

NOTICE OF FUTURE FUNDING OF THE RESERVE FUND

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

TO: All Owners of Carleton Condominium Corporation No. 423

The Board has received and reviewed a Class 2 - Update with Site Inspection Reserve Fund Study dated March 25, 2019, prepared by Keller Engineering, and has proposed a plan for the future funding of the reserve fund that the Board of Directors 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 is \$246.05. Based on the proposed funding plan, the average increase in contribution per unit per month will be \$6.15 in fiscal year 2019/20, \$6.31 in fiscal year 2020/21, and \$6.46 in fiscal year 2021/22.

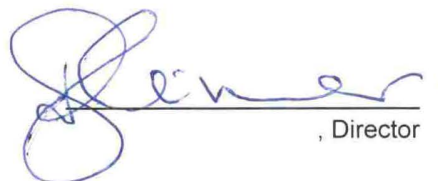
The proposed funding plan, recommended by Keller Engineering, will be implemented on or before May 1, 2019.

Dated this 1 day of APRIL, 2019.

CARLETON CONDOMINIUM CORPORATION NO. 423



, Director



, Director

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the Class 2 - Update with Site Inspection dated March 25, 2019, prepared by Keller Engineering for Carleton Condominium Corporation No. 423 (known as the 'Reserve Fund Study').

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, the corporation has obtained the Reserve Fund Study.

The estimated expenditures 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 2019/20 is \$163,426, based on the estimated expenditures and the following:

Opening Balance of the Reserve Fund:	\$ 235,000
Minimum Reserve Fund Balance during the projected period:	\$ 144,856
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.5%
Assumed Annual Interest Rate for interest earned on the Reserve Fund:	2.5%

The Reserve Fund Study can be examined by making a written request to the Board of Directors of Carleton Condominium Corporation No. 423.

CASH FLOW TABLE

Opening Balance of the Reserve Fund:	\$ 235,000
Current Annual Contributions:	\$ 159,440
Minimum Reserve Fund Balance (as indicated in this table):	\$ 144,856
Assumed Annual Inflation Rate for Reserve Fund Expenditures:	2.5%
Assumed Annual Interest Rate for interest on the Reserve Fund:	2.5%

Fiscal Year Ending	Opening Balance	Recommended Annual Total Contribution	Estimated Inflation Adjusted Expenditures	Estimated Interest Earned	Percentage Increase (Decrease) in Recommended Annual Total Contribution	Closing Balance
2019/20	\$235,000	\$163,426	\$25,000	\$7,293	2.5%	\$380,719
2020/21	\$380,719	\$167,512	\$195,775	\$6,717	2.5%	\$359,173
2021/22	\$359,173	\$171,699	\$307,308	\$3,443	2.5%	\$227,007
2022/23	\$227,007	\$175,992	\$259,531	\$1,387	2.5%	\$144,856
2023/24	\$144,856	\$180,392	\$181,577	\$1,337	2.5%	\$145,007
2024/25	\$145,007	\$184,902	\$156,134	\$2,033	2.5%	\$175,807
2025/26	\$175,807	\$189,524	\$79,323	\$4,781	2.5%	\$290,789
2026/27	\$290,789	\$194,262	\$63,000	\$8,123	2.5%	\$430,174
2027/28	\$430,174	\$199,119	\$0	\$13,243	2.5%	\$642,536
2028/29	\$642,536	\$204,097	\$531,391	\$5,330	2.5%	\$320,572
2029/30	\$320,572	\$209,199	\$33,282	\$9,797	2.5%	\$506,286
2030/31	\$506,286	\$214,429	\$244,048	\$9,236	2.5%	\$485,903
2031/32	\$485,903	\$219,790	\$7,262	\$14,713	2.5%	\$713,144
2032/33	\$713,144	\$225,285	\$220,562	\$15,131	2.5%	\$732,997
2033/34	\$732,997	\$230,917	\$594,155	\$6,357	2.5%	\$376,116
2034/35	\$376,116	\$236,690	\$38,380	\$11,402	2.5%	\$585,827
2035/36	\$585,827	\$242,607	\$164,780	\$13,559	2.5%	\$677,213
2036/37	\$677,213	\$248,672	\$190,202	\$15,284	2.5%	\$750,966
2037/38	\$750,966	\$254,889	\$8,422	\$21,750	2.5%	\$1,019,183
2038/39	\$1,019,183	\$261,261	\$1,050,313	\$2,487	2.5%	\$232,618
2039/40	\$232,618	\$267,793	\$34,411	\$8,303	2.5%	\$474,302
2040/41	\$474,302	\$274,487	\$141,925	\$11,741	2.5%	\$618,605
2041/42	\$618,605	\$281,350	\$51,647	\$17,691	2.5%	\$865,999
2042/43	\$865,999	\$288,383	\$0	\$25,255	2.5%	\$1,179,637
2043/44	\$1,179,637	\$295,593	\$632,873	\$17,364	2.5%	\$859,720
2044/45	\$859,720	\$302,983	\$57,472	\$23,843	2.5%	\$1,129,074
2045/46	\$1,129,074	\$310,557	\$1,900	\$32,061	2.5%	\$1,469,792
2046/47	\$1,469,792	\$318,321	\$6,817	\$40,553	2.5%	\$1,821,850
2047/48	\$1,821,850	\$326,279	\$0	\$49,625	2.5%	\$2,197,754
2048/49	\$2,197,754	\$334,436	\$1,303,562	\$26,535	2.5%	\$1,255,163

