

**RESERVE FUND STUDY  
JAGARE RIDGE HOMEOWNERS ASSOCIATION  
EDMONTON, ALBERTA**

**for**

**BOARD OF DIRECTORS  
Jagare Ridge HOA  
c/o Core Management Group Inc.  
#300, 8104 – 82 Avenue NW  
Edmonton, Alberta T6C 0Y4**

**by**

**Jeff Miller,  
B. Comm., Licensed Candidate**

**and**

**Pawel Martyniak,  
MBA, AACI, Licensed Appraiser  
Reserve Fund Study Provider**

**April 2024**

# JAGARE RIDGE HOMEOWNERS ASSOCIATION

**Edmonton, Alberta**



RESERVE FUND FILE: RP-3552-22  
Jagare Ridge HOA  
April 24, 2024

Jagare Ridge Homeowners Association  
Jagare Ridge HOA  
Core Management Group Inc.  
#300, 8104 – 82 Avenue NW  
Edmonton, Alberta  
T6C 0Y4

Attention: Mr. Dave Brown

Dear Sir:

Re: Reserve Fund Study  
Jagare Ridge HOA  
Edmonton, Alberta

Pursuant to your request for a reserve fund study of the within described project, we have prepared the attached report. This Reserve Fund Study has been prepared for the Board of Directors of the Home Owners Association for the Jagare Ridge HOA and the property manager Core Management Group Inc. who are the intended users.

The Reserve Fund Study describes the reserve fund concepts and major reserve fund items. It provides current and future replacement reserve estimates and recommends reserve fund actions.

This Reserve Fund Study is being completed for a Homeowners Association (HOA) to assist with internal decision making and financial planning for best practices. The writers will utilize the HOA bylaws provided, direction from Property Management and the Board of Directors, the standards from the Appraisal Institute of Canada, as well as the Real Estate Institute of Canada, in the preparation of this report.

The Reserve Fund Study is a complex document and should be reviewed both in detail and overall. **The Reserve Fund Study is a financial document for reserve fund planning and not an inspection report.**

**As at the** date of this report the development is largely complete however some of the elements included as HOA responsibility are not full constructed. Accordingly, the Terms of Reference provided to the writers are to assume that construction is complete, as per the building plans provided.

This report represents an updated report from an original copy completed in July, 2023 and whereby a new inspection has not been completed. The components herein are assumed to remain in similar condition as the original inspection although are considered to have increased in age by one year, which was generally confirmed by property management.

According to the Standards of the Appraisal Institute of Canada, these assumptions represent "Extraordinary Assumptions". An Extraordinary Assumption refers to a hypothesis, either supposed or unconfirmed, which if not true, could alter the writer's opinions and conclusions.

The current reserve fund position of Jagare Ridge HOA is marginally deficient, which is to be expected given that it represents new construction, and that it is assumed complete. It is recommended that a reserve fund plan and strategy be adopted and implemented and that the recommended annual contributions to the reserve fund be maintained to facilitate adequate funding for future repairs.

**Jagare Ridge Homeowners Association - Reserve Fund Study**

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CanWest Reserve Planners Ltd. would be pleased to provide you with complete review and updating services for the reserve fund evaluation of the Jagare Ridge Homeowners Association, as required in the future. We appreciate the opportunity of performing this reserve fund study for you. If you have any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,  
CanWest Reserve Planners and  
Insurance Appraisals

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Jeff Miller,  
B. Comm., Licensed Candidate

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Pawel Martyniak,  
MBA, AACI, Licensed Appraiser  
Reserve Fund Study Provider

JM/sk

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**EXECUTIVE SUMMARY**

PURPOSE: This executive summary has been prepared as a reference of pertinent facts and estimates of this Reserve Fund Study, and it is provided as convenience only. Readers are advised to refer to the full text of this Reserve Fund Study for detailed information.

RESERVE FUND STUDY  
APPLICANT AND INTENDED  
USER(S) Jagare Ridge Homeowners Association, Board of Directors of the Home Owners Association for Jagare Ridge HOA and the property manager Core Management Group Inc.

PROPERTY TYPE: Homeowners Association

PROPERTY LOCATION: Edmonton, Alberta

DATE OF INSPECTION: September 14th, 2022

EFFECTIVE DATE OF ANALYSIS: January 1st, 2026

COMPLETION DATE April 24, 2024

EXTRAORDINARY  
ASSUMPTION: As at the date of this report the development is largely complete however some of the elements included as HOA responsibility are not full constructed. Accordingly, the Terms of Reference provided to the writers are to assume that construction is complete, as per the building plans provided.  
This report represents an updated report from an original copy completed in July, 2023 and whereby a new inspection has not been completed. The components herein are assumed to remain in similar condition as the original inspection although are considered to have increased in age by one year, which was generally confirmed by property management.  
According to the Standards of the Appraisal Institute of Canada, these assumptions represent "Extraordinary

## Jagare Ridge Homeowners Association - Reserve Fund Study

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Assumptions". An Extraordinary Assumption refers to a hypothesis, either supposed or unconfirmed, which if not true, could alter the writer's opinions and conclusions.

