



# Aspen Shores

A Proposed Phased Standard Condominium Plan by Skydevco  
located at Fuller and Boucher Streets in Meaford, Ontario

## **PROPOSED FIRST YEAR BUDGET**

<b>PART 1: BUDGET TABLES</b>
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**General Notes and Comments**

1. In this document, the term “Act” refers to the *Condominium Act, 1998* and the regulations made thereunder, as in force at the time of delivery of this budget statement.
2. This budget statement is provided to satisfy the requirement of the Act that the declarant provide a proposed budget for the first year of operation of the condominium corporation. Since it is not certain whether the condominium will necessarily be registered at one time or in three phases (as projected), this budget statement sets out the various potential scenarios for the first year of condominium operations.
3. A budget is only a “best estimate” of expenses and cannot be expected to be exact in all respects. In particular, it should be noted that amounts are projected without the benefit of actual experience in the operation of this condominium (since it has not existed before) and the line items represent anticipated expense items only. Although every effort has been made to be accurate and comprehensive in establishing this budget statement, actual expense items and amounts may vary from what is set out herein, and the declarant (while it retains control of the condominium) has the right to reallocate any surplus arising in respect of the amount allocated for any item to or amongst other item(s) at any time and from time to time.
4. The condominium is proposed to be registered as a “phased condominium” as explained in the Disclosure Statement. Once the initial registration stage of the project (consisting of the first building) is registered and a majority of the units contained in it have been sold and transferred to purchasers, the Declarant must turn over the control of the condominium to a new board of directors elected by the unit owners at the time. Therefore, notwithstanding this budget, if such elected board changes the budget and/or orders increases to or additional expenses and services, the actual costs of the condominium may be different than are set out herein. *The declarant shall not be responsible for any such changes that result in a revenue deficit or costs overage during the first year from registration of the condominium.*
5. This budget statement presumes the condominium will be managed effectively, such that unnecessary costs do not arise, including without limitation that bills are paid in a prompt manner so that late fees and interest are not incurred.
6. There is no provision in this budget statement for insurance deductibles in the event of any insurable claim. If any claims are made and the condominium is responsible for the deductible, common expenses may increase to cover the same.
7. There has been no inflation factor assumed in the estimated budget amounts. Costs arising after August 2024 should be read and construed as automatically increased by the applicable inflation rate at the time of such reading.
8. The budgeted operating costs do not include items of a major repair or replacement nature in respect of the common elements and assets of the Corporation. Common elements include everything within the condominium plan other than the units. Assets are those items that the condominium owns. Such expenses will be anticipated in the Reserve Fund Study and funds therefore are collected into the Reserve Fund of the condominium.
9. Amounts set out for any line item in this budget statement may be reallocated to and amongst other line items at any time and from time to time and a deficiency or surplus in any particular line item does not necessarily reflect a deficiency or surplus in the budget overall.
10. Cash flows for the condominium may be temporarily affected in the initial months after registration due to the requirement to pay certain expenses up front, such as insurance premiums. This budget does not anticipate how such possible cash flow issues might affect assessments of common expenses at such periods, which shall predominantly be the responsibility of the condominium’s board of directors to determine. Your agreement of purchase and sale provides for an adjustment in favour of the Declarant in the event it covers initial costs for the condominium.
11. After the first anniversary of registration, the condominium may experience increases in common expense amounts that could increase each unit’s proportionate annual and monthly costs. This could be as a result of inflation, the recommendations set out in the statutorily mandated first year Reserve Fund Study, and other factors that affect common expenses out of and in the ordinary course. Such increases are also outside of the control and responsibility of the Declarant and cannot be contemplated in this type of budget statement.
12. In the tables set out hereafter, all figures, including totals, are estimates and are subject to the qualifications,

limitations and other factors that may result in increases as set out in this Budget Statement. Also note that the estimated amounts of the per unit contributions to the common expenses are set out as *averages* only, since each unit's actual contribution amount will be based upon its square footage and therefore could be more or less than what is set out in the table and it is likely no unit will pay exactly that figure. Particulars of the type, level and frequency of services are set out in Part 2 of this Budget Statement.

**Table 1: Building #1 (50 Residential Units)**

This table projects the anticipated costs of operation of the property if or while it consists of the proposed initial building only.