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 Carleton Condominium Corporation No. 423 has reviewed the Class 2 - Update with Site Inspection dated March 25, 2019 prepared by Keller Engineering 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 annual contribution recommended under the proposed funding plan for fiscal year 2019/20 is \$163,426, which represents an increase of 2.5% over the amount already budgeted.

The Proposed Plan for Future Funding of the Reserve Fund can be examined by making a written request to the Board of Directors of Carleton Condominium Corporation No. 423.

CONTRIBUTION TABLE

Fiscal Year Ending	A Annual Contribution*	% Increase Over Previous Year	B Other Contribution (e.g. special assessment, loan)	A + B Total Contribution Each Year to Reserve Fund
2019/20	\$163,426	2.5%	\$0	\$163,426
2020/21	\$167,512	2.5%	\$0	\$167,512
2021/22	\$171,699	2.5%	\$0	\$171,699
2022/23	\$175,992	2.5%	\$0	\$175,992
2023/24	\$180,392	2.5%	\$0	\$180,392
2024/25	\$184,902	2.5%	\$0	\$184,902
2025/26	\$189,524	2.5%	\$0	\$189,524
2026/27	\$194,262	2.5%	\$0	\$194,262
2027/28	\$199,119	2.5%	\$0	\$199,119
2028/29	\$204,097	2.5%	\$0	\$204,097
2029/30	\$209,199	2.5%	\$0	\$209,199
2030/31	\$214,429	2.5%	\$0	\$214,429
2031/32	\$219,790	2.5%	\$0	\$219,790
2032/33	\$225,285	2.5%	\$0	\$225,285
2033/34	\$230,917	2.5%	\$0	\$230,917
2034/35	\$236,690	2.5%	\$0	\$236,690
2035/36	\$242,607	2.5%	\$0	\$242,607
2036/37	\$248,672	2.5%	\$0	\$248,672
2037/38	\$254,889	2.5%	\$0	\$254,889
2038/39	\$261,261	2.5%	\$0	\$261,261
2039/40	\$267,793	2.5%	\$0	\$267,793
2040/41	\$274,487	2.5%	\$0	\$274,487
2041/42	\$281,350	2.5%	\$0	\$281,350
2042/43	\$288,383	2.5%	\$0	\$288,383
2043/44	\$295,593	2.5%	\$0	\$295,593
2044/45	\$302,983	2.5%	\$0	\$302,983
2045/46	\$310,557	2.5%	\$0	\$310,557
2046/47	\$318,321	2.5%	\$0	\$318,321
2047/48	\$326,279	2.5%	\$0	\$326,279
2048/49	\$334,436	2.5%	\$0	\$334,436

* 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 differs from the Reserve Fund in the following respects:

NIL