**SUMMARY OF RESERVE  
FUND ESTIMATES FROM  
BENCHMARK ANALYSIS  
(STABILIZED):**

Current Replace/Repair Costs	\$ 272,500
Future Replace/Repair Costs	\$ 375,008
Current Reserve Requirements	\$ 75,000
Future Reserve Accumulation	\$ 94,952
Future Reserve Requirements	\$ 280,056
Annual Reserve Assessment	\$ 15,713

**DEFICIENCY ANALYSIS:**

**This report entails the initial creation of a reserve fund for the subject development which represents newer construction completed in phases over several years. In recognizing this factor, the majority of components have been in place for several years although no reserve funds have been historically collected for these components, which results in a deficiency for the reserve fund.**

**A deficiency does not represent inadequate cash for future repairs, but rather a requirement for future funds that can be made up over time. Therefore, increased contributions will allow for adequate funding from this point forward and to make up the current deficiency/shortfall over a reasonable period of time, bringing the overall reserve fund operation into equilibrium or a stabilized position.**

**MAJOR RECOMMENDATIONS:**

**Jagare Ridge Homeowners Association - Reserve Fund Study**

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RESERVE FUND	2024 – 2028	\$19,000 per annum
CONTRIBUTIONS:	2029 – 2033	\$19,500 per annum
	2034 – 2038	\$20,000 per annum
	2039 – 2053	\$20,750 per annum

ADDITIONAL  
RECOMMENDATIONS

- The Home Owners Association (HOA) is recommended to accept this study as the capital replacement reserve fund.
- The reserve fund should be fully invested to maximize returns as projected herein.
- The reserve fund should be reviewed by the board every year to ensure that the underlying assumptions are still valid and that the estimates remain current.

DATE OF REPORT: April 24, 2024

## **REPORT PARAMETERS**

### **PURPOSE OF THE RESERVE FUND STUDY**

This Reserve Fund Study is a financial document, which provides the basis for funding major repairs and/or replacement of the common elements and assets of the HOA. It is a practical guide to planning budgets and maintenance programs, and unlike a technical audit, it deals not in detailed technical matters but rather takes a business approach to reserve fund management.

### **ELEMENTS OF THE RESERVE FUND STUDY**

This Reserve Fund Study comprises the following elements:

- it identifies the reserve components, their quality, normal life span and present condition;
- it provides current replacement cost estimates including the cost of removing worn-out items and special safety provision;
- it provides observed condition estimates of components in terms of years effluxed and accrued reserve costs;
- it projects the useful life of reserve components in terms of remaining serviceable years;
- it projects current replacement costs at an appropriate and compounded inflation rate;
- it projects the value of current reserve funds compounded at a long term interest rate; and
- it calculates current reserve fund contributions required and to be invested in interest bearing securities.

The salient estimates and conclusions of this Reserve Fund Study are contained in the schedules included hereinafter. Any recommendations are for guidance to management and the board of directors.

### **ACT, REGULATION & BYLAWS**

The writer has reviewed the Home Owner's Association (HOA) bylaws, as well as received documentation and conducted discussions with Property Management regarding which components are considered the responsibility of the HOA. The intent is to set aside funds related to maintenance and replacement of depreciating assets to which the HOA is responsible.

Although many items are considered common amenities for the community, discussion with Property Management confirm items which are the responsibility of the HOA include: maintenance of masonry fencing pillars (not full replacement), various lighting, electrical and signage items contained within common amenity areas, and limited landscaping elements including shrub beds, minor concrete pads/retaining walls and the waterfall feature located along 141<sup>st</sup> Street. Painting/staining for common area fencing is considered an ongoing maintenance item and is therefore not included within this report as a capital replacement item.

It is noted that all items located within the landscaped areas adjacent to the Jagare Ridge Golf Club are considered 50/50 shared items between the Golf Club and the HOA. These items are to be maintained by the Golf Club and costs are to be shared equally with the HOA.

This reserve fund study can be used for the internal decision making on setting aside reserves for the depreciating assets as determined in this report, however no legal interpretation is given as to the requirements the HOA, bylaws, or other related documents.

## **METHODOLOGY**

Reserve fund study methodology involves examination of documentation, financial statements, budgets and existing reserve fund accounts, as well as a physical inspection and visual examination of common elements of the HOA (not a technical audit); no destructive testing or dismantling of components is conducted. Building plans, specifications and reports, field notes and other information (as applicable) are also analyzed in preparation of various estimates and value judgments.

In estimating replacement reserves, the component method of valuation is used. Reserve items consist of building or site components which is deemed to have a limited lifespan and therefore must be repaired, replaced or periodically upgraded to maintain the property in excellent condition.

Replacement cost estimates are based on the assumption of using quality materials, as specified or built, or, in the case of older developments, as required under current building code regulations, at contractors' prices, using union labour and current construction techniques, and including contractors' overhead and profit.

In estimating the life span of the various components the physical deterioration, functional obsolescence and environmental factors are all contemplated. In measuring the reserve requirements, depreciation tables and normal life span experience records are considered. Finally, we rely on our professional judgment and experience in estimating current conditions and remaining life spans of reserve components.

## **SCOPE OF INVESTIGATION**

Plans, bylaws, and other documents, as available, have been obtained and examined for the purpose of this analysis:

- Project Name                      Jagare Ridge Homeowners Association
- Developer                              Melcor
- Boundaries                              See Jagare Ridge HOA map later in this report

These plans have been examined and were used in identifying and quantifying building components and other improvements together with any measurements from the inspection. Jeff Miller, B. Comm., Licensed Candidate.

