

NOTICE OF FUTURE FUNDING OF THE RESERVE FUND

In accordance with the Condominium Act 1998, all Corporations are required to complete a comprehensive reserve fund study and then have that study updated every 3 years. Once the study is approved by the Board of Directors, there is a further requirement to provide a summary in the form of a Notice of Future Funding of the Reserve Fund to all owners.

A Reserve Fund Study Update has just been completed and approved by your Board of Directors. A copy of the Notice of Future Funding of the Reserve Fund is enclosed with this package and includes:

Notice of Future Funding of the Reserve Fund – Provides a summary of the overall plan and includes the average increases over the next 3 years.

Summary of Reserve Fund Study – This includes a summary of the balances plus the assumed inflation and interest rate assumptions and also includes reference to the ***Reserve Fund Cash Flow Table***.

Summary of Proposed Plan for Future Funding of the Reserve Fund – This includes the amount set aside as the contribution for the current fiscal year, shows any differences between the reserve study and any differences proposed by the Board, plus includes reference to the ***Reserve Fund Contribution Table***

The purpose of a reserve fund study is to provide your corporation with a long-term budgeting tool to ensure funds are available when it comes time to make major repairs or replacements of the common elements and assets of the Corporation. The study includes an inventory of the common elements and assets, a determination of their remaining lifespan, a current and future cost analysis and a minimum 30-year funding plan.

It is very important to understand how your annual budget works. The budget is made up of two main portions; the “*Operating Account*”, which is used for items such as repairs, insurance, maintenance contracts and administration, and the “*Reserve Fund*”, which is used to save for future major repair and replacements as outlined above. The reserve fund contribution is included in the annual budget and makes up only one of the multiple expense items.

We trust this summary of the enclosed Notice of Future Funding of the Reserve Fund is beneficial. In the event of any further questions, please do not hesitate to call Management.

Notice of Future Funding of the Reserve Fund

Attach:

1. Notice of Future Funding of the Reserve Fund
2. Summary of Reserve Fund Study
3. Cash Flow Table for the selected scenario
4. Summary of Proposed Plan for the Future Funding of the Reserve Fund
5. Contribution Table and Difference Between the Reserve Fund Study and the Proposed Plan for Future Funding of the Reserve Fund

Notice of Future Funding of the Reserve Fund

(under subsection 94 (9) of the Condominium Act, 1998)

TO: All Owners in MTCC 1341

The Board has received and reviewed the Updated Reserve Fund Study not based on a Site Visit, dated Jan 21, 2025, prepared by WSP Canada Inc., and has proposed a plan for the future funding of the reserve fund that the Board has determined will ensure that, in accordance with the regulations made under the Condominium Act, 1998, the reserve fund will be adequate for the major repair and replacement of the common elements and assets of the Corporation.

This notice contains:

1. A summary of the reserve fund study.
2. A summary of the proposed funding plan.
3. A statement indicating the areas, if any, in which the proposed funding plan differs from the reserve fund study.

At the present time the average contribution per unit per month to the reserve fund (excluding any other contributions) is: \$275.45

Based on the proposed funding plan, the average increase in contribution per unit per month (excluding any other contributions) will be:

\$73.59	in	2026
\$76.38	in	2027
\$79.28	in	2028

(state the amount of the increase for each of the three fiscal years following the year in which the reserve fund study is completed. If the contribution is to be increased in the fiscal year in which the reserve fund is completed, also state the amount of that increase)

The proposed funding plan will be implemented beginning on MARCH 10, 2025
(set out the date of the day that is more than 30 days after the day on which this notice is sent to the Owners)

Dated this 23, day of JAN, 2025.

MTCC 1341

Denis Kundic
(Signature)

Denis Kundic
(Print name)

[Signature]
(Signature)

JOHN GALLO
(Print name)

(Affix corporate seal or add a statement that the persons signing have the authority to bind the Corporation.)

Summary of Reserve Fund Study

The following is a summary of the Updated Reserve Fund Study not based on a Site Visit, dated Jan 21, 2025, prepared by WSP Canada Inc. for:

MTCC 1341

Subsection 94 (1) of the Condominium Act, 1998, requires the Corporation to conduct periodic studies to determine whether the amount of money in the reserve fund and the amount of contributions collected by the Corporation are adequate to provide for the expected costs of major repair and replacement of the common elements and assets of the Corporation. As a result, this Corporation has obtained this Reserve Fund Study.