ITEM	PROJECTED COST
<b>PROPERTY MAINTENANCE, UTILITIES, &amp; INSURANCE</b>	
Landscape/Grounds Maintenance (including snow and ice removal)	\$37,500.00
General Repairs (Common Elements only)	\$8,500.00
General Building Maintenance (including cleaning and janitorial services)	\$34,500.00
Elevator Services	\$13,000.00
Life Safety Device Monitoring and Inspections	\$8,600.00
Garbage and Recycling Services	\$12,700.00
Swimming Pool Maintenance	\$30,000.00
Barrel Saunas Maintenance	\$2,000.00
Common Elements Utilities (Gas, Hydro, Water, Telecommunications Services)	\$52,400.00
Insurance (per <i>Condominium Act, 1998</i> )	\$31,000.00
<b>SECTION TOTAL</b>	<b>\$230,200.00</b>
<b>MANAGEMENT &amp; ADMINISTRATION</b>	
Condominium Management Provider	\$30,510.00
Security/Concierge Services	\$89,100.00
Financial Audit and Legal Fees	\$7,000.00
Condominium Authority of Ontario fees	\$600.00
General Administrative Expenses (e.g., office supplies, bank fees, meetings)	\$1,500.00
<b>SECTION TOTAL</b>	<b>\$128,710.00</b>
<b>OTHER GENERAL EXPENSES</b>	
Reserve Fund Study	\$5,000.00
Performance Audit	\$0.00
<b>SECTION TOTAL</b>	<b>\$5,000.00</b>
<b>ESTIMATED TOTAL OPERATING EXPENSES</b>	<b>\$363,910.00</b>
PROPOSED CONTRIBUTIONS TO RESERVE FUND	\$36,391.00
<b>GRAND TOTAL ESTIMATE</b>	<b>\$400,301.00</b>
<b>ESTIMATED AVERAGE COMMON EXPENSES PER UNIT PER MONTH*</b>	<b>\$667.17</b>

\***Note:** The actual range of monthly contributions to the common expenses for a residential unit if and while only the first building is registered, based on the above projected budget figures, and applying the specific proportionate shares set out in Schedule D to the draft declaration, will be between **\$448.34** (based on Unit 2, Level 1, at 1.344%) and **\$945.71** (based on Unit 9, Level 3, at 2.835%). The proportionate shares of the common expenses and common interest are based upon the relative square footage of each unit.

**Table 2: Buildings #1 and #2 (101 Residential Units)**

This table projects the anticipated costs of operation of the property if or while it consists of just the proposed initial building and the proposed Phase 1 building only.

ITEM	PROJECTED COST
<b>PROPERTY MAINTENANCE, UTILITIES, &amp; INSURANCE</b>	
Landscape/Grounds Maintenance (including snow and ice removal)	\$74,000.00
General Repairs (Common Elements only)	\$17,000.00
General Building Maintenance (including cleaning and janitorial services)	\$67,525.00
Elevator Services	\$25,000.00
Life Safety Device Monitoring and Inspections	\$16,865.00

ITEM	PROJECTED COST
Garbage and Recycling Services	\$21,250.00
Swimming Pool Maintenance	\$30,000.00
Barrel Saunas Maintenance	\$2,000.00
Common Elements Utilities (Gas, Hydro, Water, Telecommunications Services)	\$105,800.00
Insurance (per <i>Condominium Act, 1998</i> )	\$57,000.00
<b>SECTION TOTAL</b>	<b>\$416,440.00</b>
<b>MANAGEMENT &amp; ADMINISTRATION</b>	
Condominium Management Provider	\$61,630.00
Security/Concierge Services	\$89,100.00
Financial Audit and Legal Fees	\$8,300.00
Condominium Authority of Ontario fees	\$1,212.00
General Administrative Expenses (e.g., office supplies, bank fees, meetings)	\$2,750.00
<b>SECTION TOTAL</b>	<b>\$162,992.00</b>
<b>OTHER GENERAL EXPENSES</b>	
Reserve Fund Study	\$10,000.00
Performance Audit	\$0.00
<b>SECTION TOTAL</b>	<b>\$10,000.00</b>
<b>ESTIMATED TOTAL OPERATING EXPENSES</b>	<b>\$589,432.00</b>
PROPOSED CONTRIBUTIONS TO RESERVE FUND	\$58,943.00
<b>GRAND TOTAL ESTIMATE</b>	<b>\$648,375.00</b>
<b>ESTIMATED AVERAGE COMMON EXPENSES PER UNIT PER MONTH*</b>	<b>\$534.96</b>

\***Note:** The actual range of monthly contributions to the common expenses for a residential unit if and while only the first building is registered, based on the above projected budget figures, and applying the specific proportionate shares set out in Schedule D to the draft declaration, will be between **\$349.58** (based on Unit 2, Level 1, at 0.647%) and **\$737.53** (based on Unit 9, Level 3, at 1.365%). The proportionate shares of the common expenses and common interest are based upon the relative square footage of each unit.

**Table 3: Buildings #1, #2 and #3 (153 Residential Units)**

This table projects the anticipated costs of operation of the property if or while it consists of all proposed buildings.