The subject improvements have been inspected and photographed. Various construction details, facilities, equipment installations and improvements have been noted for consideration in the component estimates herein.

Cost data have been investigated, using construction cost services, modified as to time, location and quality of construction as well as cost comparisons with local contractors and suppliers.

*Date of Inspection*                      *September 14th, 2022*

*Effective Date of Report*              *January 1<sup>st</sup>, 2024*

*Completion Date*                        *April 24, 2024*

## **RESERVE FUND PROJECTION FACTORS**

Historically, building costs have risen at differing rates from year to year, due to factors such as business cycles, economic conditions, and interest rates. In boom periods, cost increases have been fairly pronounced, whereas in recessionary conditions, cost increases have been nominal or have declined.

In analyzing long term cost increases, we have examined construction cost indices rather than consumer price indices since reserve cost estimates are related to building activities rather than consumer goods and service pricing.

The most recent data available from the R.S. Means Construction Cost Index are presented as follows:

- 4.43% for 50 years from 1950 to 2000
- 3.27% for 20 years from 1980 to 2000
- 2.41% for 10 years from 1990 to 2000



It is recommended that Reserve fund projections be regularly reviewed to adjust for changes in inflationary trends and investment returns, as they significantly impact reserve fund requirements.

## **RESERVE COMPONENT ESTIMATE DEFINITIONS**

Various estimates in respect to reserve fund budgeting include:

### ***Current Replacement Costs***

The current replacement or repair cost estimates of the reserve components.

### ***Future Replacement Costs***

The future replacement or repair cost estimates of the reserve components based on long term inflationary trends.

### ***Current Reserve Fund Requirements***

The current reserve fund requirements (or obligation) which consists of the amount of reserve funding required today based on the effective age analysis of each reserve component.

### ***Future Reserve Fund Accumulation***

The estimated future reserve fund accumulation, which is the current amount in the reserve fund invested at a long term, stable interest rate at the end of the lifespan of each reserve component.

### ***Future Reserve Fund Requirements***

The estimated future reserve fund requirements, which consist of the estimated amount required for the repair or replacement of the reserve component to be funded by adequate reserve fund contributions over the estimated remaining lifespan of the reserve component.

### ***Annual Stabilized Reserve Fund Assessment***

The required reserve fund contribution once the deficit is eliminated, expressed in annual payments invested at a long term, stable interest rate over the remaining life of the reserve component.

### ***Deficiency Analysis***

A brief description of any observed condition which requires remedial action.

## PROPERTY INFORMATION

### PROJECT DATA

The following data and information have been compiled by CanWest Reserve Planners Ltd. from the available site plans, and the physical inspection of the buildings and improvements. The data has been calculated from the plans and inspection.

<i>Site Statistics</i>		
Asphalt Walkways	6,325	Sq. Ft.
Concrete Patios	1,450	Sq. Ft.
Fencing - Wood	4,656	L. Ft.
Fencing - Steel	12,377	L. Ft.
Landscaping	367,050	Sq. Ft.

SITE PLAN



CanWest Reserve Planners and Insurance Appraisers  
a Division of Glen Cowan & Associates Real Property Appraisals Ltd.

## **BASIC CONSTRUCTION COMPONENTS**

### ***General Description***

Jagare Ridge Home Owners Association (HOA) represents an area of single family residences surrounding Hays Ridge Boulevard in southwest Edmonton. See the above map for the bounding areas.

As discussed earlier within this report, discussion with Property Management confirm items which are the responsibility of the HOA include: maintenance of masonry fencing pillars (not full replacement), various lighting, electrical and signage items contained within common amenity areas, and limited landscaping elements including shrub beds, minor concrete pads/retaining walls and the waterfall feature located along 141<sup>st</sup> Street.

Painting/staining for common area fencing is considered an ongoing maintenance item and is therefore not included within this report as a capital replacement item.

It is noted that all items located within the landscaped areas adjacent to the Jagare Ridge Golf Club are considered 50/50 shared items between the Golf Club and the HOA. These items are to be maintained by the Golf Club and costs are to be shared equally with the HOA.

## COMPONENT DESCRIPTION AND ANALYSIS

### ( 1 ) FENCING - MASONRY PILLAR MAINTENANCE

This is a reserve for the masonry pillars forming part of the common steel fencing which abuts Hays Ridge Boulevard and the access pathways between lots. This reserve covers partial repair/replacement of the masonry pillars. It is noted this component does not include private fencing between lots.

The reader is referred to Exhibit F – Homeowners Association Obligations and Legend within this report for a more detailed overview of included components.

<b><i>Replacement or Repair Cost Estimate:</i></b>	<b>\$ 60,000</b>
<b><i>Life Span Estimates</i></b>	
Estimated Life Span	20 years
Effective Age	6 years
Remaining Life Span	14 years
<b><i>Reserve Estimates</i></b>	
Current Replace/Repair Costs	\$ 60,000
Future Replace/Repair Costs	\$ 79,169
Current Reserve Requirements	\$ 18,000
Future Reserve Accumulation	\$ 22,172
Future Reserve Requirements	\$ 56,997
Annual Reserve Assessment	\$ 3,689

#### ***Deficiency Analysis***

The masonry pillars are considered to be in very good condition overall with no major deficiencies noted. An extended lifespan is expected although it is noted that deterioration can greatly vary for long life components such as this. Ongoing maintenance is therefore recommended on an as needed basis with the above Estimated Life Span representing a recurring repair cycle.

