

# **A VACANT LAND CONDOMINIUM PLAN** BY WARREN D. SINCLAIR CONSTRUCTION LTD.

# DISCLOSURE STATEMENT

This disclosure statement is made on July 9, 2019.

#### The Declarant is Warren D. Sinclair Construction Ltd.

The Declarant's address is 264 Lawrence Ave., Kitchener, Ontario N2M 1V4.

The municipal address of the proposed condominium is an as yet unassigned number on Fernwood Drive, Simcoe, Ontario, with units bearing addresses on Serviceberry Land, Tamarack Lane and Ironwood Street.

Unless otherwise defined in this document, terms herein that are capitalized will be terms defined in the *Condominium Act, 1998*, or the proposed declaration that accompanies this disclosure statement.

# **ARTICLE 1 – WESTWOOD TRAILS**

The Declarant is developing a residential vacant land condominium plan pursuant to Part XII of the *Condominium Act, 1998* (the "Act"), which is proposed to contain a total of seventy-one (71) homes. The condominium plan was registered as Norfolk Vacant Land Condominium Plan No. 40 on July 3, 2019, and the development is referred to in this disclosure statement as "Westwood Trails". The lands on which Westwood Trails is constructed are referred to herein from time to time as the "Development Lands".

# **ARTICLE 2 - UNIT BOUNDARIES AND COMMON ELEMENTS**

- 1. A vacant land condominium plan is one in which no buildings or structures are required to be completed on any of the units. It is expected that the condominium will be registered before any homes are constructed.
- 2. The boundaries of the units are the "lot lines" as shown on the survey plans that describe the Development Lands. Each purchaser of a unit shall also purchase a home to be constructed within the unit. Each home and homesite, including all of the exterior building envelope, structural components, driveway, front and rear yard, and so forth, shall be fully contained within the unit, and where the dwelling is constructed immediately adjacent to another unit, the centreline of the party wall that adjoins the two structures shall be constructed exactly on the unit boundary line between them.
- 3. All parts of the property that are not designated as part of the units are common elements. These may include curbs, sidewalks and street lighting, though some of these that effectively serve the property may also be located outside the condominium on municipal land. The condominium shall also include minor green space to help meet the storm water management and access requirements for the Development Lands and neighbouring properties.

# **ARTICLE 3 - USES OF UNITS AND UNIT OWNER OBLIGATIONS**

- 1. Purchasers are advised to carefully review the contents of the declaration for Westwood Trails (being Instrument No. NK121337).
- 2. Each unit is restricted for use as a residential dwelling. Various specific conditions and restrictions relating to use of the units are set out in the draft declaration that accompanies this disclosure statement. For clarity, none of the units may be used for commercial or other purposes not ancillary to use as a residential dwelling, except as expressly allowed in the declaration. Use for short term or transients leasing, as an inn, rooming house, "bed & breakfast," and similar uses are all prohibited.
- 3. Contribution to common expenses and common interest allocations shall be allocated amongst all units equally. In any event, no owner of any unit is required to contribute to the common expenses in an amount that differs in an amount of 10 per cent or more from that required of the owner of any other unit of the same type, size and design. However, see Article 18 for varied payment obligations while the Declarant owns any unit.
- 4. Each unit owner shall maintain and repair (including repair or replacement after wear and tear, failure and/or damage) such owner's unit and all improvements. For clarity, this means that the reserve fund of the Corporation cannot be used to effect major repair to or replacement of any part of a unit. As such, each unit owner shall be solely responsible for the costs of all maintenance, repair and eventual replacement of all components of such owner's unit (including the foregoing listed components) without contribution from the Corporation.
- 5. Unit owners also have various obligations in regard to maintenance of the property, particularly

in relation to maintaining the neatness of yard areas, patios and porches appurtenant to the their units. However, the condominium corporation will mow lawns in both the units and the common elements, and shall remove snow from all roads in the common elements, pursuant to the terms set out in the declaration.

- 6. Pursuant to the Act, a unit owner must obtain the consent of the Board of Directors of the condominium (the "Board") to make any alterations that affect the common elements. The draft declaration contains additional provisions relating to alterations of the property, including the units. Such provisions relate to matters such as fencing, clotheslines, telecommunication devices, and the reconfiguration of rooms within the unit.
- 7. No changes within or to a unit will be permitted that would violate any applicable Building Codes, property standards or building regulations, or that are contrary to any Building Scheme or other restrictions or covenants the Declarant may impose.
- 8. The Declarant is entitled to complete all buildings and all improvements to the Development Lands, enter onto the common elements and units to complete the condominium, display signage on the common elements, maintain units as models for display and sale purposes, have potential purchasers and tenants visit any units owned by the Declarant (including viewing the common elements and passing across same), and otherwise maintain construction offices, displays and signs on the common elements and in the units owned by the Declarant, until all units in the development have been sold and conveyed by the Declarant and until the Declarant has completed all of its work.

