

THIS COST SHARING AGREEMENT made the day of , 2016.

AMONG:

NORTHUMBERLAND STANDARD CONDOMINIUM
CORPORATION NO. 72 (NSCC No.72)

- and -

NORTHUMBERLAND STANDARD CONDOMINIUM
CORPORATION NO. XX (NSCC No. XX)

WHEREAS:

- a) NSCC No.72 is currently the only established Condominium on the land formerly known variously as 323 George Street Cobourg, the Thomas Gilbard School and currently the Mansions on George Development and wishes to establish a means to manage matters of common interest to NSCC No.72 and the Mansions on James Condominium to be constructed in the same development collectively to be known as the 323 George Street Condominiums;
- b) 323 George Street Condominiums and NSCC No.72 wish to include NSCC No XX as one of the 323 George Street Condominiums (hereinafter known as 323) and to permit NSCC No. 72 and NSCC No. XX full use and enjoyment of the benefits of the Internal and external facilities as set out below and to share in all rights and obligations with respect to the management thereof including the payment of all costs associated therewith.
- c) In consideration of the covenants herein, the parties covenant and agree as follows:
 1. The term "323" shall from and as of the date of this agreement include NSCC No. 72 and NSCC#XX for all purposes.
 2. The proportionate share for each of the condominium corporations expressed as a percentage is therefore defined as follows:

CONDOMINIUM CORPORATION	PROPORTIONATE SHARE EXPRESSED AS A PERCENTAGE AND NUMBER OF SUITES PER CORPORATION
NSCC No. 72	49.3 % being 35 suites

NSCC No. XX	50.7 % being 36 suites
TOTAL:	100% and 71 suites

3. All costs incurred for the repair, maintenance, replacement, operation and inspection of the 323 Condominium Facilities as set out in the Table in paragraph 4 of this Agreement below shall be borne by the 323 Condominiums including NSCC No.72 and NSCC No. XX in accordance with their respective proportionate shares.

4.

All costs associated with internal Roadway System from George Street through to James Street and the Northern Entrance Circular Driveway on James Street including Snow removal, Visitor Parking lots and lighting.
All costs associated with any and all service replacement and repair of underground services including but not limited to underground pipes, wires, cables, conduits and related equipment or apparatus, used for electricity, fuel, water, drainage, communication or other public utilities ("services") of the Condominiums.
All costs associated with the internal Roadway System from George Street through to James Street and the Northern Entrance Circular Driveway on James Street existing at the time this agreement is implemented and any new services required for Mansions on James (hereinafter referred to as MOJ).
Both NSCC#72 and the proposed Condominium will have the benefit of shared rights and obligations for the internal roadway systems, the Hallways, stairwells, service rooms, Foyers, Elevator Lobbies, Entry systems, mailboxes and Fire Systems in the 323 Condominiums Development.
All costs associated with external Landscaping of the 323 Condominiums on George and James Streets and the Northern Entrance Circular Driveway on James Street.
All electrical costs associated with the interior and exterior common area services now existing in the 323 Condominium and to be installed as required for the completion of MOJ including the exterior Garages now existing for Mansions on George (hereinafter referred to as MOG} and the one garage to be constructed for MOJ.
All water and sanitary costs associated with the interior and exterior common area services now existing in the 323 Condominiums and to be installed as required for the completion of MOJ.

All costs associated with the maintenance, repair and replacement of interior common areas and services now existing in the 323 Condominium and to be installed as required for the completion of MOJ including but not limited to the Common Room and ancillary features on the 4 th floor of MOG Hallways, Foyers, Entrance Doors, Décor, furnishings, stairwells which are utilised for the benefit of the residents, visitors service and delivery employees of and to the 323 facility.
All costs associated with the maintenance, repair and replacement of the Western Elevator and common areas and services associated therewith in the 323 Condominium including but not limited to Hallways, Foyers, Entrance Doors, Décor, furnishings which are utilised for the benefit of the residents, visitors service and delivery employees of and to the 323 facility.
All costs associated with the maintenance, repair and replacement of the Garburator and common areas and services associated therewith in the 323 Condominium including but not limited to Hallways, Garbage Rooms, Entrance Doors, Décor, which are utilised for the benefit of the residents, visitors and service employees of the 323 facility.
All Liability Insurance costs associated with common areas and services associated therewith in the 323 Condominium including but not limited to Hallways, Foyers, Entrance Doors, Elevators, Internal Roadway system, Grounds furnishings which are utilised for the benefit of the residents, visitors service and delivery employees of and to the 323 facility.
All costs associated with the maintenance, repair and replacement of the Fire system and common areas and services associated therewith in the 323 Condominiums.
All costs associated with the maintenance, repair and replacement of the Mail Boxes and common areas and services associated therewith in the 323 Condominiums.
All costs associated with the maintenance, repair and replacement of after acquired, built or acquired property voted on and agreed by both parties associated with the Common Area costs set out in this agreement as amended therewith in the 323 Condominiums.