## ( 2 ) LIGHTING & ELECTRICAL

This reserve covers any major repairs and replacements of exterior light fixtures, underground cables, fountain pumps and related items, as present and which are not deemed the property of the City of Edmonton as per the HOA Obligations map contained in Exhibit F of this report.

As noted earlier within this report, all costs associated with components located in the landscaped areas adjacent to the Golf Club holes are to be shared equally with the Golf Club. These components are wholly located within this shared area. Minor repairs should be part of the regular maintenance budget.

<b><i>Replacement or Repair Cost Estimate:</i></b>	<b>\$ 22,500</b>
<b><i>Life Span Estimates</i></b>	
Estimated Life Span	25 years
Effective Age	6 years
Remaining Life Span	19 years
<b><i>Reserve Estimates</i></b>	
Current Replace/Repair Costs	\$ 22,500
Future Replace/Repair Costs	\$ 32,778
Current Reserve Requirements	\$ 5,400
Future Reserve Accumulation	\$ 7,166
Future Reserve Requirements	\$ 25,613
Annual Reserve Assessment	\$ 1,175

### ***Deficiency Analysis***

Exterior lighting, and other common exterior electrical items are considered to be in good condition overall with no serious deficiencies being reported or evident upon inspection.

### ( 3 ) WATERFALL FEATURE

This reserve consists of items related to the main waterfall feature on Hole 15 of the Jagare Ridge Gold Club. This includes replacement of items such as liners, pumps/electrical, stonework repairs, and associated landscaping which will require periodic maintenance to remain in good working condition. This is not intended to be a full replacement of the waterfall feature, which is not expected to occur.

As noted earlier within this report, all costs associated with components located in the landscaped areas adjacent to the Golf Club holes are to be shared equally with the Golf Club as per the HOA Obligations Map shown in Exhibit F of this report.

<b><i>Replacement or Repair Cost Estimate:</i></b>	<b>\$ 100,000</b>
<b><i>Life Span Estimates</i></b>	
Estimated Life Span	20 years
Effective Age	6 years
Remaining Life Span	14 years
<b><i>Reserve Estimates</i></b>	
Current Replace/Repair Costs	\$ 100,000
Future Replace/Repair Costs	\$ 131,948
Current Reserve Requirements	\$ 30,000
Future Reserve Accumulation	\$ 36,953
Future Reserve Requirements	\$ 94,995
Annual Reserve Assessment	\$ 6,148

#### ***Deficiency Analysis***

The waterfall feature and associated components are considered to be in very good condition overall, with no reports or indications of major deficiencies.

#### (4) LANDSCAPING & SIGNAGE

This reserve provision includes the cost of major repair for various landscaping items, such as shrub beds, minor grading, concrete pads, and entrance signage.

This reserve is an overall provision, intended to cover permanent site improvements relating to landscaping components and is not intended to cover regular/recurring maintenance of grass, shrubs, flowerbeds, or annual plantings.

As noted earlier within this report, all costs associated with components located in the landscaped areas adjacent to the Golf Club holes are to be shared equally with the Golf Club as per the HOA Obligations Map shown in Exhibit F of this report.

<b><i>Replacement or Repair Cost Estimate:</i></b>	<b>\$ 90,000</b>
<b><i>Life Span Estimates</i></b>	
Estimated Life Span	25 years
Effective Age	6 years
Remaining Life Span	19 years
<b><i>Reserve Estimates</i></b>	
Current Replace/Repair Costs	\$ 90,000
Future Replace/Repair Costs	\$ 131,113
Current Reserve Requirements	\$ 21,600
Future Reserve Accumulation	\$ 28,662
Future Reserve Requirements	\$ 102,451
Annual Reserve Assessment	\$ 4,700

#### ***Deficiency Analysis***

The landscaping and signage elements are in good condition overall with no reports of any serious problems and none observed upon inspection. The Effective Age represents a blended age and various items may require attention earlier or later than indicated.

## **BENCHMARK ANALYSIS**

The various reserve fund estimates in the Component Description & Analysis are further expanded and summarized in Schedule A, Reserve Fund Estimates (Benchmark Analysis), which reflects prudent reserve fund practices, providing for inflationary cost increases over time and interest income from reserve fund investments. In this Schedule of Reserve Fund Estimates:

- Reserve fund estimates are grouped into categories which can readily be used for reserve fund budget preparation and accounting;
- The reserve fund components are identified, and current replacement reserves are estimated;
- Future replacement reserves are estimated by applying a long-term inflationary factor to the current replacement reserve estimates;
- Current reserve requirements are calculated by applying the effective age to the current replacement reserve estimates;
- Current reserve fund requirements when invested over time will grow at the compound rate of interest selected, and hence, they become future reserve accumulations;
- Subtracting future reserve accumulations from future replacement costs, the difference is the amount of reserves to be funded by reserve fund contributions, or future reserve requirements; and
- Since reserve fund contributions are continually invested, the payments of such contributions represent discounted payments which must be assessed by the Home Owners Association.

