

MANAGEMENT AGREEMENT

THIS AGREEMENT made the 1<sup>st</sup> day of June, 2018.

B E T W E E N:

SIMCOE COMMON ELEMENTS CONDOMINIUM  
CORPORATION NO. 445  
(hereinafter called the "Corporation")

OF THE FIRST PART;

- and -

COLONY PARK HOMES INC.  
(hereinafter called the "Manager")

OF THE SECOND PART;

In consideration of the mutual covenants herein contained, the Parties hereto hereby agree as follows:

1. The terms used herein shall have ascribed to them the definitions contained in the Condominium Act, hereinafter called the "Act".
2. The Corporation hereby appoints the Manager to be its sole and exclusive representative and Managing Agent (subject to the overall control of the Corporation and to the specific provisions hereof) to manage the property for a period of one (1) year from the date hereof and for the purpose thereof, in the name of the Corporation, to act on its behalf in the carrying out of the duties of the Manager as herein set out, and to enter into such contracts and agreements in the name of the Corporation as may be necessary in the performance of such duties, provided that all such contracts and agreements shall require the approval of the Board of Directors, and provided further that such contracts and agreements not be for a term longer than the remaining term of the Manager's contract, without the consent of the Corporation.
3. The Manager hereby accepts such appointment and agrees to manage the property on behalf of the Corporation in a faithful, diligent and honest manner and subject to the direction of the Board.
4. The Manager acknowledges that it is familiar with the terms of the Declaration and By-Laws registered pursuant to the Act.
5. The Manager in the performance of its duties hereunder shall:
  - (a) enforce the terms of the Declaration, By-Laws and Rules and any amendments thereto which presently exist or which may hereafter be made and notified to the Manager in writing;
  - (b) forthwith communicate to all owners the text and import of any further By-Laws or rules and regulations;
  - (c) advise and consult with the Board with respect to any further By-Laws, rules and regulations which, in the opinion of the Manager, ought to be established to further the harmonious and satisfactory operation of the property for the common benefit of the owners;
  - (d) prepare and keep current the Corporation's register of owners and mortgagees entitled to vote at meetings, from information supplied by the Board;
  - (e) collect and receive all monies payable by the owners under the Declaration and By-

Laws, in trust for the Corporation, and deposit the same in a separate trust account to be maintained by the Manager, or as the Board shall direct. All such monies collected shall thereafter be administered by the Manager and be used to:

- (i) make payments of all accounts including management fees properly incurred by or on behalf of the Corporation;
- (ii) arrange and pay for insurance in accordance with the provisions of the Declaration and By-Laws in amounts directed by the Board;
- (iii) repair and maintain or cause to be so repaired and maintained, those parts of the property which require repair and maintenance by the Corporation in accordance with the provisions of the Declaration and By-Laws and without limiting the generality of the foregoing, such repair and maintenance shall include all lawns and landscaped areas; snow removal; the keeping of the common elements in a neat and tidy condition by the removal of litter therefrom; keeping all electrical wiring circuits and lighting fixtures in the common elements in good working order and providing all necessary light bulbs; provide for the removal and disposal of garbage; maintain such staff as may be required at all times promptly and efficiently to carry out the foregoing;
- (f) keep accurate accounts of the financial transactions involved in the management of the property and render to the Board annually, statements of income and expenditures with respect thereto and keep such accounts open for inspection by the Board at all reasonable times;
- (g) purchase at the expense of the Corporation, such equipment, tools, appliances, goods, supplies and materials as shall be reasonably necessary to perform its duties, including the maintenance, upkeep, repair, replacement, refurbishing and preservation of the property aforesaid. Purchases shall be made in the name of the Corporation; and
- (h) establish reserves out of funds collected from the owners, for the payment of any and all costs and expenses of the Corporation to be disbursed by the Manager.

The duties of the Manager shall not include the duties of the officers of the Corporation set forth in the By-Laws, except as specifically otherwise provided in this Agreement.