ITEM	PROJECTED COST
<b>PROPERTY MAINTENANCE, UTILITIES, &amp; INSURANCE</b>	
Landscape/Grounds Maintenance (including snow and ice removal)	\$109,500.00
General Repairs (Common Elements only)	\$25,500.00
General Building Maintenance (including cleaning and janitorial services)	\$99,080.00
Elevator Services	\$36,500.00
Life Safety Device Monitoring and Inspections	\$24,795.00
Garbage and Recycling Services	\$29,550.00
Swimming Pool Maintenance	\$30,000.00
Barrel Saunas Maintenance	\$2,000.00
Common Elements Utilities (Gas, Hydro, Water, Telecommunications Services)	\$160,200.00
Insurance (per <i>Condominium Act, 1998</i> )	\$83,000.00
<b>SECTION TOTAL</b>	<b>\$600,125.00</b>
<b>MANAGEMENT &amp; ADMINISTRATION</b>	
Condominium Management Provider	\$93,361.00
Security/Concierge Services	\$89,100.00
Financial Audit and Legal Fees	\$9,620.00
Condominium Authority of Ontario fees	\$1,836.00
General Administrative Expenses (e.g., office supplies, bank fees, meetings)	\$4,000.00
<b>SECTION TOTAL</b>	<b>\$197,917.00</b>
<b>OTHER GENERAL EXPENSES</b>	
Reserve Fund Study	\$15,000.00

ITEM	PROJECTED COST
Performance Audit	\$0.00
<b>SECTION TOTAL</b>	<b>\$15,000.00</b>
<b>ESTIMATED TOTAL OPERATING EXPENSES</b>	<b>\$813,042.00</b>
PROPOSED CONTRIBUTIONS TO RESERVE FUND	\$81,304.00
<b>GRAND TOTAL ESTIMATE</b>	<b>\$894,346.00</b>
<b>ESTIMATED AVERAGE COMMON EXPENSES PER UNIT PER MONTH*</b>	<b>\$487.12</b>

**\*Note:** The actual range of monthly contributions to the common expenses for a residential unit once all three buildings are registered, based on the above projected budget figures, and applying the specific proportionate shares set out in Schedule D to the draft declaration, will be between **\$311.53** (based on Unit 2, Level 1, at 0.418%) and **\$620.83** (based on Unit 9, Level 3, at 0.883%). The proportionate shares of the common expenses and common interest are based upon the relative square footage of each unit.

## PART 2: PARTICULARS OF THE EXTENT OF TYPE, LEVEL, AND FREQUENCY OF SERVICES

### **Landscape/Grounds Maintenance**

This estimates the costs of year-round groundskeeping including grass cutting, trimming, garden maintenance, and snow and ice removal on asphalt areas, walkways, and stairs.

### **General Repairs**

The condominium is not responsible for repair of the units; therefore, this estimates only the costs of general repairs to the buildings, including electrical and plumbing systems, sump pumps, and the building entry/access (FOB) system. This includes general repairs after damage and after wear and tear, but does not include an estimate for any major repairs which are intended to be paid for out the Reserve Fund of the corporation.

### **General Building Maintenance**

This category includes the estimated costs of janitorial services (based on hiring two individuals to provide cleaning services two to three times weekly), cleaning supplies, annual "Spring" cleaning of carpets and floor mats or rugs, window cleaning once annually, annual underground garage cleaning, occasional pest control measures (if and as necessary), and regular preventative maintenance and repairs of the buildings' HVAC systems.

### **Elevator Services**

This amount estimates the costs of monthly maintenance and licensing of the elevators in the buildings.

### **Life Safety Device Monitoring and Inspections**

The condominium is responsible for monthly and annual fire safety system inspections and for regular monitoring of the alarms. This estimate also includes annual testing and recalibration of the CO detection system in the underground garage.

### **Garbage and Recycling Services**

It is anticipated that a private contract is required to provide weekly (once per week) garbage and recycling pick. This estimate assumes one large bin of each category per building, located in a central location.

### **Swimming Pool Maintenance**

This estimate is based on consultation with a qualified service provider with respect to the costs of opening, closing, and maintenance of a public swimming pool in accordance with applicable health regulations and guidelines. The estimate assumes a 100-day open pool season. It is anticipated that the pool is to be part of the common elements included in the initial registration of the condominium.

### **Barrel Saunas Maintenance**

The amenities in the common elements are proposed to include two (2) barrel saunas, each with a capacity to hold 4 to 6 people. This estimate anticipates cleaning once or twice daily and occasional repairs.

### **Common Elements Utilities**

Each of the units are separately metered and billed for utilities. This estimate covers just the utilities supplied to the common elements, being gas, hydro, water, and telecommunications. The telecommunications portion of the estimate contemplates that each building will possess two (2) phone lines for elevators and one (1) phone line for its intercom system.

