwelling units in each of the Corporations bears to the total number of residential dwelling units in both of the Corporations (herein referred to as its "Proportionate Share" thereof). Notwithstanding the generality of the foregoing, until such time as any portion of the Adjacent Lands is constructed and completed to a stage that will permit occupancy of the residential dwelling units therein by the public, the owner of such portion of the Adjacent Lands shall not be required to contribute towards its Proportionate Share of such maintenance, repair and replacement costs and such share will be borne by the Corporation alone.

Adjustment in Calculating Proportionate Share

4.03 Pursuant to the provisions of section 4.02 hereof, should the actual total number of residential dwelling units in either of the Corporations change from those presently intended, as set out in subsection 2.01 above, resulting in a change in their respective Proportionate Share of the cost of maintaining, repairing, or replacing such Exterior Landscaped Areas and Facilities, then the Corporations covenant and agree to effect an appropriate re-adjustment between themselves in respect of any amounts theretofore paid by them in respect of the total cost of maintaining, repairing and replacing the Exterior Landscaped Areas and Facilities, as above described.

ARTICLE 5.00

EASEMENT AND COST-SHARING PROVISIONS FOR THE VISITOR

PARKING SPACES, THE VISITOR BICYCLE STORAGE AREA AND THE ARCH WAY

Easement of the Corporation over the Visitor Parking Spaces

5.01(a) Building 2 hereby grants, conveys and transfers to the Corporation in perpetuity an easement, right and right in nature of an easement, in, on, over and along of its respective property for the purposes of vehicular access, egress and/or use of any part of the Visitor Parking Spaces as are situate on such lands, all given in favour of the Corporation as owner of the Condominium 1 Lands and their occupants such as to serve and benefit such lands. The Visitor Parking Spaces shall be shared by the Corporations and made available for visitors of both Corporations.

Mutual Easement among the Corporation and Building 2 for the Visitor Bicycle Storage Area

5.01(b) The Corporation and Building 2 each respectively hereby grants, conveys and transfers to each other in perpetuity an easement, right and right in nature of an easement in, on, over and along those parts of the Condominium 1 Lands and the Condominium 2 Lands for the purposes of bicycle and pedestrian access, egress and/or use of any part of the Visitor Bicycle Storage Area as is/are situate on such lands, all given in favour of the Corporation as owner of the Condominium 1 Lands and Building 2 as owner of the Condominium 2 Lands and their occupants such as to serve and benefit such lands. The Visitor Bicycle Storage Area in the Corporation and Corporation 2 intended to benefit and be available for use by both of the Corporations.

Ascertainment of Proportionate Share

5.02 Each of the Corporations shall be solely responsible for that proportion or percentage of the cost of maintaining, repairing and replacing the Visitor Parking Spaces, the Visitor Bicycle Storage Area and the Arch Way in the proportion that the total number of residential dwelling units in each of the Corporations bears to the total number of residential dwelling units in both of the Corporations (herein referred to as its "Proportionate Share" thereof). Notwithstanding the generality of the foregoing, until such time as any portion of the Adjacent Lands is constructed and completed to a stage that will permit occupancy of the residential dwelling units therein by the public, the owner of such portion of the Adjacent Lands shall not be required to contribute towards its Proportionate Share of such maintenance, repair and replacement costs and such share will be borne by the Corporation alone.

Adjustment in Calculating Proportionate Share

5.03 Pursuant to the provisions of section 5.02 hereof, should the actual total number of residential dwelling units in either of the Corporations change from those presently intended, as set out in subsection 2.01 above, resulting in a change in their respective Proportionate Share of the cost of maintaining, repairing, or replacing such Visitor Parking Spaces, Visitor Bicycle Storage Area and Arch Way, then the Corporations covenant and agree to effect an appropriate re-adjustment between themselves in respect of any amounts theretofore paid by them in respect of the total cost of maintaining, repairing and replacing the Visitor Parking Spaces, the Visitor Bicycle Storage Area and the Arch Way, as above described.

ARTICLE 6.00

Municipal Requirements

6.01 The water meter monitoring water consumption for the Corporation and Corporation 2 is located within the Corporation. The Corporation will receive billing statements from the local water authority for the water supply charges in respect of the Corporation and Corporation 2 and shall accordingly, as between the local water authority and the Corporation, be responsible to the said local water authority for payment in full of the bulk water bill so received. It is understood and agreed that the Corporation 2 shall pay to the Corporation, forthwith upon presentment of the bulk water bill by the Corporation, their respective proportionate share of such water supply charges, which proportionate share shall be conclusively determined as follows: the Declarant shall install separate check or consumption meter(s) appurtenant to the Condominium 2 Lands which shall measure the amount of the water service consumed by the Corporation 2. Forthwith following the Corporation's receipt of such water supply charge, the Corporation shall issue and submit its own separate invoice(s) to the Corporation 2, reflecting the Corporation 2's proportionate share of such water supply charge for the water service consumed by the Corporation 2, determined or established pursuant to the reading of the check or consumption meter(s) appurtenant to the Condominium 2 Lands. The Corporation 2 shall be obliged to pay to the Corporation their respective share of such water supply charge, as established by the check or consumption meter, on or before the earlier of the following two dates, namely:

- (i) the thirtieth (30th) day following receipt of an invoice from the Corporation setting out the Corporation 2's share of such water supply charge, as determined by the check or consumption meter for same; or
- (ii) two (2) business days (excluding Saturdays, Sundays and Statutory holidays) prior to the due date for payment of the water supply charge by the Corporation to the local water authorities.

ARTICLE 7.00

SPECIFIC SERVICING EASEMENTS

Mutual Easement of the Corporation and Building 2 for Specific Servicing Easements

7.01 (a) The Corporation and Building 2 each hereby respectively grants, conveys and transfers to each other in perpetuity an easement, right and right in nature of an easement in, on, over, under, through and along those parts of the Condominium 1 Lands, and the Condominium 2 Lands for the purposes of maintaining, operating, repairing, replacing and inspecting the servicing systems including the mechanical systems, safety systems, underground storm and sanitary sewer pipes, water pipes and lines and electrical conduits and systems, cable and telephone wires and lines and gas lines and any other private or public utility or service, together with all appurtenances thereto, as may from time to time be necessary or convenient to provide adequate services including temperature control, safety, storm and sanitary sewers, water services, electrical, cable and/or telephone services or gas services to any parts of the buildings situate on the Condominium 1 Lands, and the Condominium 2 Lands, for the purposes of servicing and benefiting such lands, and which easement and right is being given in favour of the Corporation and Building 2 and their owners and occupants.

Definition

7.01 (b) The easements and rights described in paragraph 7.01(a) and those facilities contained therein as specified above, are referred to in this Agreement as the "Specific Servicing Easements".