# **ARTICLE 4 – WARRANTY**

- 1. There are no representations with respect to the quality of materials or appearance of buildings other than those specifically set out as representations in this disclosure statement and/or in your individual agreement of purchase and sale.
- 2. The homes built within the units of Westwood Trails will be subject to the *Ontario New Home Warranties Plan Act*. The common elements of a vacant land condominium plan are <u>excluded</u> from such coverage.
- 3. Since the Declarant is providing the *Ontario New Home Warranties Plan Act* warranty on homes that have not been previously occupied by tenants, no other warranties are provided.
- 4. This warranty provides:
  - a. that the unit,
    - i. is constructed in a workmanlike manner and is free from defects in material,
    - ii. is fit for habitation, and
    - iii. is constructed in accordance with the Ontario Building Code;
  - b. that the unit is free of major structural defects as defined by the regulations to the *Ontario New Home Warranties Plan Act;*
  - c. there will be no water penetration through the basement or foundation of the unit for two years after the date upon which the unit is completed for possession;
  - d. that the unit is constructed in a workmanlike manner and is free from defects in materials including window, doors and caulking such that the building envelope of the unit prevents water penetration;
  - e. that the electrical, plumbing and heating delivery and distribution systems are free from defects in material and workmanship;
  - f. that all exterior cladding of the unit is free from defects in material and workmanship resulting in detachment, displacement or physical deterioration; and
  - g. that the unit is free from violations of the Ontario Building Code regulations under which the Building Permit was issued, affecting health and safety, including but not limited to fire safety, insulation, air and vapour barriers, ventilation, heating and structural adequacy.

- 5. The Ontario New Home Warranties Plan Act warranty excludes:
  - a. defects in materials, design and workmanship supplied by the unit owner;
  - b. secondary damage caused by defects, such as property damage and personal injury;
  - c. normal wear and tear;
  - d. normal shrinkage of materials caused by drying after construction;
  - e. damage caused by dampness or condensation due to failure by the unit owner to maintain adequate ventilation and humidity control;
  - f. damage resulting from improper maintenance;
  - g. alterations, deletions or additions made by the unit owner;
  - h. subsidence of the land around the building or along utility lines, other than subsidence beneath the footings of the building;
  - i. damage resulting from an act of God;
  - j. damage caused by insects and rodents, except where construction is in contravention of the Ontario Building Code;
  - k. damage caused by municipal services or other utilities; and
  - I. surface defects in workmanship and materials specified and accepted in writing by the unit owner at the date of possession.
- 6. The warranties set out in paragraph 4.a. above apply only in respect to claims made within one year after the unit is completed for possession.
- 7. The warranties set out in paragraph 4.b. above apply only in respect to claims made within seven years after the unit is completed for possession.
- 8. The warranties set out in paragraphs 4.c. to 4.g. above apply only in respect to claims made within two years after the unit is completed for possession.
- 9. Appliances may be included in the purchase of the homes. If included, the unit owners will be responsible for the chattels and appliances from occupancy and to process any manufacturer's warranty claims themselves.

# **ARTICLE 5 - CONVERSION FROM PREVIOUS USE**

No building on the property or a unit has been converted from a previous use.

# ARTICLE 6 - MODEL HOMES

The Declarant reserves the right to maintain one or more units in Westwood Trails as model homes for marketing purposes until after the registration and sale of all units in the condominium. The Declarant also reserves the right to use the model homes in Westwood Trails during and after completion of the development to sell homes in any other projects of the Declarant and/or any of its related companies.

# **ARTICLE 7 - UTILITIES**

- 1. Water, gas and electricity are proposed to be separately metered to each home by the supplier of the same and paid by the owner of the unit to which the same are supplied. As a result, common expenses do not include any payments on account of such utilities supplied to a unit.
- 2. All homes will be heated by forced air using natural gas.

# **ARTICLE 8 - PERMITTED PETS IN WESTWOOD TRAILS**

1. There are restrictions in the declaration and rules of the Corporation in relation to the number and types of pets that may be kept by an owner in his or her unit. Full details regarding

restrictions on permitted pets are set out in the declaration and rules in your disclosure package.