5. The 323 Condominiums shall contribute towards the cost incurred for the repair, maintenance, replacement, operation and inspection of the above noted facilities according to their proportionate shares.
6. Both of the 323 Condominiums desire to have the benefit of shared rights and obligations with respect to the Common Area facilities not designated as "Exclusive Use" in both condominiums including the surrounding lands.
7. All cost incurred for the repair, maintenance, replacement, operation and inspection of the existing Mansions on George Facility up to and including the date of this Agreement shall be borne by NSCC No. 72 and all costs in respect of the items set out above from and after the date of this Agreement shall be borne by the 323 Condominiums in accordance with their respective proportionate shares subject to Clause #8 below.
8. All costs in respect of the items agreed to herein and set out above shall be borne by MOJ units as they are occupied by residents both before and after registration of the MOJ Condominium.

323 Condominiums Committee

9. Both of the Condominium Corporations shall appoint according to its by-laws as its representative to be a member of the 323 Condominiums Committee. Such person shall be an Officer or Director of the appointing Condominium

Corporation or the declarant until the new Condominium NSCC No. XX is registered and has sold 95 % of its units.

10. The repair, maintenance, replacement, operation and inspection of the 323 Condominiums Facilities shall be overseen and administered by the "323 Condominiums Committee".
11. Both of the condominium corporations comprising 323 Condominiums shall appoint according to its by-laws a director or officer as its representative to be a member of the 323 Condominiums Committee. Such person shall be an officer or director of the appointing condominium corporation and shall be appointed for a term of at least one (1) year and not more than three (3) years. The director or officer may give a substitute his or her proxy if he or she is unable to attend any requisite and properly constituted meeting.
12. All decisions of the 323 Condominiums Committee shall be made by a majority vote of its members, at a properly constituted meeting of the 323 Condominiums Committee, and each member shall have a vote weighted according to their proportionate share of their member's appointing condominium corporation.
13. The first meeting of the 323 Condominiums Committee shall take place within thirty (30) days of final execution of this agreement. Subsequent meetings shall take place at least annually, and otherwise as determined by the 323 Condominiums Committee. A meeting of the 323 Condominiums Committee can also be called by any member of the 323 Condominiums Committee by delivering at least ten (10) days' notice to either member personally or by mail to each of the 323 Condominiums. A quorum for the transaction of business at the 323 Condominiums Committee shall be seven (7) of the members of the 323 Condominiums Committee which must represent a minimum sixty percent (60%) of the owners.
14. At any meeting of the 323 Condominiums Committee any member of the Committee shall have the right to raise any matter relevant to the affairs of the 323 Condominiums Committee.
15. The 323 Condominiums Committee shall establish any other procedures for itself, including procedures for meetings, elections, decision-making, contracting, invoicing for contributions to the costs, establishing reserve funds, budgets, auditing and obtaining appropriate insurance.
16. All records of the 323 Condominiums Committee shall be considered to be records of the 323 Condominiums as defined in the Condominium Act, as amended. Any owner of a unit in the 323 Condominiums shall have the right to review these records according to the provision of the Condominium Act, as amended.

17. The 323 Condominiums Committee may establish ad-hoc committees as may from time to time be needed to carry out specific duties for the Committee.
18. The 323 Condominiums Committee is the agent for each of the party condominium corporation to carry out any of the obligations of this agreement.
19. The 323 Condominiums Committee has the right of access to any of the 323 Condominiums Facilities, and the power to enter into contracts to carry out any of the obligations of this agreement.