The foregoing program represents the practical application of reserve fund budget planning and management. When applied, as outlined, the reserve fund will cover anticipated reserve fund expenditures and any contingencies. Moreover, unit owners will contribute their fair share to the reserve fund

Schedule A shows detailed computations of reserve items using the inflationary factor of 2.00% and a long-term interest rate of 1.50%. Due to rounding automatically executed by computer, there may be minor discrepancies in the data, which are not deemed significant.

The Benchmark estimates herein have been prepared without regard to the current financial position of the HOA or the current reserve fund contributions by unit owners, and as such, they represent the optimum reserve fund operation, which assumes that the HOA has continuously assessed adequate reserve funding from the beginning.

**BENCHMARK ESTIMATE SUMMARY**

<b><i>Current Replacement or Repair Reserves or Costs</i></b>	<b><i>\$ 272,500</i></b>
for all major repairs and replacements at current prices.	
<b><i>Future Replacement or Repair Reserves or Costs</i></b>	<b><i>\$ 375,008</i></b>
for all major repair and replacement costs in the future at the end of the expected lifespan.	
<b><i>Current Reserve Fund Requirements</i></b>	<b><i>\$ 75,000</i></b>
reserve fund estimates based on the notion of effective age and should have been contributed by unit owners.	
<b><i>Future Reserve Fund Accumulations</i></b>	<b><i>\$ 94,952</i></b>
the current reserve fund requirements together with interest compounded over the remaining lifespan.	
<b><i>Future Reserve Fund Requirements</i></b>	<b><i>\$ 280,056</i></b>
to be funded by unit owners' payments to the reserve fund plus any interest earned.	
<b><i>Annual Stabilized Reserve Fund Assessments</i></b>	<b><i>\$ 15,713</i></b>
the stabilized annual reserve fund payments to be made by unit owners once the fund is in a state of equilibrium (absence of deficit or surplus).	

In accordance with the Benchmark estimates, Jagare Ridge Homeowners Association, if collecting the annual assessment and incurring normal expenditures as discussed, should have \$ 75,000 in the reserve fund at the end of the current financial year, and the assessed annual payments or contributions to the reserve fund should be \$ 15,713 when the fund is in a state of equilibrium (absence of deficit or surplus).

**Jagare Ridge Homeowners Association - Reserve Fund Study**

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**SCHEDULE A - BENCHMARK DETAIL**

RESERVE COMPONENTS		A	B	C	1
		EXPECTED LIFESPAN	EFFECTIVE AGE	REMAINING LIFE SPAN	CURRENT REPLACEMENT COST
		Years	Years	Years	
Construction Cost Inflation Index	2.00%				
Interest rate	1.50%				
<b>BUILDING - STRUCTURAL/ARCHITECTURAL</b>					
1	Fencing - Masonry Pillar Maintenance	20	6	14	60,000
2	Lighting & Electrical	25	6	19	22,500
3	Waterfall Feature	20	6	14	100,000
4	Landscaping & Signage	25	6	19	90,000
<b>TOTAL RESERVES</b>					<b>272,500</b>

2	3	4	5	6	7
FUTURE REPLACEMENT COSTS	CURRENT RESERVE FUND REQUIREMENTS	FUTURE RESERVE FUND ACCUMULATION	FUTURE RESERVE FUND REQUIREMENTS	ANNUAL RESERVE FUND ASSESSMENT	RESERVE FUND ASSESSMENT ALLOCATION
FV= PV(1+i)^n	PV*EA/NL	FV= PV(1+i)^n	FRC-FRFA	PMT= FV*I/((1+i)^n-1)	ARFA/Sum
79,169	18,000	22,172	56,997	3,689	23.48%
32,778	5,400	7,166	25,613	1,175	7.48%
131,948	30,000	36,953	94,995	6,148	39.13%
131,113	21,600	28,662	102,451	4,700	29.91%
<b>375,008</b>	<b>75,000</b>	<b>94,952</b>	<b>280,056</b>	<b>15,713</b>	<b>100.00%</b>

## RESERVE FUND DEFICIENCY ANALYSIS

The reserve fund deficiency analysis is a comparative analysis between the amount which should be in the reserve fund, according to the Benchmark Analysis (Schedule A), and the actual amount of the reserve fund at the Effective Date. Based on these two figures, the shortfall or deficiency of the reserve fund is calculated as follows:

Actual Reserve Fund Balance	\$ 12,473
Reserve Fund Requirements	\$ 75,000
Reserve Fund Deficiency	\$ -62,527

**This report entails the initial creation of a reserve fund for the subject development which represents newer construction completed in phases over several years. As a result of this factor, the majority of components have been in place for several years although no reserve funds have been historically collected for these components, which leads to a deficiency for the reserve fund.**

**A deficiency does not represent inadequate cash for future repairs, but rather a requirement for future funds that can be made up over time. Therefore, increased contributions will allow for adequate funding from this point forward and to make up the current deficiency/shortfall over a reasonable period of time, bringing the overall reserve fund operation into equilibrium or a stabilized position.**

### **30 YEAR CASH FLOW PROJECTIONS**

The Reserve Fund - Projected Cash Flow and Deficiency Analysis, Schedule B, presents a 30 year reserve fund projection showing cash positions, cash flows and cash expenditures, in a form and detail, which conforms to the financial statement presentation of reserve fund operations.