ARTICLE 8.00
EASEMENT AND COST-SHARING PROVISIONS
OF THE SHARED SERVICING SYSTEMS/SUPPORT/THE GARAGE

The Corporations' Mutual Grant of Easement for Shared Servicing Systems

8.01 (a) The Corporation and Building 2 each respectively hereby grant, convey and transfer in perpetuity to the other for the mutual benefit of its owners and its or their tenants, permitted occupants, agents and contractors, easements, rights in the nature of an easement and license to maintain, use, operate, repair, replace and inspect any portion of the Shared Servicing Systems which run in, over, along, across or through any part of the common elements of the Condominium 1 Lands and/or the Condominium 2 Lands and which serve or benefit, in whole or in part the building or installations situate on the lands described in the description of the other Owner Parties, which mutual easement, rights and licenses, are being granted, conveyed and transferred in, on, over, along, across or through any cables, wires, conduits, pipes, ducts, shafts or other installations forming part of such Shared Servicing Systems.

The Corporations' Mutual Grants of Easement for Repair of Building and the Shared Servicing Systems

8.01 (b) The Corporation and Building 2 each grant, transfer and convey in perpetuity to the other and to their owners and for the mutual benefit of its or their tenants, subtenants, assignees, permitted occupants, servicemen, contractors, mechanics, repairmen or other agents or employees, an easement, right and license in, on or over the whole or part of the Garage situate on the Condominium 1 Lands and/or the Condominium 2 Lands and including on or over any improvements, fixtures or finishing installations, attached or affixed thereto, as is completely sufficient to allow the Owner Party benefiting from such easement and right herein mentioned to effect the repair, maintenance or alteration of any buildings improvements, fixtures or installations situate on the lands of that Owner Party whether by crossing, drilling, puncturing, breaking through, boring onto, traveling through or conducting any similar act to the said Garage situate on the lands of the other Owner Parties as the case may be or to any improvement, fixture or finishing installation attached or affixed thereto.

The Corporations' Mutual Easement for Support

8.01 (c) The Corporation and Building 2 each grant, convey and transfer to the others, in perpetuity, but subject to the terms and conditions herein provided, mutual easements and rights of and for support in respect of, from and to all the structural members, pillars, columns, footings, foundations, side and cross beams, supporting walls and floors and the soil comprising part of the Condominium 1 Lands and/or the Condominium 2 Lands as are required for the purpose of supporting the buildings and installations situate on their respective lands.

The Corporations' Mutual Easements over Garage Ramp

8.01 (d) The Corporation and Building 2 each grant, transfer and convey to the other an easement, right and right in nature of an easement in, on, over and along those parts of their respective lands, for the purposes of vehicular access, ingress and egress over the ramps of the Garage that may be situate within any one or more of their respective properties leading from the Common Interior Roadway to the Garage, and over those parts of the Garage which is situate on their respective properties and which comprise driveways or access lanes, leading to or from that part of the Garage situate on the Condominium 1 Lands and/or the Condominium 2 Lands, and which mutual easements and rights are being given in favour of each Owner Party, so as to service and benefit that Owner Party.

The Corporations' Mutual Easements over Underground Stairways

8.01 (e) The Corporation and Building 2 each mutually grant, transfer and convey to the others an easement, right and right in nature of an easement in, on, over, and along those parts of their respective properties, for the purposes of pedestrian access, ingress and egress over those parts of any underground stairway that may be situate in that part of the Garage situate on their respective property, and which may lead to the street or grade level of the complex, in favour of each Owner Party so as to serve and benefit that Owner Party.

Definition of Garage and Support Easement

8.01 (f) The easements and rights described in clauses 8.01(c), (d) and (e) immediately above, and those facilities contained therein are referred to in this agreement as the "Garage and Support Easement".

Ascertainment of Proportionate Share towards the Repair of the Shared Servicing Systems and Garage

8.02 (a) The Corporation and Building 2 hereby covenant and agree with each other to maintain, operate, replace, repair or inspect as the case may be, the aforementioned Shared Servicing Systems and the Garage, and the cost of so maintaining, operating, repairing, replacing and/or inspecting same shall be borne as follows:

- (i) Each of the Corporations shall be solely responsible for that proportion or percentage of the total cost of maintaining, operating, repairing, replacing and/or inspecting the Shared Servicing Systems in the proportions that the total number of residential dwelling units in each of the Corporations bears to the total number of residential dwelling units in both of the Corporations (hereinafter referred to as its "Proportionate Share") thereof.
- (ii) Each of the Corporations shall be solely responsible for that proportion or percentage of the total cost of maintaining, repairing or replacing and inspecting the Garage and including the Garage and Support Easement and all facilities contained therein, including repairs or replacements to a structural or non-structural component thereof, in the proportion that the number of parking units in each of the Corporations bears to the total number of parking units in both of the Corporations (herein referred to as its "Proportionate Share" hereof).
- (iii) Until such time as any portion of the Adjacent Lands is constructed and completed to a stage that will permit occupancy of the residential dwelling units therein by the public, the owner of such portion of the Adjacent Lands shall not be required to contribute towards its Proportionate Share of such maintenance, operation, replacement, repair and inspection costs and such share will be borne by the Corporation alone.

Adjustment in Calculating Proportionate Share

8.03 Pursuant to the provisions of section 8.02 hereof, should the actual total number of residential dwelling units or the number of parking units in either of the Corporations change from those presently intended, resulting in a change in their respective Proportionate Share of the cost of maintaining, repairing or replacing the Shared Servicing Systems or the Garage, then the Corporations covenant and agree to effect an appropriate re-adjustment between themselves in respect of any amounts theretofore paid by them in respect of the total cost of maintaining, operating, repairing, replacing and/or inspecting the Shared Servicing Systems and/or the Garage.

ARTICLE 9.00**GENERAL PRINCIPLES APPLICABLE TO EASEMENTS**Duty to Exercise Easements Prudently

9.01 (a) In exercising their rights to any easement, right or license granted in this Agreement, the party exercising them shall act in a prudent and reasonable manner so as to minimize undue interference occasioned to the other party or parties burdened by such easement, right or license.

Limitations Applicable to Easements

9.01 (b) It is expressly understood and agreed that the easements, rights or licenses granted by any party to this Agreement to another party or parties as set forth in this Agreement shall be limited in their exercise and enjoyment by any term, condition or restriction imposed either by this Agreement or by the declaration of any of the Corporations which effect or pertain to such easements, rights or licenses, which terms, conditions and restrictions shall be read in conjunction with the provisions of this Agreement.

Further Assurances

9.01 (c) By entering into this Agreement each of the parties to this Agreement, agree to execute any further documents, assurances, indenture or transfers if required, to grant, transfer, convey or confirm all or any of the easements, rights and licenses purported to be granted pursuant to this Agreement, including any documents required to surrender easements or rights being extinguished or replaced or to grant, transfer or convey new easements or rights contemplated in this Agreement.

