

**APPENDIX E: NOTICE
OF FUTURE FUNDING
OF RESERVE FUND**

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. 934

The Board has received and reviewed a Class 2 - Update with Site Inspection Reserve Fund Study dated October 02, 2017, 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:

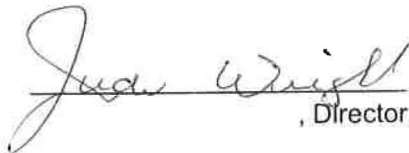
1. A summary of the reserve fund study.
2. A summary of the proposed funding plan.
3. A statement indicating the areas, if any, in which the proposed funding plan differs from the reserve fund study.

At the present time, the average contribution per unit per month to the reserve fund is \$104.63 ($\$82,866 \div 66 \text{ Units} \div 12 \text{ Months}$). Based on the proposed funding plan, the average increase in the contribution per unit per month will be \$19.25 in fiscal year ending 2018; thereafter, contributions will increase at a rate of 16.4% over inflation for a period of 3 years.

The proposed funding plan, recommended by Keller Engineering, will be implemented on or before January 01, 2018.

Dated this 3 day of OCTOBER, 2017.

CARLETON CONDOMINIUM CORPORATION NO. 934


_____, Director


_____, Director

SUMMARY OF RESERVE FUND STUDY

The following is a summary of the Class 2 - Update with Site Inspection Reserve Fund Study dated October 02, 2017, prepared by Keller Engineering, for Carleton Condominium Corporation No. 934 (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 contribution for fiscal year ending 2018 of \$98,113 is based on the estimated expenditures and the following:

| | |
|-----------------------------------------------------------------------|------------|
| Opening Balance of the Reserve Fund: | \$ 879,854 |
| Minimum Reserve Fund Balance during the projected period: | \$ 32,014 |
| Assumed Annual Inflation Rate for Reserve Fund Expenditures: | 2.0% |
| Assumed Annual Interest Rate for interest earned on the Reserve Fund: | 2.0% |

The Reserve Fund Study can be examined by making a written request to the Board of Directors of Carleton Condominium Corporation No. 934.

CASH FLOW TABLE

| | |
|----------------------------------------------------------------|------------|
| Opening Balance of the Reserve Fund: | \$ 879,854 |
| Current Annual Contributions: | \$ 82,866 |
| Minimum Reserve Fund Balance (as indicated in this table): | \$ 32,014 |
| Assumed Annual Inflation Rate for Reserve Fund Expenditures: | 2.0% |
| Assumed Annual Interest Rate for interest on the Reserve Fund: | 2.0% |

| Fiscal Year Ending | Opening Balance | Recommend ed Annual Total Contribution | Estimated Inflation Adjusted Expenditures | Estimated Interest Earned | Percentage Increase (Decrease) in Recommend ed Annual Total Contribution | Closing Balance |
|-----------------------|--------------------|----------------------------------------------|----------------------------------------------------|---------------------------------|-----------------------------------------------------------------------------------------|--------------------|
| 2017 | \$879,854 | \$82,866 | \$50,735 | \$18,099 | 3.0% | \$930,084 |
| 2018 | \$930,084 | \$98,113 | \$60,180 | \$19,173 | 18.4% | \$987,190 |
| 2019 | \$987,190 | \$116,166 | \$401,594 | \$17,060 | 18.4% | \$718,822 |
| 2020 | \$718,822 | \$137,540 | \$69,085 | \$15,213 | 18.4% | \$802,490 |
| 2021 | \$802,490 | \$140,291 | \$10,824 | \$17,520 | 2.0% | \$949,477 |
| 2022 | \$949,477 | \$143,097 | \$64,037 | \$19,980 | 2.0% | \$1,048,517 |
| 2023 | \$1,048,517 | \$145,959 | \$10,023 | \$22,555 | 2.0% | \$1,207,008 |
| 2024 | \$1,207,008 | \$148,878 | \$109,125 | \$24,786 | 2.0% | \$1,271,547 |
| 2025 | \$1,271,547 | \$151,856 | \$497,955 | \$22,192 | 2.0% | \$947,639 |
| 2026 | \$947,639 | \$154,893 | \$10,875 | \$20,599 | 2.0% | \$1,112,255 |
| 2027 | \$1,112,255 | \$157,991 | \$170,659 | \$22,342 | 2.0% | \$1,121,929 |
| 2028 | \$1,121,929 | \$161,150 | \$12,434 | \$24,167 | 2.0% | \$1,294,813 |
| 2029 | \$1,294,813 | \$164,373 | \$705,650 | \$20,690 | 2.0% | \$774,227 |
| 2030 | \$774,227 | \$167,661 | \$334,397 | \$13,957 | 2.0% | \$621,447 |
| 2031 | \$621,447 | \$171,014 | \$180,769 | \$12,456 | 2.0% | \$624,148 |
| 2032 | \$624,148 | \$174,434 | \$114,533 | \$13,214 | 2.0% | \$697,263 |
| 2033 | \$697,263 | \$177,923 | \$72,758 | \$15,148 | 2.0% | \$817,577 |
| 2034 | \$817,577 | \$181,482 | \$869,550 | \$9,567 | 2.0% | \$139,075 |
| 2035 | \$139,075 | \$185,111 | \$165,534 | \$3,007 | 2.0% | \$161,660 |
| 2036 | \$161,660 | \$188,813 | \$23,309 | \$4,938 | 2.0% | \$332,102 |
| 2037 | \$332,102 | \$192,590 | \$92,872 | \$7,716 | 2.0% | \$439,536 |
| 2038 | \$439,536 | \$196,441 | \$163,086 | \$9,216 | 2.0% | \$482,108 |
| 2039 | \$482,108 | \$200,370 | \$364,851 | \$8,078 | 2.0% | \$325,706 |
| 2040 | \$325,706 | \$204,378 | \$342,187 | \$5,188 | 2.0% | \$193,084 |
| 2041 | \$193,084 | \$208,465 | \$278,099 | \$3,197 | 2.0% | \$126,648 |
| 2042 | \$126,648 | \$212,635 | \$118,452 | \$3,510 | 2.0% | \$224,340 |
| 2043 | \$224,340 | \$216,887 | \$6,694 | \$6,655 | 2.0% | \$441,189 |
| 2044 | \$441,189 | \$221,225 | \$635,132 | \$4,732 | 2.0% | \$32,014 |
| 2045 | \$32,014 | \$225,649 | \$73,123 | \$2,187 | 2.0% | \$186,728 |
| 2046 | \$186,728 | \$230,162 | \$202,446 | \$4,052 | 2.0% | \$218,496 |