#### ***Opening Cash Balance***

The reserve fund position at the beginning of each and every fiscal year showing the cash resources available, which consist of (1) bank deposits, (2) qualified investments, and (3) accrued interest earned.

#### ***Cash Flows***

The regular reserve fund contributions, special levy's, and interest income based on 1.50% of the opening balance.

#### ***Opening Cash Funds***

The total cash resources available in any financial year and include the current year's cash flow.

#### ***Cash Expenditures***

Annual expenditures listed in the categories established by the Reserve Fund Study. Records or ledger accounts of these expenditure categories should be kept showing reserve fund allocations and charges in a chronological order for control and reference.

#### ***Closing Cash Fund***

The reserve fund position at the end of every fiscal year, which is carried forward to the next year.

#### ***Deficiency Analysis***

The reserve deficiency has been projected by a formula which recognizes the inflation factor, interest rates and reserve fund expenditures. Therefore, any reserve fund expenditures will not affect the reserve fund deficiency, because such expenditures will also affect the reserve requirements.

**Jagare Ridge Homeowners Association - Reserve Fund Study**

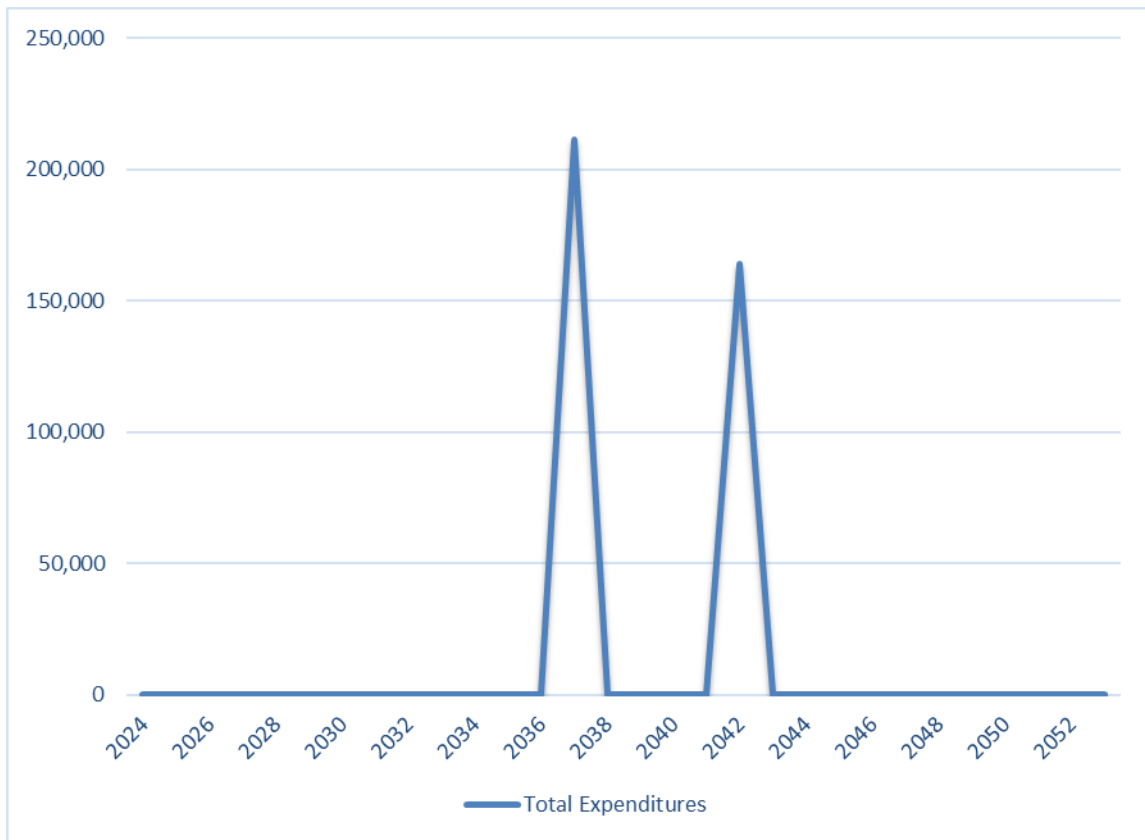
**SCHEDULE B – CASH FLOW PROJECTIONS**

Year Start, January 1	Year 2024 1	Year 2025 2	Year 2026 3	Year 2027 4	Year 2028 5	Year 2029 6	Year 2030 7	Year 2031 8	Year 2032 9	Year 2033 10
<b>OPENING BALANCE (start of year)</b>	<b>12,473</b>	<b>31,660</b>	<b>51,135</b>	<b>70,902</b>	<b>90,966</b>	<b>111,330</b>	<b>132,500</b>	<b>153,987</b>	<b>175,797</b>	<b>197,934</b>
Reserve Fund Contributions	19,000	19,000	19,000	19,000	19,000	19,500	19,500	19,500	19,500	19,500
Reserve Fund Interest Income <b>1.50%</b>	187	475	767	1,064	1,364	1,670	1,987	2,310	2,637	2,969
Special Levy										
<b>Total Cash Resources (end of year)</b>	<b>31,660</b>	<b>51,135</b>	<b>70,902</b>	<b>90,966</b>	<b>111,330</b>	<b>132,500</b>	<b>153,987</b>	<b>175,797</b>	<b>197,934</b>	<b>220,403</b>
<b>RESERVE FUND EXPENDITURES</b>										
1 Fencing - Masonry Pillar Maintenance 18,000										
2 Lighting & Electrical 5,400										
3 Waterfall Feature 30,000										
4 Landscaping & Signage 21,600										
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CLOSING BALANCE</b>	<b>31,660</b>	<b>51,135</b>	<b>70,902</b>	<b>90,966</b>	<b>111,330</b>	<b>132,500</b>	<b>153,987</b>	<b>175,797</b>	<b>197,934</b>	<b>220,403</b>
<b>DEFICIENCY ANALYSIS</b>										
Reserve Requirements <b>75,000</b>	<b>91,838</b>	<b>108,928</b>	<b>126,275</b>	<b>143,882</b>	<b>161,753</b>	<b>179,892</b>	<b>198,303</b>	<b>216,991</b>	<b>235,958</b>	<b>255,210</b>
<b>Reserve Fund Surplus (-Deficiency)</b>	<b>-60,178</b>	<b>-57,793</b>	<b>-55,373</b>	<b>-52,916</b>	<b>-50,423</b>	<b>-47,392</b>	<b>-44,316</b>	<b>-41,193</b>	<b>-38,024</b>	<b>-34,807</b>

Year Start, January 1	Year 2034 11	Year 2035 12	Year 2036 13	Year 2037 14	Year 2038 15	Year 2039 16	Year 2040 17	Year 2041 18	Year 2042 19	Year 2043 20