The estimated expenditure from the reserve fund for the next thirty (30) years are set out in the CASH FLOW TABLE. In this summary, the term "annual contribution" means the total amount to be contributed each year to the reserve fund, exclusive of interest earned on the reserve fund. The recommended annual contribution for the fiscal year ending on Aug 31, 2026 is below:

\$46,073 Contribution for year ending Aug 31, 2026

This annual contribution is based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund:	\$87,973
Minimum Reserve Fund Balance During the Projected Period:	\$37,523
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	3.80%
Assumed Annual Interest Rate for Interest Earned on the Reserve Fund:	4.30%

The Reserve Fund Study can be examined by submitting a written request to the Property Manager (as per Section 55 (3) of the Condominium Act 1998).

Cash Flow Table

Opening Balance of the Reserve Fund: \$87,973

Minimum Reserve Fund Balance During the Projected Period: \$37,523

Assumed Annual Inflation Rate for Reserve Fund Expenditures: 3.80%

Assumed Annual Interest Rate for Interest Earned on the Reserve Fund: 4.30%

Year	Opening Balance	Recommended Annual Contribution	Other Contribution	Estimated Expenditure (Inflation-Adjusted)	Estimated Interest Earned	Percentage Increase In Recommended Annual Contribution	Increase In Recommended Annual Contribution	Increase Per Unit Per Month	Closing Balance
2025	\$87,973	\$36,360	\$0	\$7,133	\$4,411	-	-	-	\$121,611
2026	\$121,611	\$46,073	\$0	\$32,797	\$5,515	26.71	\$9,713	\$73.59	\$140,402
2027	\$140,402	\$56,156	\$0	\$13,468	\$6,955	21.88	\$10,082	\$76.38	\$190,045
2028	\$190,045	\$66,621	\$0	\$13,980	\$9,304	18.64	\$10,465	\$79.28	\$251,990
2029	\$251,990	\$77,484	\$0	\$9,723	\$12,292	16.31	\$10,863	\$82.30	\$332,043
2030	\$332,043	\$88,760	\$0	\$235,021	\$11,133	14.55	\$11,276	\$85.42	\$196,916
2031	\$196,916	\$92,133	\$0	\$256,460	\$4,934	3.8	\$3,373	\$25.55	\$37,523
2032	\$37,523	\$64,261	\$0	\$43,443	\$2,061	-30.25	(\$27,872)	(\$211.15)	\$60,403
2033	\$60,403	\$66,703	\$0	\$3,369	\$3,959	3.8	\$2,442	\$18.50	\$127,696
2034	\$127,696	\$69,238	\$0	\$41,750	\$6,082	3.8	\$2,535	\$19.20	\$161,265
2035	\$161,265	\$71,869	\$0	\$59,088	\$7,209	3.8	\$2,631	\$19.93	\$181,255
2036	\$181,255	\$74,600	\$0	\$33,912	\$8,669	3.8	\$2,731	\$20.69	\$230,612
2037	\$230,612	\$77,435	\$0	\$19,556	\$11,161	3.8	\$2,835	\$21.48	\$299,651
2038	\$299,651	\$80,377	\$0	\$14,887	\$14,293	3.8	\$2,943	\$22.29	\$379,434
2039	\$379,434	\$83,431	\$0	\$4,214	\$18,019	3.8	\$3,054	\$23.14	\$476,671
2040	\$476,671	\$86,602	\$0	\$13,997	\$22,058	3.8	\$3,170	\$24.02	\$571,333
2041	\$571,333	\$89,893	\$0	\$619,914	\$13,172	3.8	\$3,291	\$24.93	\$54,484
2042	\$54,484	\$87,401	\$0	\$23,565	\$3,715	-2.77	(\$2,492)	(\$18.88)	\$122,035
2043	\$122,035	\$90,722	\$0	\$4,892	\$7,093	3.8	\$3,321	\$25.16	\$214,958
2044	\$214,958	\$94,169	\$0	\$38,932	\$10,431	3.8	\$3,447	\$26.12	\$280,626
2045	\$280,626	\$97,748	\$0	\$57,980	\$12,922	3.8	\$3,578	\$27.11	\$333,316
2046	\$333,316	\$101,462	\$0	\$54,559	\$15,341	3.8	\$3,714	\$28.14	\$395,560
2047	\$395,560	\$105,318	\$0	\$41,744	\$18,376	3.8	\$3,856	\$29.21	\$477,510
2048	\$477,510	\$109,320	\$0	\$23,832	\$22,371	3.8	\$4,002	\$30.32	\$585,368
2049	\$585,368	\$113,474	\$0	\$6,119	\$27,479	3.8	\$4,154	\$31.47	\$720,202
2050	\$720,202	\$117,786	\$0	\$23,289	\$33,000	3.8	\$4,312	\$32.67	\$847,700
2051	\$847,700	\$122,262	\$0	\$32,964	\$38,371	3.8	\$4,476	\$33.91	\$975,369
2052	\$975,369	\$126,908	\$0	\$61,589	\$43,345	3.8	\$4,646	\$35.20	\$1,084,033
2053	\$1,084,033	\$131,730	\$0	\$23,799	\$48,934	3.8	\$4,822	\$36.53	\$1,240,898
2054	\$1,240,898	\$136,736	\$0	\$7,373	\$56,140	3.8	\$5,006	\$37.92	\$1,426,401