Alteration or Relocation of Easements

9.01 (d) (i) Subject to the provisions contained in this paragraph 9.01(d), each of the Corporations may at their sole cost and expense make any alterations or additions (including demolition and reconstruction) to the respective part of the Garage situate on their lands, and in so doing may relocate any easement or right within their respective parts of the Garage, which serves to benefit the other Owner Party's part of such Garage, whether granted by this Agreement or pursuant to the declaration of any one of the Corporations, provided however that:

- (A) such alterations, additions or relocation, after they are completed, shall not diminish in any material manner the benefits having been enjoyed by the other Owner Party from such easement or right prior to this alteration or relocation;
- (B) such alterations, additions or relocation after they are completed, shall not diminish in any material manner, the value of the Garage of the Owner Party who enjoys such easement or rights;
- (C) such alterations, additions, or relocation shall not in the interim, during the time such alterations, additions or relocation are being constructed, interrupt or discontinue the easement, right or resulting service being supplied to the other Owner Party enjoying such easement or right, without an alternative, substantially equivalent, easement, right or service being supplied to that affected Owner Party during the period of alteration or reconstruction.

For greater certainty, the inconvenience caused to the other Owner Party whose easement or right is purported to be affected hereby, must impose real and significant hardship to it before such alterations, additions or relocation may be considered to be diminishing any benefits or value of any such Owner Party under this subparagraph. For greater certainty, this subparagraph shall specifically be applicable to the easement and right of support granted pursuant to subparagraph 8.01(c) hereof or pursuant to the declaration of any one of the Corporations. Provided further that during such alteration or additional being made or relocation being constructed, the Owner Parties making such alterations, addition or relocation shall compensate the Owner Party to this Agreement affected by such alterations for any direct financial loss suffered by it as a result.

- (ii) If at any time during the term of this Agreement, any one Owner Party to this Agreement (the "proposing Party") proposes to either make such alterations or additions to its part of the Garage which will lead to a relocation of or otherwise affect any easement or right granted to the other Owner Party to this Agreement (the "affected Party") then, before commencing such alterations or additions, the proposing Party shall give to the affected Party, a copy of plans and specifications showing the proposed alterations. If the affected Party reviewing such plans shall not, within thirty (30) days after delivery of said plans and specifications, given to the other proposing Party a written notice asserting that the proposed alterations or additions as shown, will have any of the effects described in clause 9.01 (d) (A), (B) or (C) above and supplies details as to how the affected Party will be affected by the proposed alterations or additions, then the affected Party shall be conclusively deemed to have agreed that the provision described in clauses 9.01 (d) (A), (B) or (C) shall not apply, provided the alterations or additions are in fact constructed substantially as shown on the plans and specifications

furnished to the affected Party. If the affected Party receiving such plans gives written notice as aforesaid, and if the proposing and affected Parties cannot resolve their claims within fifteen (15) days after the giving of such notice, then the proposing Party shall not commence any alterations or additions until the dispute has been resolved by arbitration in accordance with this Agreement.

- (iii) The proposing Party making such alterations, additions or relocations as are described in this subparagraph 9.01 (d), shall comply with all laws, rules, order, ordinances, regulations and requirements of any government, municipality or any governmental agency thereof having jurisdiction over the Garage and shall be responsible for obtaining any requisite approvals under the Planning Act, Ontario. The proposing Party shall, to the extent reasonably practical, make the alterations, additions or relocation so as to minimize any noise or vibration which would disturb any occupants of the affected Party's part of the Garage.

ARTICLE 10.00

SELF-HELP REMEDIES/INTEREST PAYABLE ON DEFAULTED PAYMENT

Self-Help Remedies

- 10.01 (a) In the event any one Owner Party (the "Defaulting Party") fails to perform any of its obligations under this Agreement, the other Owner Party (referred to as the "Requesting Party") may provide the Defaulting Party with written notice requesting it to perform its obligations and if the required obligation to be performed is not commenced within seventy-two (72) hours of such notice being delivered, and is not diligently continued after the giving of such notice, or without any notice being required in the event of emergency, the Requesting Party shall be entitled to perform the obligations of the Defaulting Party, including without restricting the generality of the foregoing, the payment of any cost or expense required to be made by the Defaulting Party pursuant to this Agreement, including the performance of the required repair or replacement work, the hiring of contractors etc., and such Requesting Party shall be allowed entry onto the Defaulting Party's lands to achieve this purpose. The Defaulting Party agrees to pay directly to the Requesting Party, any cost or expense actually paid or incurred by the Requesting Party in performing the obligations of the Defaulting Party pursuant to this Agreement; provided, however, that any amount expenses or incurred by the Requesting Party as can clearly be demonstrated to be substantially in excess of the reasonable costs or expense which would properly have been paid had the Requesting Party exercised due diligence in the performance of such work shall not be recoverable against the Defaulting Party.

Interest Payable on Defaulted Payment

- 10.01 (b) Any cost or expense incurred by the Requesting Party pursuant to this Article 10.01 shall bear interest at the rate equal to the prime rate of interest per annum charged by The Bank of Nova Scotia (Toronto Main Branch) from time to time to its prime or best risk commercial customers plus 4% per annum, which interest shall accrue from the date such payment is made by the Requesting Party, until reimbursement is made by the Defaulting Party. This responsibility to pay interest shall be the responsibility of the Defaulting Party whose default resulted in the Requesting Party being required to utilize the provisions of this Article 10.01.

Discretionary Payment

- 10.02 Each Owner Party shall be entitled to review all bills, invoices and receipts relating to any servicing cost or expense which such Owner Party is being asked to contribute to pursuant to this Agreement, but it is agreed that the Owner Party primarily responsible for arranging for the performance of such service, shall have reasonable discretion with regards to the means of performing the same and it is therefore agreed that the amount of any cost or expense actually paid or incurred by any Owner Party for any work so performed pursuant to this Agreement, shall not be challenged by the other Owner Party unless clearly demonstrated to be substantially in excess of the reasonable costs or expenses which would properly have been paid had

such Owner Party, primarily responsible for arranging for same, exercised due diligence in the performance of such work.

Effect of Not Making Prompt Payment

10.03 Each Owner Party shall pay its Proportionate Share of the costs or expenses in the proportions and for the purposes set forth in this Agreement, promptly when request is made by the Declarant or any management company hired by the Declarant who pursuant to this Agreement had primarily arranged for the provision of same, and any cost or expense incurred in the collection of such costs, including all legal expenses incurred on a solicitor and his client basis shall be the sole liability of the Owner Party who has defaulted in paying same, and with such defaulting Owner Party being solely liable for any interest or penalty charges incurred and chargeable pursuant to this Agreement, by it not remitting any payment or charge when due.

Consequential Damage Caused by Shared Servicing Systems or Otherwise

10.04 (a) In the event damage occurs to any part of the Garage (including to any Shared Servicing System and including to any appurtenance, finishing installation or fixture contained herein or affixed thereto) caused by any accident or mishap of any other part of the Shared Servicing Systems and which is not covered by any policy of insurance prescribed in this Agreement and which is not caused by the wilful act or negligence of an Owner Party, such damage shall be borne by the Corporations in the same proportion as those parties are then liable pursuant hereto, to pay for the operation, maintenance, repair, replacement and inspection of that part of the Shared Servicing System causing such accident or mishap as the case may be.