## Insurance

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This represents the estimated cost of the minimum coverage required to be carried by the condominium by the Act, as estimated in consultation with an experienced provider of insurance to condominium corporations in Ontario. It includes coverage for general liability, directors' and officer's liability, and damage to the common elements and "standard unit" components of the units. Note that unit owners are responsible for insurance in relation to their own units (other than the standard unit components, as defined by the standard unit definition set out in the proposed by-law for the condominium), liability for occupiers of their units, deductibles that may be payable including the condominium's deductible in cases where the unit owner bears responsibility for it in accordance with the Act, contents, and such other coverage that it is prudent for a condominium unit owner to carry. *It is up to each unit owner to verify the limits of the condominium's coverage and to determine what additional coverage the unit owner should carry.*

## Condominium Management Provider

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Based on an estimate provided by Your Home Property Management, this category estimates the annual fee for condominium management services, not including extras that may be charged for specially requested services subject to the management provider contract.

## Security/Concierge Services

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It is projected that one person will be required to provide security and concierge services for all three buildings. The estimate assumes services will be provided for eight hours each day of the week, at an average rate of about \$25-\$26 per hour, including an estimate for holiday pay and minimal overtime.

## Financial Audit and Legal Fees

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This amount includes the cost of the audit that the Act requires after the Turnover Meeting of the corporation, but does not include the audit required after the end of the first fiscal year of operation, which properly should be included in the condominium's second-year budget that its board of directors at the time will prepare. The estimated cost was proposed to the declarant by an experienced condominium auditing firm. The estimate also includes the cost of occasional legal advice on a few minor matters from time to time (it is not anticipated there would be much cause for legal services during this period).

## Condominium Authority of Ontario fees

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The Condominium Authority of Ontario (CAO) is an independent non-profit corporation created by statute to provide various kinds of support to condominium corporations and unit owners, including an online registry of corporations throughout the province, and the Condominium Authority Tribunal. Each condominium in Ontario is required by law to pay a per unit fee to contribute to the operation of the CAO. These estimates are based on the current fees and presume no change prior to the end of the first year of operation of the condominium.

## General Administrative Expenses

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This category represents the cost of one annual meeting, directors' meetings, and miscellaneous communications, telephone, courier, postage and stationery, as may be required. It also includes the anticipated cost of bank fees relating to the accounts (minimum of two) that the condominium is required to maintain pursuant to the Act and other miscellaneous expenses that may arise.

## Reserve Fund Study

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The Act states that a condominium corporation must maintain a Reserve Fund in a special account for the major repair and replacement of common elements and assets of the condominium, and that a Reserve Fund Study must be undertaken to determine the correct amount to be contributed to the fund. The costs of the study may be paid out of the Reserve Fund, but an amount is anticipated here since the estimated Reserve Fund contributions for the condominium are presently estimated to be the minimum required under the Act (see below).

## Performance Audit

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The Act requires that a performance audit be conducted by a professional engineer or architect within 6 to 10 months following registration of the condominium (and for each subsequent phase within 6 to 10 months following registration of such phase). The purpose of this audit is to determine the condition of the common elements following registration, to permit the condominium to make claims against developer, supplier or contractor warranties, if any. The declarant has decided that it will cover the cost of the Performance Audit; therefore, the amount set aside for this audit is *nil*.

## Contributions to Reserve Fund

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As noted above, every condominium in Ontario must maintain a Reserve Fund for the major repair and replacement

of its common elements and assets. At this time, the Act requires that the amount contributed to the Reserve Fund be the amount determined on a cash flow basis that is required to offset adequately the expected cost in the year of the expected major repair or replacement of the common elements and assets of the condominium. Until the condominium conducts its first Reserve Fund Study and implements a proposed plan under section 94 of the Act, the total amount of the contributions to the Reserve Fund cannot be less than 10.0% of the budgeted amount required for contributions to the other, operating expenses of the condominium. The estimated contribution to the Reserve Fund in this budget statement is equal to 10.0% of the projected operating expenses. Once the Reserve Fund Study following registration is completed, the actual contributions (likely starting in the second year of operation of the condominium) may vary, although it is not anticipated that the variance would be significant.

**PART 3: MISCELLANEOUS ADDITIONAL STATEMENTS**

1. There are no current or expected fees, charges, rents or other revenue to be paid to or by the condominium corporation or by any of the unit owners for the use of the common elements.
2. There are no services that are not included in this budget statement that the Declarant provides, or expenses that the declarant pays, that might reasonably be expected to become, at any subsequent time, a common expense.
3. The Declarant has no actual knowledge of any pending lawsuits material to property that will comprise the units, common elements and assets of the Corporation that may affect such property after the registration of a deed to a unit from the Declarant to a purchaser.