Summary of Proposed Plan for Future Funding of the Reserve Fund

The following is a summary of the Board's proposed plan for the future funding of the Reserve Fund.

The Board of MTCC 1341 has reviewed the Updated Reserve Fund Study not based on a Site Visit, dated Jan 21, 2025, prepared by WSP Canada Inc. for the Corporation (known as the "Reserve Fund Study") and has proposed a plan for the future funding of the Reserve Fund that the Board has determined will ensure that, in accordance with the regulations made under the Condominium Act, 1998, the Reserve Fund will be adequate for the major repair and replacement of the common elements and assets of the Corporation.

The Board has adopted the funding recommendations of the Reserve Fund Study and will implement them as set out in the Contribution Table.

The total annual contribution recommended under the proposed funding plan for the current fiscal year is \$36,360 which represents no increase over the amount already budgeted.

The Proposed Plan for Future Funding of the Reserve Fund can be examined by submitting a written request to the Property Manager (as set out in subsection 55 (3) of the Condominium Act, 1998).

Contribution Table

Year	A Annual Contribution*	% Increase Over Previous Year	B Other Contributions (e.g. Special Assessment, Loan)	A + B Total Contribution Each Year to Reserve Fund
2025	\$36,360	-	\$0	\$36,360
2026	\$46,073	26.71	\$0	\$46,073
2027	\$56,156	21.88	\$0	\$56,156
2028	\$66,621	18.64	\$0	\$66,621
2029	\$77,484	16.31	\$0	\$77,484
2030	\$88,760	14.55	\$0	\$88,760
2031	\$92,133	3.8	\$0	\$92,133
2032	\$64,261	-30.25	\$0	\$64,261
2033	\$66,703	3.8	\$0	\$66,703
2034	\$69,238	3.8	\$0	\$69,238
2035	\$71,869	3.8	\$0	\$71,869
2036	\$74,600	3.8	\$0	\$74,600
2037	\$77,435	3.8	\$0	\$77,435
2038	\$80,377	3.8	\$0	\$80,377
2039	\$83,431	3.8	\$0	\$83,431
2040	\$86,602	3.8	\$0	\$86,602
2041	\$89,893	3.8	\$0	\$89,893
2042	\$87,401	-2.77	\$0	\$87,401
2043	\$90,722	3.8	\$0	\$90,722
2044	\$94,169	3.8	\$0	\$94,169
2045	\$97,748	3.8	\$0	\$97,748
2046	\$101,462	3.8	\$0	\$101,462
2047	\$105,318	3.8	\$0	\$105,318
2048	\$109,320	3.8	\$0	\$109,320
2049	\$113,474	3.8	\$0	\$113,474
2050	\$117,786	3.8	\$0	\$117,786
2051	\$122,262	3.8	\$0	\$122,262
2052	\$126,908	3.8	\$0	\$126,908
2053	\$131,730	3.8	\$0	\$131,730
2054	\$136,736	3.8	\$0	\$136,736

* The term "annual contribution" means the amount to be contributed each year to the reserve fund from the monthly common expenses.

Differences Between the Reserve Fund Study and the Proposed Plan for Future Funding of the Reserve Fund

The plan for future funding of the Reserve Fund proposed by the Board matches the Reserve Fund Study.