10.04 (b) In the event any one party in exercising its easement, right and license granted in Article 8.00 above, damages the part of the Garage (including the Shared Servicing Systems of the other party to this Agreement or any finishing installation or fixture appurtenant thereto), the part of the Garage, finishing installation or fixture so damaged shall be restored to the same state and condition it was in prior to such work being conducted or easement, right and license being exercised, and the cost of such restoration shall be borne by the Corporations in the same proportion as those parties are liable pursuant hereto, to pay for the operation, maintenance, repair, replacement and inspection of that part of the Garage or Shared Servicing System requiring maintenance, repair or replacement.

10.04 (c) In the event that any Owner Party or any of its owners or permitted occupants through its/their own negligence or wilful misconduct causes damage to any part of the Garage of any other Owner Party including to any improvements, fixtures or finishing installations attached or affixed thereto, the said Owner Party causing such damage shall repair or reimburse the other Owner Party for such damage at its sole cost and expense, including the cost of redecoration or restoration, in order to restore the damaged portion of the Garage of such other Owner Party (including any improvement, fixture or finishing installation attached or affixed thereto) to as near as possible to its previous condition before such damage was caused, and shall also reimburse the said aggrieved Owner Party for such financial loss suffered by it whether directly or indirectly as a result of such conduct.

Charging Provisions

10.05 (a) Each of the Owner Parties as owners of the Condominium 1 Lands and the Condominium 2 Lands hereby grant, mortgage and charge in favour of the other as and by way of a continuing, fixed and specific mortgage and charge, all the lands and assets comprising their respective lands (and such that when any Owner Party comprises a corporation, such mortgage and charge shall be given over all the units and common elements comprising the corporation created on either of the Condominium 1 Lands or the Condominium 2 Lands) such mortgage and charge to be given as security for the payment of their Proportionate Share of the cost or expenses required to be made by each one of them pursuant to this Agreement, and/or as security for any payments made by the non-defaulting Owner Party pursuant to Article 20.00 in respect of construction liens (the "Construction Lien

Payments") provided that the applicable provisions of the succeeding subparagraphs of this Article 10.05 shall apply to and qualify any such mortgage or charge in accordance with those provisions.

10.05 (b) Notwithstanding any provisions of the charge and mortgage being granted from and to either of the Owner Parties to each other pursuant to this Article 10.05, the said charge and mortgage shall only be enforceable by any such Owner Party to whom it is given, if all or any part of the Proportionate Share of the costs or expenses or any Construction Lien Payments which this mortgage and charge is intended to secure, is unpaid for a period longer than two (2) consecutive months from the time such payments are due and only if the Owner Party seeking to enforce this mortgage and charge makes such payments of all or any part of such costs or expenses or such Construction Lien Payments so payable by such defaulting Owner Party on its behalf, whereupon such mortgage and charge shall be enforceable against the property so secured thereby in accordance with this Article 10.05. Pursuant to this provision, any such Owner Party to whom such mortgage or charge is given may, but shall not be obliged to, make such payment of all or any part of such costs or expenses or such Construction Lien Payments which has not been paid and which this mortgage and charge is intended to secure.

10.05 (c) The within described mortgage and charge granted in favour of any one Owner Party pursuant to this Article 10.05, shall be enforceable by the party to whom such mortgage and charge is herein granted, maintaining all those remedies granted to a mortgagee pursuant to the provisions of the Mortgages Act (Ontario), and any other applicable statutory provision or common law or equitable principle applicable thereto. In the event the Land Registrar requires any such Owner Party seeking to enforce such mortgage or charge against the registered title of the lands intended to be secured thereby, to apply to a Court of competent jurisdiction, for any order, direction, advice or authorization prior to such Land Registrar allowing the registered title of such lands to be amended as a result, such Owner Party seeking to enforce such mortgage or charge granted to it hereby shall forthwith apply to such Court for any such required order, direction, advice or authorization and the defaulting Owner Party hereby consents to any such application so being made for this purpose.

10.05 (d) Alternatively, if the Land Registrar permits, such mortgage or charge asserted by any Owner Party pursuant to this Article 10.05 may be enforced by the filing of a Caution or other notice that may be permitted by the provisions of the Land Titles Act (Ontario) or by any amendments thereto.

10.05 (e) Any monies arising from any permitted sale of those lands encumbered by the mortgage or charge granted pursuant to this Article 10.05 shall be applied in the first place, to pay and satisfy the costs and charges of preparing for and making any sale as aforesaid, and all other costs and charges which may be incurred in and about the execution of any of the duties thereof resulting on the party enforcing the mortgage, and in the next place, to pay and satisfy such defaulting Owner Party's Proportionate Share costs or expenses required to be paid by this Agreement or any Construction Lien Payments, and interest thereon which such Owner Party was required to make in accordance with this Agreement, and finally to pay the surplus, if any, to such defaulting Owner Party, or to its successors and assigns.

10.05 (f) For greater certainty and for the purpose of determining the priority of any mortgage or charge referred to in this Article 10.05 granted in favour of any other Owner Party relative to any other charge, mortgage or encumbrance, it is acknowledged and agreed by the Owner Parties hereto, that an advance under such mortgage or charge so referred to in this Article 10.05 shall be deemed to be made, only if and when the Owner Party to whom such mortgage and charge is given actually makes any payment of such defaulting Owner Party's Proportionate Share of such costs or expenses required to be made by it pursuant to this Agreement or any Construction Lien Payments, which can only be made by such Owner Party on behalf of such defaulting Owner Party, in strict accordance with

the provisions of subparagraph (b) of this Article 10.05.

Therefore, any other charge, mortgage or encumbrance including any amendment thereto enjoys complete priority over the mortgage or charge referred to in this Article 10.05, to the extent that any and all advances made under any such other charge, mortgage or encumbrance arise prior to a point in time that payment of such defaulting Owner Party's proportionate allocated amount of such costs or expenses or Construction Lien Payments, is made by the Owner Party to whom such mortgage and charge is given, as is permitted to be made under subparagraph (b) of Article 10.05 above.

10.05 (g) In any event, such mortgage and charge referred to in this Article 10.05 shall be deemed postponed and shall constitute a subsequent encumbrance to any mortgage or charge including to any amendment or extension thereof, registered or secured against any of the Condominium 1 Lands or the Condominium 2 Lands and including any one or more of any condominium units contained therein, whether prior to or subsequent to the date of registration of this Agreement pursuant to the Land Titles Act (Ontario) and to any and all advances made and any rights claimed under any such mortgage or charge or any amendment or extension thereto.