<b>OPENING BALANCE (start of year)</b>	<b>220,403</b>	<b>243,709</b>	<b>267,365</b>	<b>291,375</b>	<b>104,646</b>	<b>126,216</b>	<b>148,859</b>	<b>171,842</b>	<b>195,170</b>	<b>54,947</b>
Reserve Fund Contributions	20,000	20,000	20,000	20,000	20,000	20,750	20,750	20,750	20,750	20,750
Reserve Fund Interest Income <b>1.50%</b>	3,306	3,656	4,010	4,371	1,570	1,893	2,233	2,578	2,928	824
Special Assessment										
<b>Total Cash Resources (end of year)</b>	<b>243,709</b>	<b>267,365</b>	<b>291,375</b>	<b>315,746</b>	<b>126,216</b>	<b>148,859</b>	<b>171,842</b>	<b>195,170</b>	<b>218,847</b>	<b>76,521</b>
<b>RESERVE FUND EXPENDITURES</b>										
1 Fencing - Masonry Pillar Maintenance 18,000				79,200						
2 Lighting & Electrical 5,400									32,800	
3 Waterfall Feature 30,000				131,900						
4 Landscaping & Signage 21,600									131,100	
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>211,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>163,900</b>	<b>0</b>
<b>CLOSING BALANCE</b>	<b>243,709</b>	<b>267,365</b>	<b>291,375</b>	<b>104,646</b>	<b>126,216</b>	<b>148,859</b>	<b>171,842</b>	<b>195,170</b>	<b>54,947</b>	<b>76,521</b>
<b>DEFICIENCY ANALYSIS</b>										
Reserve Requirements <b>75,000</b>	<b>274,751</b>	<b>294,585</b>	<b>314,717</b>	<b>124,051</b>	<b>141,624</b>	<b>159,461</b>	<b>177,566</b>	<b>195,942</b>	<b>50,694</b>	<b>67,168</b>
<b>Reserve Fund Surplus (-Deficiency)</b>	<b>-31,042</b>	<b>-27,220</b>	<b>-23,342</b>	<b>-19,405</b>	<b>-15,408</b>	<b>-10,602</b>	<b>-5,724</b>	<b>-773</b>	<b>4,253</b>	<b>9,354</b>

## Jagare Ridge Homeowners Association - Reserve Fund Study

Year Start, January 1	Year 2044 21	Year 2045 22	Year 2046 23	Year 2047 24	Year 2048 25	Year 2049 26	Year 2050 27	Year 2051 28	Year 2052 29	Year 2053 30
<b>OPENING BALANCE (start of year)</b>	<b>76,521</b>	<b>98,419</b>	<b>120,645</b>	<b>143,205</b>	<b>166,103</b>	<b>189,345</b>	<b>212,935</b>	<b>236,879</b>	<b>261,182</b>	<b>285,850</b>
Reserve Fund Contributions	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750	20,750
Reserve Fund Interest Income <b>1.50%</b>	1,148	1,476	1,810	2,148	2,492	2,840	3,194	3,553	3,918	4,288
Special Assessment						0	0	0	0	0
<b>Total Cash Resources (end of year)</b>	<b>98,419</b>	<b>120,645</b>	<b>143,205</b>	<b>166,103</b>	<b>189,345</b>	<b>212,935</b>	<b>236,879</b>	<b>261,182</b>	<b>285,850</b>	<b>310,888</b>
<b>RESERVE FUND EXPENDITURES</b>										
1 Fencing - Masonry Pillar Maintenance 18,000										
2 Lighting & Electrical 5,400										
3 Waterfall Feature 30,000										
4 Landscaping & Signage 21,600										
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CLOSING BALANCE</b>	<b>98,419</b>	<b>120,645</b>	<b>143,205</b>	<b>166,103</b>	<b>189,345</b>	<b>212,935</b>	<b>236,879</b>	<b>261,182</b>	<b>285,850</b>	<b>310,888</b>
<b>DEFICIENCY ANALYSIS</b>										
Reserve Requirements <b>75,000</b>	<b>83,888</b>	<b>100,859</b>	<b>118,085</b>	<b>135,569</b>	<b>153,315</b>	<b>171,328</b>	<b>189,610</b>	<b>208,167</b>	<b>227,003</b>	<b>246,120</b>
<b>Reserve Fund Surplus (-Deficiency)</b>	<b>14,531</b>	<b>19,786</b>	<b>25,120</b>	<b>30,534</b>	<b>36,030</b>	<b>41,607</b>	<b>47,269</b>	<b>53,015</b>	<b>58,847</b>	<b>64,767</b>