6. The Manager may engage any person or subsidiary Corporation of any person, firm or Corporation associated, affiliated or otherwise connected with it (hereinafter called "affiliate") to perform any work or services for the Corporation, within the scope of the Manager's duties under the provisions of this Agreement, without being in breach of any fiduciary relationship with the Corporation, subject however to the following provisions:
- (a) where the cost of performing such work or services does not exceed the sum of Five Thousand (\$5,000.00) Dollars, the Manager shall be entitled to have such work or services performed by such affiliate;
  - (b) any work or services to be performed, the cost of which exceeds the sum of Five Thousand (\$5,000.00) Dollars shall not be performed by any affiliate unless the Manager has first obtained the approval of the Board; and
  - (c) emergency repairs involving manifest danger to persons or property, or immediately necessary for the preservation or safety of the property or for the safety of persons or required to avoid suspension of any service to the Condominium, may be made by the Manager or any affiliate, irrespective of the above cost limitation, without the approval of the Board, and to this end the Corporation hereby authorizes the Manager, its servants or agents or employees to enter any unit with or without the consent of the unit owner or owners, to affect any said emergency repairs which, in the Manager's sole and absolute discretion are immediately necessary for the preservation and safety of the property or for the safety of persons or to avoid suspension of any service to the Condominium, and agrees to save harmless the Manager from any and all claims or actions of any nature or kind resulting directly or indirectly as a consequence of said entry, except with respect to any damages caused by any negligence on the part of the Manager, its servants or agents.

Notwithstanding this authority as to emergency repairs, it is understood that the Manager will, if at all possible, confer immediately with the Board regarding emergency expenditures.

7. Upon the registration of the Declaration and thereafter at the beginning of each fiscal year during the term of this contract, the Manager shall furnish to the Board in writing an estimated budget for the following year setting forth by categories the Manager's best

estimate of all expenses of the operation of the property for the coming year including, without limiting the generality of the foregoing, any taxes payable by the Corporation, insurance premiums, water, gas and electric rates, and costs of all repairs, renewals, maintenance and supervision of the property. Upon request of the Board or whenever in the opinion of the Manager any change from the expenditures forecast in the annual budget makes it desirable to do so, the Manager will submit to the Board a supplementary budget covering the expenses of the operation of the property for the then remaining portion of the current fiscal year. Save for any emergency repairs involving manifest danger to persons or property are immediately necessary for the preservation and safety of the property or for the safety of persons or required to avoid suspension of any service to the Condominium, the Manager shall not make any expenditures in excess of the total budget as approved by the Board. The Manager will at all times hold itself available for consultation with the Board for the purpose of establishing or revising the common expenses to be paid by the owners under the provisions of the Declaration and By-Laws. The Manager shall be permitted to authorize the expenditure of monies in excess of an amount allocated for a specific matter in the budget approved by the Board, in the event that in the opinion of the Manager there exists an emergency, or a lack of sufficient time to obtain the consent of the Board, provided that the Manager delivers written notice to the Board of such expenditures as soon as possible thereafter.

8. The Manager will at all times keep the Board and all owners advised of the telephone numbers at which an agent of the Manager may be reached at any time during normal business hours in respect of any infraction of the Declaration, By-Laws or Rules, or at any time during the day or night in respect of any emergency at the property and the Manager will make arrangements to deal promptly with such infractions and immediately with any emergency arising in connection with the maintenance and operation of the property. The Manager shall deal in the first instance with minor emergencies and infractions and shall forthwith report to the Board any major emergency or any persistent, flagrant or serious violation of the Declaration, By-Laws or rules and regulations. It is understood and agreed by the parties hereto that the Manager shall in its discretion determine whether or not an emergency exists and whether or not such emergency is of a minor or major nature, provided that in the event of a major emergency the Manager is hereby authorized to take immediate steps for the protection and preservation of the property.

10. The Corporation shall:

- (a) pay to the Manager for its managerial services hereunder during the term of this Agreement, or any extension thereof, monthly fees as shall be agreed upon between the Board and the Manager from time to time. It is understood and agreed that such remuneration does not include the cost of performing any services set forth in paragraph 5 (e) (iii) hereof which services shall be an additional charge to the Corporation;
- (b) reimburse the Manager promptly for any monies which the Manager may elect to advance for the account of the Corporation provided that nothing herein contained shall be construed to obligate the Manager to make any such advance;
- (c) except in the case of negligence or fraud on the part of the Manager, its servants or agents, indemnify and save harmless the Manager from any and all liability and from all claims and demands arising out of damage or injuries to persons or property in or about or in any way connected with the property, and defence at the expense of the Corporation all suits which may be rendered against the Manager on account thereof, provided that nothing contained in this sub-paragraph shall release the Manager from any liability to the Corporation in respect of a breach of any of the Manager's covenants herein contained;
- (d) deliver to the Manager copies of all By-Laws and rules and regulations made by the Corporation or the owner; and

(e) notify the Manager, in writing, as to the place, date and time of all meetings of the Board and all meetings of the members of the Corporation, and the Manager or its authorized representative shall be entitled to be at all such meetings.