10.05 (h) For greater certainty, the execution by any Owner Party of a Certificate pursuant to the provisions of Article 15.00 of this Agreement to the effect that no Owner Party has advanced any monies on behalf of any defaulting Party pursuant to the provisions of this Article 10.05, or any statement made that any Owner Party has paid all its Proportionate Share of the costs or expenses to date that he was required to make hereunder or that no non-defaulting Owner Party was required to make any Construction Lien Payments, shall constitute irrefutable evidence and proof that neither Owner Party, as the case may be, maintains any claim for any amount due on any mortgage and charge referred to in this Article 10.05.

Mortgagee's Right to Assignment of Charge

10.06 Any mortgagee or chargee holding a mortgage or charge upon either the Condominium 1 Lands or the Condominium 2 Lands or upon more than fifty (50%) percent of the units contained on any one of the Corporations shall, upon payment of the amount secured by such mortgage or charge, have the right to receive an assignment of that portion of the amount secured by any mortgage or charge referred to in Article 10.05 affecting those lands and/or such units. Such mortgagee shall give to the party asserting the mortgage or charge, a written notice offering to purchase or obtain a partial assignment of same, which notice shall set forth a date and time of closing and which shall not be less than ten (10) days nor more than thirty (30) days after the giving of such notice, and establishing a place of closing in the City of Toronto. On the date of closing, the Owner Party asserting the mortgage or charge shall deliver to such mortgagee an instrument and if possible, so as to be capable of registration on title, assigning such portion of the mortgage or charge together with the portion of the debt secured thereby, upon payment by such mortgagee of the full amount for the time being, secured by the mortgage or charge, including interest thereon.

ARTICLE 11.00

INSURANCE

Physical Damage Insurance: Terms and Conditions

11.01 (a) The Recreation Unit, the Terrace Units, the Loading/Bin Storage Unit and the Garage shall at all times be insured under an insurance policy or policies insuring against "all risks" as that term is commonly understood in the insurance trade, and for such other risks, casualties, and hazards as may from time to time be required to be carried and maintained by the declaration of any one of the Corporations, and in amounts equal to the full replacement value thereof, without deduction for depreciation. The policy or policies of insurance to be obtained with respect to the Recreation Unit, the Terrace Units, the Loading/Bin Storage Unit and the Garage shall insure the interest of, or alternately name as co-

insured, each of the appropriate Owner Parties, their managing agents, any unit owner of any of the Corporations or any registered encumbrancer of any such unit, as their interest may appear. In addition, all other provisions which are required to be contained, pursuant to any of the declarations of any of the Corporations, within their respective insurance policies, shall be contained in such insurance policies.

11.01 (b) Without restricting the generality of the foregoing, this or these insurance policy or policies with respect to the Recreation Unit, the Terrace Units, the Loading/Bin Storage Unit and the Garage shall contain the following provisions:

- (i) waivers of subrogation against any Owner Party or, any of the unit owners of any unit within the Corporations, or their tenants and permitted occupants, and any managing agent of the Corporations, except for damage arising out of arson or fraud;
- (ii) provisions prohibiting its cancellation or substantial modification, without at least sixty (60) days written notice by registered mail to all parties whose interest appears thereon;
- (iii) waivers of defence based on co-insurance, or of invalidity arising from any act, omission or breach of statutory condition by any insured;
- (iv) waiver of the insurer's option to repair, rebuild or replace in the event that after damage, the government of any part of the Corporations is terminated pursuant to the Act.

11.01 (c) There shall be a separate agreement or acknowledgement provided by the insurer or its agent, to the effect that no insured, other than the Owner Parties shall be allowed to amend any policy or policies of insurance obtained and maintained pursuant to this Agreement and relating to the Recreation Unit, the Terrace Units, the Loading/Bin Storage Unit and the Garage or to direct that loss shall be payable in any manner other than as provided in the declaration of any of the Corporations.

Liability and Boiler Insurance

11.02 (a) Each Owner Party shall arrange for and maintain:

- (i) public liability and property damage insurance with a limit of TEN MILLION DOLLARS (\$10,000,000.00) per occurrence, or such greater amount as is determined satisfactory by them acting under the advice of their insurance advisors; and
- (ii) insurance in respect of the ownership, use or operation by them of boilers, machinery, pressure vessels and any of their motor vehicles.

(b) These policies shall insure the interests of each Owner Party, the unit owners of any units within any of the Corporations and their respective managing agents, in the event any such managing agent is requested by any one of the Owner Parties to become an additional insured.

(c) The risks to be insured against under such liability policies, shall include all such risks which should be maintained by prudent owners of comparable structure in the local municipality.

(d) The provisions of subparagraph 11.01(b), which list the provisions to be found in the structural damage insurance policy described therein, shall also apply to and be found in the said boiler policies and which shall therefore apply thereto mutatis, mutandis.

(e) The said liability policies shall also contain suitable cross liability provisions, vis-a-vis each of the named

insureds in the said policy.

Appraisals for Insurance Purposes

11.03 The appropriate Owner Parties shall obtain an appraisal from one or more independent, qualified appraisers of the full replacement cost of the Recreation Unit, the Terrace Units, the Loading/Bin Storage Unit and the Garage, which shall be obtained whenever either of them, acting on the advice of its insurance advisors, deems it advisable, but not later than once for every three (3) year period, and the cost of such appraisal shall be borne by each of them in the same ratio that they are responsible to pay for their Proportionate Shares of the costs of maintaining and operating the Recreation Unit, the Terrace Units, the Loading/Bin Storage Unit and the Garage, as the case may be.

Additional Insurance

11.04 Nothing in this Agreement shall be construed to prohibit either one of the Owner Parties from arranging for other insurance coverage, other than as specified in this Agreement, and the premium therefor shall be paid at the sole cost and expense of the Owner Party so arranging same.

ARTICLE 12.00
DAMAGE TO THE GARAGE

Damage to Less than 25% of the Garage

- 12.01 (a) Where damage to the Garage occurs, and there is not substantial damage to 25% or more of any part of the Garage contained or situate on the Condominium 1 Lands or the Condominium 2 Lands, the Owner Parties or the Owner Party, whose part of the Garage is damaged shall rebuild, restore and repair its respective part of the Garage in accordance with this Agreement.
- (b) In event of disagreement by any one of the Owner Parties as to the applicability of any provisions or fact described in this Article 12.01, resort shall be made to arbitration in accordance with the arbitration provisions provided in this Agreement.