- 2. By way of summary, and without intending to comprehensively explain the restrictions set out in the draft documents, permitted pets include a maximum of two (2) domestic dogs weighing 22 kilograms or less each and two (2) housecats (or up to one of each such dog and cat) in any one (1) unit. Certain breeds of dogs are not permitted to be kept as pets in any unit such as: Pit Bull, Rottweiler, Doberman, Akita, any sort of guard dog or dog originally bred for fighting, or such other breed as the Board may determine from time-to-time.
- 3. Other types of animals may be kept as permitted pets, such as: parakeets, budgies, canaries, parrots and birds of that sort, small fish and/or turtles kept in one or more aquariums the total volume of which does not exceed 120 liters, usual children's pets (for example only, gerbils, hamsters, rabbits and guinea pigs), Further, the condominium has discretion from time to time to prohibit pets which may give rise to safety concerns by the residents and therefore be prohibited.
- 4. The Board is entitled to establish by resolution from time to time one or more lists identifying types of permitted or non-permitted pet.

# **ARTICLE 9 - PARKING**

- 1. There is limited visitor parking within the condominium plan. It is proposed that there will be no charge for visitor parking.
- 2. There shall be no parking or storage of derelict and/or Recreational Vehicles of any kind on the condominium property.
- 3. Only automobiles, station wagons, sport utility vehicles, passenger vans, pick-up trucks or motorcycles may be parked in any permitted parking area. Without limitation of the foregoing, there shall be no vehicles parked in the Condominium, other than as necessary for pickup or delivery of goods of the type commonly known as a transport truck or of any other vehicle whose primary purpose is the carriage of goods or materials as opposed to the transport of people for non-commercial purposes.

# ARTICLE 10 - CONDOMINIUM DECLARATION

The declaration outlines, amongst other things:

- a. the division of ownership of units and common elements, and the obligations of the owners in regard to each;
- b. the percentage ownership that each unit owner has in the common elements and the percentage contribution required of each unit owner toward payment of common expenses; and
- c. some provisions of this disclosure statement and other provisions that affect the use of the units and the common elements.

# ARTICLE 11 - CONDOMINIUM BY-LAW

By-law Number One sets out the requirements for:

- a. holding and conducting annual and special meetings of Homeowners;
- b. notice requirements for meetings;
- c. voting rights of owners and mortgagees;
- d. election of a Board of Directors and appointment of officers of the condominium;
- e. assessing and collecting common expenses;
- f. the borrowing of money by the condominium; and
- g. mediation.

#### **ARTICLE 12 - RULES**

- 1. The rules are to promote the safety, security and/or welfare of the owners and to prevent unreasonable interference with the use and enjoyment of the common elements and of the units. New rules may be passed or existing rules may be amended or repealed by a vote of unit owners representing a majority of the units in attendance at a properly constituted meeting.
- 2. The rules should be carefully reviewed as they govern many aspects of day-to-day life within the condominium. Among other things the rules govern and restrict the placing of signs, advertisements and notices, the parking of vehicles and types of vehicles allowed.

#### **ARTICLE 13 - SALE TO INVESTORS**

The Declarant does not intend to market *blocks* of units to investors, though it may market individual units to investors (who likely intend to lease the units) and reserves the right to sell more than one unit to any purchaser who wishes to purchase more than one unit.

#### **ARTICLE 14 - LEASING UNITS BY THE DECLARANT**

The Declarant intends to sell all of the units in the project and the anticipated per cent of units that the Declarant intends to lease is zero (0) percent. However, the Declarant maintains the right to lease one or more units that it does not sell.

#### **ARTICLE 15 - AGREEMENTS**

- 1. The Corporation will be required to enter into an Indemnity Agreement regarding Municipal and Utility Supplier Agreements Covenants and Schemes, a draft copy of which accompanies this disclosure statement. This agreement obligates the Corporation to comply with all applicable agreements, provide information that the Declarant needs for disclosure and registration of future phases, and comply with limitations on budget expenditures.
- 2. The declaration provides that each unit owner and the Corporation are deemed to agree to the provision of limited lawncare services by the Corporation within the units. The Corporation shall also be required to enter into an arrangement with the Declarant whereby the Declarant will cover certain costs while it owns units, proportionate to the number of units that are unsold and unoccupied, as explained in the Budget Statement accompanying this Disclosure Statement.

#### **ARTICLE 16 - AMALGAMATION**

The Declarant does not intend to cause the Corporation to amalgamate with another Corporation within 60 days of the date of registration of the declaration and description for the Corporation, and, to the knowledge of the Declarant, the Corporation does not intend to amalgamate with another Corporation and.