11. The Corporation hereby permits the Manager, its servants, agents and independent contractors to exercise the Corporation's right of entry upon the units. Such entry shall be made at reasonable times and upon reasonable notice to the owners, provided that in the event that there shall be, in the opinion of the Manager, an emergency or eminent danger of damage to the common elements or to a unit or units, then the Manager, its servants, agents and independent contractors, shall have immediate right of entry to any unit or units without notice.

12. This Agreement may be terminated:

- (a) by the Manager, upon sixty (60) days' written notice to the Corporation to such effect;  
or
- (b) by the Corporation, upon sixty (60) days' written notice to the Manager to such effect;  
or
- (c) in the case of gross negligence or fraud on the part of the Manager by the Corporation upon forty-eight (48) hours written notice to the Manager to such effect;

and upon such termination of this Agreement, the Corporation shall pay to the Manager any monies due to it up to the date of such termination of this Agreement and all obligations of the Corporation hereunder shall cease and upon receipt of all monies due to it, the Manager shall deliver to the Corporation all monies and securities in its possession or control, and all books of account, banking records, vouchers, contracts and other documents in its possession or control, or copies thereof, and all obligations of the Manager hereunder shall cease.

13. The Corporation shall not permit, allow or cause any owner to interfere with the Manager in the performance of its duties or the exercise of its powers hereunder.

14. Until the Corporation shall change the same, the monthly assessments payable by owners shall be in accordance with the contributions to common expenses set forth in the Declaration. The Corporation agrees that it will not reduce the Manager's best estimates of all expenses of the operation of the property submitted in accordance with the provisions of paragraph 8, so that the amounts produced hereby are less than the amounts necessary to pay all items set forth in paragraph 8. It is specifically understood that the Manager does not undertake to pay the same from its own funds, and in the event monies are not available, the Manager will not in any event be liable to perform any services which require the expenditure by it of its own funds and will not be required to pledge its credit, and shall only be required to perform its services and make disbursements to the extent that and so long as payments received from assessments or other revenue, if any, of the Corporation, shall be sufficient to pay the costs and expenses of such services, and the amounts of such disbursements. If it shall appear to the Manager that the assessments and other revenue, if any, of the Corporation are insufficient to pay same, the Manager shall so notify the Corporation in detail of that fact and request the Corporation to increase the monthly assessment in accordance with the provisions of paragraph 8 hereof.

15. This Agreement may be extended or amended annually by the parties hereto, provided such amendments are in writing and signed by the parties hereto. In the event this Agreement is extended, the fee set out in paragraph 10(a) shall be reviewed annually and agreed to by the parties hereto.

16. All notices required or permitted to be given hereunder shall be sufficiently given:

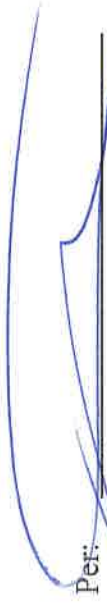
- (a) to the Corporation if signed by or on behalf of the party so giving notice hereunder, and delivered or mailed by prepaid registered post to the Corporation at the address for service set out in the Declaration or at such other address as the Corporation may from time to time designate by written notice pursuant hereto; and
- (b) to the Manager if signed by or on behalf of the party so giving notice hereunder, and delivered or mailed by prepaid registered post to the Manager at **577 Edgeley Boulevard Unit 7, Concord, Ontario, L4K 4B2, Tel. (905) 738-8821.**

or at such other address as the Manager may from time to time designate by written notice pursuant hereto.

All such notices shall be deemed to have been received on the business day next following the date of such mailing.

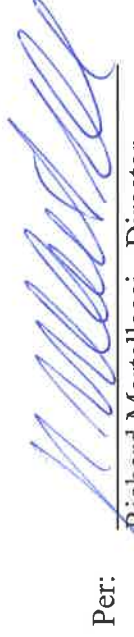
**IN WITNESS WHEREOF** the Parties hereto have executed this Agreement.

**SIMCOE COMMON ELEMENTS CONDOMINIUM  
CORPORATION NO. 445**

Per:   
Alain Chiasson - President

Per:   
Richard Martellacci - Secretary

**COLONY PARK HOMES INC.**

Per:   
Richard Martellacci - Director