Damage to More than 25% of the Garage

- 12.02 (a) In the event damage has occurred to the Garage which may constitute substantial damage to 25% or more of any part of the Garage contained or situate on the Condominium 1 Lands or the Condominium 2 Lands, four (4) representatives, two (2) appointed by each Owner Party of the Condominium 1 Lands and the Condominium 2 Land, shall meet within ten (10) days of the date the damage occurred, to determine whether such substantial damage has occurred. In default of unanimous agreement between the said Owner Parties or in default of the occurrence of the meeting referred to in this paragraph 12.02 (a) in order to enable such determination to be made, this determination shall be referred to arbitration in accordance with the arbitration provisions provided in this Agreement.
- 12.02 (b) Where there has been such a determination of substantial damage as referred to in the immediately preceding paragraph 12.02 (a), then each of the said Owner Parties shall within 120 days of such determination being made, give written notice to the other Owner Party, stating whether it elects to rebuild or not to rebuild its respective part of the Garage including any Shared Servicing Systems contained therein from which the other Owner Party's structure benefits, whereupon the following provisions shall apply:
 - (i) if such Owner Party on whose part of the Garage the damage occurred has elected to rebuild, such Owner Party shall rebuild, restore, replace and repair its respective part of the Garage in accordance with this Agreement and such Owner Party shall pay its own costs of doing so, whether out of any insurance proceeds payable to it or otherwise;

- (ii) where such Owner Party has elected not to rebuild, and the other Owner Party concurs, such Owner Party need NOT rebuild, restore, replace or repair its part of the Garage so damaged;
- (iii) in the event such Owner Party, has elected NOT to rebuild, such Owner Party that has elected NOT to rebuild its damaged Garage (hereinafter called the "Terminating Party") subject to the provisions of paragraph 12.03 below, shall rebuild, restore, replace or repair those parts of its Garage that the other Owner Party (hereinafter called the "Remaining Party") enjoys an easement, right, license or other proprietary interest over, including any part of the Shared Servicing Systems, and including any right of support whether set forth in this Agreement or otherwise, so that the use and enjoyment by the Remaining Party of its respective buildings or installations will not be adversely interfered with or affected. A certain sum shall be retained from any insurance proceeds payable to a Terminating Party or may be paid out to a trustee or stockholder on consent of both Owner Parties, to ensure proceeds as are required to ensure that the Terminating Party performs those obligations, are maintained and held in escrow, and a suitable written direction shall be provided to an insurance trustee accordingly. Failing an agreement between the Terminating Party and the Remaining Party as to the manner by which such proceeds are to be held, or failing agreement between them as to the amount of the appropriate holdback, this determination shall be made by arbitration in accordance with the arbitration provisions in this Agreement.

12.02 (c) For the purposes of this Article 12.02, any Owner Party which is a corporation shall be deemed to have elected not to rebuild, if the owners of the units in the condominium have voted for termination pursuant to the Act.

Granting New Easements

12.03 In complying with its obligations provided in clause 12.02 (b)(iii) above, the Terminating Party shall be required to grant new easements or rights appurtenant to any Remaining Party's building or installation, which will enable such Remaining Party to restore or construct (in such manner so as not to diminish in any material way, the value of the Remaining Party's buildings or installations) any part of the Remaining Party's buildings necessary to enable the Remaining Party to continue the use and enjoyment of the easements and other rights enjoyed or used by such Remaining Party.

Any new easement or right so granted, shall have the same force and effect and shall be subject to the provisions of this Agreement, as if same had been granted pursuant to the provisions of Article 7.00 or Article 8.00 of this Agreement.

Completing Repairs

12.04 Each Owner Party required under this Article 12.00 to carry out repair, restoration or replacement of any part of its Garage, will commence such work at the earliest date that is reasonable in all of the circumstances, and will proceed to complete such work with reasonable diligence.

Deemed Application of Section 127(1) of the Act

12.05 For purposes of Section 127(1) of the Act, the obligations created by this Article shall be deemed to be encumbrances against each unit and their appurtenant common interests contained within the description of the corporation which is created after registration of this Agreement and shall constitute a claim against the Condominium 2 Lands created before the registration of the declaration of the Corporation 2 registered in respect of those lands, and the charging provisions contained in Article 10.05, shall apply mutatis, mutandis, so as to secure the obligations of each Owner Party towards each remaining Owner Party depending on those obligations being fulfilled.

Conformity to Original Building Plans

12.06 All repairs required hereunder by the Remaining Party shall be effected and performed substantially in accordance with the original plans, specifications, drawings and designs used in the original construction of the Garage.

ARTICLE 13.00
TERMINATION

Termination

13.01 This Agreement cannot be terminated other than by the consent of both of the Owner Parties, but can be terminated with such mutual consent. Except as may otherwise be agreed upon, if this Agreement is terminated, the easements and proprietary rights granted hereby to each Owner Party and as benefitting each of the buildings and installations of each Owner Party, shall remain in full force and effect.

Termination of any one of the Corporations

13.02 On the termination of any one of the Corporations pursuant to the Act, the unit owners of the corporation so terminated, shall be jointly and severally liable to comply with all obligations and covenants of such corporation in this Agreement and will execute such further assurances as may be deemed necessary or desirable by the other Owner Party to give full force and effect to this paragraph.

ARTICLE 14.00
FORCE MAJEURE

Force Majeure

14.01 Whenever and to the extent any Owner Party is prevented, hindered or delayed in the fulfilment of any obligation hereunder, or in the doing of any work or the making of any repairs or replacements by reason of force majeure, that Owner Party's liability to perform such obligation shall be postponed, and it 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 similar catastrophe, act of the Queen's enemies, riot or insurrection, or the failure or inability of any governmental authority to supply any services or other public utility which serves the Condominium 1 Lands or the Condominium 2 Lands.

ARTICLE 15.00
CERTIFICATE OF COMPLIANCE

Certificate of Compliance

15.01 Each Owner Party hereto agrees, at any time and from time to time during the term of this Agreement, within ten (10) days after written request, and the payment of a fee not in excess of \$100.00, by any Owner Party (save and except for a request from The Met Inc. and The Met 2 Inc., which shall not be required to pay such fee), or by any other person (hereinafter called the "Requesting Party") to execute, acknowledge and deliver to the Requesting Party, a certificate stating:

- (a) Whether this Agreement has been modified and if so, the nature of such modifications, and confirming that it is in full force and effect.
- (b) Any existing default by any Owner Party or any other party under the agreement to its knowledge, and specifying the nature and extent thereof and in particular, whether an Owner Party has paid its proportionate allocated amount of costs or expenses it is required to pay hereunder, including whether any Owner Party claims a mortgage or charge pursuant to the provisions of Article 10.05 hereof.

(c) Whether the Owner Party executing such Certificate has performed or caused to be performed, or is then performing or causing to be performed, any maintenance, repair or other work, or is making or has made any payment, the cost of which such Owner Party will, pursuant to this Agreement, be entitled to charge in whole or in part to the other Owner Party, but has not yet charged same to such other Owner Party.