Financial Matters

20. Each of the 323 Condominiums Condominium Corporations shall establish and maintain a Reserve Fund, as defined in the Condominium Act, as amended, for the purpose of major repair and replacement of their own Condominium Facilities including the shared facilities contemplated in this agreement and any associated easements or rights required to be registered in favour of, or to, the individual Condominium Corporations comprising 323 Condominiums.
21. Each of the 323 Condominiums Condominium Corporations shall participate and share the cost of preparing a Reserve Fund, as set down in the Condominium Act 1998 and any subsequent amendments thereto, for the herein described Joint Common Element areas.
22. Annually, no later than July 1st of each year, the 323 Condominiums Committee shall prepare and distribute for approval to all members a budget for the repair, maintenance, replacement, operation and inspection of the 323 Condominiums Facilities. If the 323 Condominiums Committee fails to approve the budget as drafted or as subsequently revised, the budget must be established by way of dispute Resolution as described below.
23. In the event that unexpected significant costs are incurred related to the repair, maintenance, replacement, operation or inspection of the 323 Condominiums Facilities, the 323 Condominiums committee shall prepare and distribute for approval a revised budget. If the 323 Condominiums Committee fails to approve the revised budget as drafted or as subsequently revised, the revised budget must be established by way of Dispute Resolution.
24. Any required contributions not delivered at the times and on the conditions determined by the 323 Condominiums committee as described above shall bear interest at the rate of 12% per annum calculated and compounded monthly on any such unpaid amount.

Insurance

25. The 323 Condominiums Committee shall obtain and maintain insurance for the 323 Condominiums Facilities in the name of each of the parties to this agreement according to their respective interests and in accordance with the Condominium Act, as amended from time to time.
26. The 323 Condominiums shall contribute to the cost of these insurance policies according to their proportionate shares.
27. 323 Condominiums; The Mansions on George - Mansions on James Committee shall establish any other procedures for itself, including procedures for meetings, elections, decision-making, contracting, invoicing for contributions to the costs, establishing reserve funds, budgets, auditing and obtaining appropriate insurance.

MISCELLANOUS:

28. This agreement shall enure to the benefit of and be binding on the respective successors and assigns of the parties hereto.
29. Invalidity: The invalidity of any part of this agreement shall not impair or affect in any manner the validity and enforceability or affect of the balance thereof.
30. Inconsistency: To the extent there is any inconsistency between the terms and provisions of this agreement and the terms and provisions of any previous agreement between the parties, the terms and provisions of this agreement prevail.
31. Waiver: The failure to take action to enforce any provision of this agreement shall not constitute a waiver of the right to do so thereafter.
32. Notice: Any notice given by any person or parties to any person in connection with this agreement shall be given in accordance with the by-laws of the applicable condominium corporation.
33. Notice: Any notice given by any person or parties to any person in connection with this agreement shall be given in accordance with current and future Condominium Acts of the Province of Ontario.
34. Headings: the headings in this agreement form no part of the agreement and shall be deemed to be for convenience only.

Dispute Resolution

35. The validity, construction and performance of this agreement shall be governed by the laws of the Province of Ontario, and any dispute that may arise under or

in relation to this agreement including its validity, construction or performance shall be determined by way of mediation, failing which such disputes shall be determined by arbitration upon application to a single judge of the Ontario Superior Court of Justice in accordance with and pursuant to the provisions of the *Arbitration Act of Ontario*, R.S.O. 1990, as amended, and the arbitrator's decision shall be final and binding upon the parties hereto and on their respective successors and assigns, and shall not be subject to appeal.

36. **Governing Law:** This Agreement shall be interpreted, construed and Governed by the Laws of the Province of Ontario.

IN WITNESS WHEREOF the parties have executed this agreement the day, month and year first above written.

NORTHUMBERLAND STANDARD CONDOMINIUM
CORPORATION NO. 72

Per: _____

Per: _____ *Seal*

We have the authority to bind the Corporation

NORTHUMBERLAND STANDARD CONDOMINIUM
CORPORATION NO. XX

Per: _____

Per: _____ *Seal*

We have the authority to bind the Corporation