# **ARTICLE 17 - OTHER PAYMENTS**

The Declarant's proposed budget for the first year of operation of Corporation does not include items that are not properly the responsibility of the Corporation to pay, including each of the following amounts that each owner of a unit is responsible for paying:

- a. municipal property taxes, assessments, and levies applicable in respect of such owner's unit;
- b. the supply of all utilities and services to such owner's unit, such as water, sewer, natural gas, electricity, cable television and telephone;
- c. any insurance premiums with respect to the unit and home (see Article 21 below);
- d. maintenance, replacement and repair costs of all components of such owner's unit; and
- e. replacement and repair costs of all appliances or fixtures of the unit, including (if any) a water heater, water softener, air-conditioning equipment and furnace.

# ARTICLE 18 - UNITS EXEMPT FROM COSTS

No unit is exempt from a cost attributable to the rest of the units. However, no contributions to the common expenses shall be payable by the Declarant on account of a unit prior to the earlier of:

- (a) The date on which such unit commences to be occupied by a tenant paying rent therefor or by an arm's length purchaser thereof paying an occupancy fee in accordance with section 80(4) of the Act; and
- (b) the date on which title to such unit has been transferred to an arm's length purchaser for value. The proportion of the common expenses that would otherwise be attributable to the unit shall, during that period, be shared equally amongst all of the other units that are either occupied or conveyed as described in clause (a) above.

Once all Units are occupied and/or conveyed as aforesaid, common expense contributions for the Units shall be allocated in accordance with the table set out in Schedule D of the declaration.

#### **ARTICLE 19 - COMMON ELEMENT LEASES OR LICENSES**

The Declarant may enter (or, more precisely, may cause the condominium corporation to enter) into one or more agreements with suppliers to provide television and internet service to all units by cable, satellite or direct transmission, which agreements generally take the form of or include easements or other rights of access to allow for installation, maintenance, upgrades and the marketing or provision of services. Further, permission shall be given to certain neighbouring properties to allow storm water from those properties to flow into the storm water management pond that will be located within Westwood Trails. It is intended that at least one of the parties sharing such access will be responsible for a share of the maintenance costs, but the details of these arrangements remain to be seen.

#### **ARTICLE 20 - INSURANCE TRUST AGREEMENT**

There will be no insurance trust agreement unless the same is established by the Corporation after its registration.

#### **ARTICLE 21 - INSURANCE**

The Corporation only maintains insurance coverage on behalf of the owners to the extent required under the Act on the common elements. Each unit owner must insure all components of such owner's unit and home to be constructed thereon.

#### ARTICLE 22 - ADJACENT LANDS

The Declarant does not own any lands adjacent to the Development Lands.

#### **ARTICLE 23 - MISCELLANEOUS MATTERS**

- 1. The Declarant has requested but has not yet received a statement from Norfolk County pertaining to the services provided by the municipality in accordance with section 161(1) of the Act. This disclosure statement shall be updated when and if the same is received.
- 2. The Declarant has no actual knowledge of any judgments against the condominium to be created by the Declarant, nor does it have any actual knowledge of any pending lawsuits to which the condominium is or will be a party.
- 3. There are no reserve funds nor will there be any reserve funds established for the condominium other than the reserve funds collected after registration of the condominium.
- 4. Plantings by the Declarant may be completed in the first planting season following registration of the condominium if not completed at the time of registration. It will become the immediate responsibility of the condominium to maintain, water and weed those plantings that are in the common elements to insure their survival.
- 5. Subject to the condominium establishing a charge for anything that is currently supplied by the Declarant there are no services that the Declarant provides or for which it pays that might reasonably be expected to become a common expense at any subsequent time.
- 6. Under subsection 82(8) of the Act the Declarant is entitled to retain the excess of all interest earned on money held in trust over the interest that it is required to pay to the purchaser under section 82 of the Act.
- 7. There are no major assets and property that the Declarant has indicated that it may provide, even though it is not required to do so.