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. 934 has reviewed the Class 2 - Update with Site Inspection Reserve Fund Study dated October 02, 2017, prepared by Keller Engineering, for the Corporation (known as the 'Reserve Fund Study') and has proposed a plan for 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 fiscal year ending 2018 is \$98,113 which represents an increase of 18.4% 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. 934.

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 |
|-------------------------------|---------------------------------------|--------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| 2017 | \$82,866 | 3.0% | \$0 | \$82,866 |
| 2018 | \$98,113 | 18.4% | \$0 | \$98,113 |
| 2019 | \$116,166 | 18.4% | \$0 | \$116,166 |
| 2020 | \$137,540 | 18.4% | \$0 | \$137,540 |
| 2021 | \$140,291 | 2.0% | \$0 | \$140,291 |
| 2022 | \$143,097 | 2.0% | \$0 | \$143,097 |
| 2023 | \$145,959 | 2.0% | \$0 | \$145,959 |
| 2024 | \$148,878 | 2.0% | \$0 | \$148,878 |
| 2025 | \$151,856 | 2.0% | \$0 | \$151,856 |
| 2026 | \$154,893 | 2.0% | \$0 | \$154,893 |
| 2027 | \$157,991 | 2.0% | \$0 | \$157,991 |
| 2028 | \$161,150 | 2.0% | \$0 | \$161,150 |
| 2029 | \$164,373 | 2.0% | \$0 | \$164,373 |
| 2030 | \$167,661 | 2.0% | \$0 | \$167,661 |
| 2031 | \$171,014 | 2.0% | \$0 | \$171,014 |
| 2032 | \$174,434 | 2.0% | \$0 | \$174,434 |
| 2033 | \$177,923 | 2.0% | \$0 | \$177,923 |
| 2034 | \$181,482 | 2.0% | \$0 | \$181,482 |
| 2035 | \$185,111 | 2.0% | \$0 | \$185,111 |
| 2036 | \$188,813 | 2.0% | \$0 | \$188,813 |
| 2037 | \$192,590 | 2.0% | \$0 | \$192,590 |
| 2038 | \$196,441 | 2.0% | \$0 | \$196,441 |
| 2039 | \$200,370 | 2.0% | \$0 | \$200,370 |
| 2040 | \$204,378 | 2.0% | \$0 | \$204,378 |
| 2041 | \$208,465 | 2.0% | \$0 | \$208,465 |
| 2042 | \$212,635 | 2.0% | \$0 | \$212,635 |
| 2043 | \$216,887 | 2.0% | \$0 | \$216,887 |
| 2044 | \$221,225 | 2.0% | \$0 | \$221,225 |
| 2045 | \$225,649 | 2.0% | \$0 | \$225,649 |
| 2046 | \$230,162 | 2.0% | \$0 | \$230,162 |

* 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