If any Owner Party fails to execute and deliver such Certificate of Compliance to the Requesting Party within such ten (10) day period, then such non-complying Owner Party shall be deemed to have certified as follows:

- (a) that the Agreement has not been modified or altered from its registered form and that the Agreement continues to be in full force and effect;
- (b) that there has been no default under the terms of the said Agreement by any of the Owner Parties to the Agreement;
- (c) that each Owner Party has paid its proportionate allocated amount of all costs and expenses which are required to be paid under the terms of this Agreement and the non-complying Owner Party does not claim a mortgage or charge pursuant to the provisions of Article 10.05 of this Agreement; and
- (d) that such non-complying Owner Party has not performed or caused to be performed and is not performing or causing to be performed any maintenance, repair or other work and has not made any payment, the cost of which such non-complying Owner Party would be entitled to charge in whole or in part to the other Owner Party.

Estoppel Defence

15.02 The Certificate of Compliance as set forth in this Article 15.00, may be pleaded and shall constitute a complete defence by the Requesting Party to any action brought, or to a claim that is inconsistent with the facts recited in the said Certificate.

ARTICLE 16.00

COMPLIANCE WITH DEVELOPMENT AGREEMENTS AND ZONING BY-LAWS

Compliance with Zoning By-laws

16.01 Each Owner Party acknowledges that the property of each Owner Party and their respective proprietary interests may be subject to a number of agreements, rules, regulations, ordinances or acts in favour of governmental authorities, or may further be subject to a single, site specific restricted area by-law, under which each of the Condominium 1 Lands and the Condominium 2 Lands must contain certain services, facilities and installations, in order for such lands as a whole to remain in conformity to such by-law. Each Owner Party agrees to abide by the provisions of these agreements, rules, regulations, ordinances, acts or by-laws which affect the lands, and to do all things necessary to keep them in full force and effect and in good standing, including maintaining all required services, facilities and installations on their lands as are required by any such by-law referred to herein, and further agrees to execute any specific easements required to be granted to such authorities in accordance therewith, and to further use their best efforts to effect the renewal or replacement of any such agreements as may be necessary or desirable, all with the object and purpose of permitting, and with a view of not hindering or preventing, the continued use and enjoyment of the lands as an integral whole and of each Owner Party's respective lands including those buildings and installations situate thereon and/or attached thereto.

Compliance with Development Agreements and Maintenance of Landscaping

16.02 The Corporations covenant and agree to maintain, repair and replace if necessary, from time to time, during the term hereof, as would any prudent owner in the local municipality, and after its initial installation by the Declarant and/or Building 2, all works, facilities and installations described in any development, site plan or similar agreement (the "Development Agreements") entered into with the City of Toronto dealing with any aspect of the development of the Condominium 1 Lands and/or the Condominium 2 Lands, and as are situate within their respective property and which the Declarant, and/or Building 2 covenanted to undertake, provide and/or maintain pursuant to the terms of any of the Development Agreements, including without restricting the generality of the foregoing, the recreational facilities, landscaping, walkways, garbage rooms, storage areas, loading spaces, parking spaces, and driveways described therein.

Indemnification to Declarant

16.03 Each of the Corporations agrees that they will indemnify and save the Declarant and Building 2 harmless from any cost, loss, expense, damage or liability that it may suffer as a result of any breach by any of them or their covenant to so maintain, repair and replace any of the works, facilities and installation as described in the immediately preceding paragraph 16.02.

Maintenance of Landscaping by the Corporations

16.04 Each of the Corporations covenants and agrees with the Declarant and Building 2 to maintain, repair and replace in a first class condition, after its initial installation by the Declarant and/or Building 2 all the landscaping installations as shown on the plans and drawings relating thereto as are contained within their respective property and as constitute part of their respective common elements, and to contribute their respective Proportionate Share towards the costs and expenses of doing so.

Indemnification to Declarant: re Landscaping

16.05 Each of the Corporations acknowledges that the Declarant as owner of the remaining unsold units within the Corporation and Building 2 as owner of the Condominium 2 Lands would be severely prejudiced if such landscaping installations were not to be maintained, repaired and replaced as above described by any of them at any time during the term of the Development Agreements, and accordingly indemnifies and save the Declarant and Building 2 harmless from any cost, expense, damage or liability, whether direct or consequential, that any of them may suffer as a result of either one of the Corporations not complying with this covenant in whole or in part.

ARTICLE 17.00

ARBITRATION

17.01 (a) Any dispute between the Owner Parties, (each being referred to as the "Participant"), arising during the term of this Agreement or after its termination, which touches upon the validity, construction, meaning, performance or effect of this Agreement or any of its terms and conditions, or the rights, obligations and liabilities of the parties hereto, shall be subject to arbitration pursuant to the Arbitration Act of Ontario, in accordance with the provisions hereinafter set out, and the arbitration decision shall be final and binding upon the parties hereto and shall not be subject to appeal.

17.01 (b) Each Participant desiring arbitration shall, in its notice to the other party nominate one (1) arbitrator and shall notify the other Participant who is involved in the dispute, of such nomination. Such notice shall set forth a brief description of the matter submitted for arbitration and, if appropriate, the article or paragraph hereof pursuant to which such matter is so submitted. The other Participant shall within seven (7) business days after receiving such notice, each nominate in writing another arbitrator and shall give notice of such nomination to the first Participant desiring arbitration, and the arbitrators chosen by each Participant, shall within seven (7) business days after such notice, select from among them, a chairman

of the arbitral tribunal. If said arbitrators shall be unable to agree in the selection of such chairman, the chairman shall be designated by the Ontario Superior Court of Justice, upon an application by any Participant to a single Judge of the Ontario Superior Court of Justice, upon notice to the other Participant. Such application is to be made within seven (7) business days of their inability to agree.

- 17.01 (c) The arbitration shall take place in the City of Toronto and the chairman shall fix the time and place in the City of Toronto for the purpose of hearing such evidence and representations as may of the Participants may present and, subject to the provisions hereof, the decision of the majority of them in writing, shall be binding upon the Participants both in respect of the procedure and the conduct of the Participants during the proceedings and the final determination of the issues therein. Said arbitrators including the chairman shall, after hearing any evidence and representations that the Participants may submit, make their decisions and reduce same to writing as quickly and as expeditiously as possible and deliver one (1) copy thereof to each of the Participants. The majority of the arbitrators may determine any matters of procedure for the arbitration not specified herein.
- 17.01 (d) If the Participants receiving the notice of nomination of an arbitrator by the other Participant desiring arbitration, fails within the said seven (7) business days to nominate an arbitrator, then the arbitrator nominated by the first Participant desiring arbitration, may proceed along to determine the dispute in such manner and at such time as he shall think fit and his decisions shall, subject to the provisions hereof, be binding upon all the Participants and may be forced to any court having jurisdiction thereof.
- 17.01 (e) Notwithstanding the foregoing, any arbitration may be carried out by a single arbitrator if all Participants so agree, in which event the provisions of this Article shall apply mutatis, mutandis.
- 17.01 (f) The cost of the arbitration shall be borne by the Participants as may be specified in such determination, and shall be payable when a decision is rendered.
- 17.01 (g) The arbitrators in undertaking such arbitration and in rendering their decision in respect thereof shall afford the parties an opportunity to be heard, and their decisions shall not in any material way diminish the value or adversely affect the use or enjoyment by any of the Corporations over their respective buildings and installations.