- 8. There are no units and or assets that the condominium is required to purchase, services that it is required to acquire or agreements and leases that it is required to enter into with the Declarant or a subsidiary body corporate, holding body corporate or affiliated body corporate of the Declarant, other than as set out in Article 15 of this disclosure statement.
- 9. Any trees shown on any landscaping plan are scaled to be their estimated full-grown size to show their relationship to buildings and other site aspects. The actual size of the trees planted by the Declarant may be smaller or larger.
- 10. The Declarant has no obligation to provide air conditioning to units unless it has specifically agreed to do so elsewhere in a signed agreement to provide the same.
- 11. Chattels and appliances, if any, purchased with units do not have any warranty from the Declarant. The agreement of purchase and sale operates to assign any manufacturer's warranty. Unit owners will be responsible for the chattels and appliances from occupancy and to process any manufacturer's warranty claims themselves.
- 12. Since the Declarant intends to construct all of the homes within the units, there are no restrictions relating to oncstruction, architecture or design, and there are also no restrictions or standards with respect to the occupancy or use of units or the use of common elements or proposed common elements that are based on the nature or design of the facilities and services on the property or on other aspects of the buildings located on the property. For clarity, there are restrictions on occupancy and use, but they are based on other factors.
- 13. No common interest appurtenant to any unit or proposed unit differs in an amount of 10 per cent or more from that appurtenant to any other unit or proposed unit of the same type, size and design.
- 14. Garbage and recycling pickup will be performed by the municipality. Pickup will be curb-side for all of the units.

The following provisions are required to be included in disclosure statements for all newly built condominiums.

# Sections 73 and 74 of the Condominium Act, 1998 state:

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

# Notice of rescission

- (2) To rescind an agreement of purchase and sale under this section, a purchaser or the purchaser's solicitor shall give a written notice of rescission to the Declarant or to the Declarant's solicitor who must receive the notice within 10 days of the later of,
- (a) the date that the purchaser receives the disclosure statement; and
- (b) the date that the purchaser receives a copy of the agreement of purchase and sale executed by the declarant and the purchaser. 1998, c. 19, s. 73 (2).

# **Refund upon rescission**

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

# Material changes in disclosure statement

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

# Definition

(2) In this section, "material change" means a change or a series of changes that a reasonable purchaser, on an objective basis, would have regarded collectively as sufficiently important to the decision to purchase a unit or proposed unit in the corporation that it is likely that the purchaser would not have entered into an agreement of purchase and sale for the unit or the proposed unit or would have

exercised the right to rescind such an agreement of purchase and sale under section 73, if the disclosure statement had contained the change or series of changes, but does not include,

- (a) a change in the contents of the budget of the corporation for the current fiscal year if more than one year has passed since the registration of the proposed declaration and description for the corporation,
- (b) a substantial addition, alteration or improvement within the meaning of subsection 97 (6) that the corporation makes to the common elements after a turn-over meeting has been held under section 43,
- (c) a change in the portion of units or proposed units that the declarant intends to lease,
- (d) a change in the schedule of the proposed commencement and completion dates for the amenities of which construction had not been completed as of the date on which the disclosure statement was made, or
- (e) a change in the information contained in the statement described in subsection 161 (1) of the services provided by the municipality or the Minister of Municipal Affairs and Housing, as the case may be, as described in that subsection, if the unit or the proposed unit is in a vacant land condominium corporation. 1998, c. 19, s. 74 (2).

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

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

#### **Time of delivery**

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

#### Purchaser's application to court

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

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

- (6) If a change or a series of changes set out in a revised disclosure statement or a notice delivered to a purchaser constitutes a material change or if a material change occurs that the declarant does not disclose in a revised disclosure statement or notice as required by subsection (1), the purchaser may, before accepting a deed to the unit being purchased that is in registerable form, rescind the agreement of purchase and sale within 10 days of the latest of,
- (a) the date on which the purchaser receives the revised disclosure statement or the notice, if the declarant delivered a revised disclosure statement or notice to the purchaser;
- (b) the date on which the purchaser becomes aware of a material change, if the declarant has not delivered a revised disclosure statement or notice to the purchaser as required by subsection (1) with respect to the change; and
- (c) the date on which the Superior Court of Justice makes a determination under subsection (5) or (8) that the change is material, if the purchaser or the declarant, as the case may be, has made an application for the determination. 1998, c. 19, s. 74 (6).

#### Notice of rescission

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

#### Declarant's application to court

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

#### **Refund upon rescission**

(9) A declarant who receives a notice of rescission from a purchaser under this section shall refund, without penalty or charge, to the purchaser, all money received from the purchaser under the agreement and credited towards the purchase price, together with interest on the money calculated at the prescribed rate from the date that the declarant received the money until the date the declarant refunds it. 1998, c. 19, s. 74 (9).

# Time of refund

(10) The declarant shall make the refund,

- (a) within 10 days after receiving a notice of rescission, if neither the purchaser nor the declarant has made an application for a determination described in subsection (5) or (8) respectively; or
- (b) within 10 days after the court makes a determination that the change is material, if the purchaser has made an application under subsection (5) or the declarant has made an application under subsection (8). 1998, c. 19, s. 74 (10).