ARTICLE 18.00

BINDING EFFECT OF AGREEMENT

Provisions Run with the Land

18.01 The provisions of this Agreement are intended to run with the real property benefitted and burdened thereby, specifically the Condominium 1 Lands and the Condominium 2 Lands and shall be binding on and enure for the benefit of the respective successors in title thereof.

Effective Date of Agreement

18.02 It is intended that notwithstanding the actual date of execution of this Agreement by the parties hereto, this Agreement, an 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.

Termination of Liability of Building 2

18.03 (a)(i) Upon a sale, transfer or conveyance by Building 2 (or any successor declarant of it) of any unit within the proposed Corporation 2, Building 2 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 to the other Owner Party, 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 Building

2 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.

18.03 (a)(ii) Upon the creation of Corporation 2 as a corporation under the Act, or upon a sale of any of the lands upon which such corporation is proposed to be created, prior to its registration, and the assumption of Corporation 2's covenants and obligations hereunder by such transferee, Building 2 shall be automatically released and discharged pro tanto from any of its liabilities and obligations hereunder as owner of the Condominium 2 Lands with the result that it shall no longer from such time be liable to the other parties to this Agreement for any breach of this Agreement caused or occurring subsequent to such date relative to the lands over which such corporation is so registered or which has been so transferred. Correspondingly such Corporation 2 so registered or the transferee of any such land shall assume pro tanto such liability and obligations in respect of such lands from such date.

Reciprocal Benefit and Burden

18.04 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 Owner 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 1 Lands and the Condominium 2 Lands and including those certain parts of such lands which are being used and enjoyed by all of the Owner 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 Owner Parties of such easements, rights and privileges as are granted to them in this Agreement, each Owner 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. The continued enjoyment by any Owner Party hereto to any easement, right or privilege hereby granted or referred to shall be dependent and conditional upon that Owner Party contributing to the cost and expense of the operation, maintenance, repair, replacement and inspection of that easement, right or privilege in accordance therewith. The failure by any Owner Party to so contribute according to its Proportionate Share of applicable costs, shall, at the option of the other Owner Parties lead to the suspension of its enjoyment of such easement, right or privilege. The benefits to any Owner Party hereunder arising from any term or provision of this Agreement shall be construed as interdependent with the requirement by such Owner Party to perform those obligations hereunder.

ARTICLE 19.00
COMPLIANCE WITH LAW

19.01 Each of the Owner Parties, in performing their respective obligations and exercising their respective rights under this Agreement, covenants and agrees to comply with all rules, laws, orders, ordinances, regulations and requirements of any government, whether imposed by the local municipality, or by any governmental agency having jurisdiction over the all of their property.

ARTICLE 20.00
CONSTRUCTION LIENS

20.01 Each of the Owner Parties covenants and agrees to forthwith make any required payment or filing of any security, so as to forthwith remove any construction lien which encumbers the Garage and/or affects the buildings and installations contained therein of the other Owner Party, but no later than within thirty (30) days of receipt of the written request by any one Owner Party and if not done within 30 days of such

receipt, such other Owner Party may make the payment requisite to remove such construction lien on the defaulting Owner Party's behalf.

ARTICLE 21.00

INDEMNIFICATION

Indemnification

21.01 Each Owner Party agree to indemnify and save each other harmless from all costs, expenses, damage and liability that it may suffer or incur as a result of any such Owner Party not complying with any of the terms of this Agreement.

ARTICLE 22.00

FURTHER ASSURANCES

Further Assurances

22.01 The Owner Parties, covenant and agree to execute whatever further documents or assurances as are required to given effect to any and all provisions of this Agreement.

ARTICLE 23.00

GENERAL

Gender

23.01 This Agreement shall be construed with all changes of number and gender required by the context.

Headings

23.02 The titles to Articles have been inserted as a matter of convenience and reference only and do not define, limit or enlarge the scope or meaning of this Agreement or any provisions hereof.

Severability

23.03 If any provisions of this Agreement is determined by a Court of competent jurisdiction to be illegal or beyond the powers or capacity of the party or parties bound hereby, or in the event any part or provision of this Agreement is liable to determination pursuant to any provision of the Act, such provisions or part shall be severed from this Agreement and the remainder of this Agreement shall continue in full force and effect mutatis, mutandis. For purposes of giving effect to this paragraph, each clause, paragraph or article of this Agreement shall considered severable from every remaining clause, paragraph or article of this Agreement.

The Planning Act

23.04 The provisions of this Agreement are subject to the provision of the Planning Act (Ontario) where applicable, and such provisions shall be complied with by any Owner Party relocating any easements or right pursuant to paragraph 9.01(d) hereof and by the Terminating Party pursuant to Article 12.03 hereof.

Perpetuities - Limitation or Exercise of Relocation Easements

23.05 It is understood and agreed by the Owner Parties, that any provisions requiring the creation of the new easements or rights, pursuant to the easement relocation provisions of paragraph 9.01(d) and Article 12.03 hereof or providing for easements as arise in the future, shall survive until the expiration of twenty-one years from the death of the last survivor of the issue of Her Majesty, Queen Elizabeth II, the present Queen of Canada, who were born as at the effective date of this Agreement.

ARTICLE 24.00
NOTICE PROVISIONS

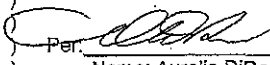

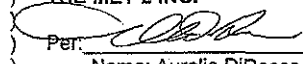
24.01 All notices, requests, demands or other communications by the terms thereof required, or permitted to be given by one party to another, shall be given in writing by personal delivery or by registered mail, postage prepaid, addressed to the other party or delivered to such other party as follows:

- (a) To the Corporation at:
21 Carlton Street, Toronto, Ontario
- (b) To Building 2 at:
25 Carlton Street, Toronto, Ontario

or at such other address as may be given by any of them to the others in writing from time to time, and such notices shall be deemed to have been received when delivered, or if mailed, on the second business day after the mailing thereof; provided that if any such notice, request, demand, acceptance or other communication shall have been mailed and if regular mail service shall be interrupted by strike or other irregularities on or before the second business day after the mailing thereof, such notices, requests, demands, acceptances and other communications shall be deemed to have been received on the same business day following the delivery of such notice, request, demand or other communication as the case may be.

IN WITNESS WHEREOF the parties hereto, have executed this Agreement.

SIGNED, SEALED AND DELIVERED
in the presence of

) **TORONTO STANDARD CONDOMINIUM**
) **CORPORATION NO. 1952**
)
) Per: 
) Name: Aurelio DiRocco
) Title: President
)
) Per: 
) Name: Gianpiero DiRocco
) Title: Secretary-Treasurer
)
) I/We have authority to bind the Corporation.
)
) **THE MET 2 INC.**
) Per: 
) Name: Aurelio DiRocco
) Title: President
)
) I/We have authority to bind the Corporation.