**CASH EXPENDITURES BY YEAR**

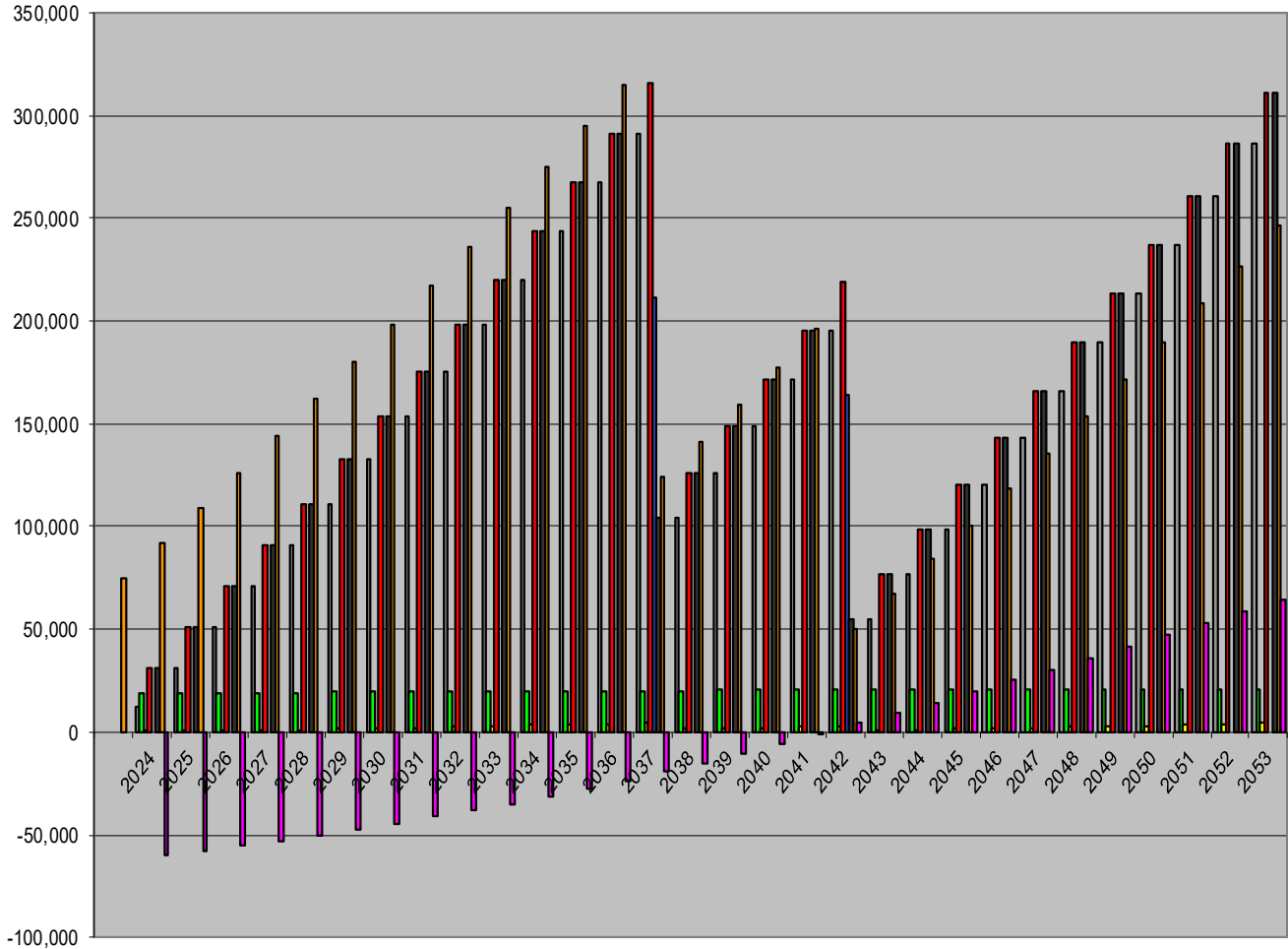
**CASH FLOW ANALYSIS**

The Homeowner's Association is expected to have sufficient cash resources for anticipated expenditures throughout the 30 year projection.

***Graphic Projection***

The graphical presentation of the Cash Flow Analysis indicates the deficiency (negative Reserve Fund Surplus) being eliminated over approximately 18 years. The initial cash position of the Reserve Fund is marginally deficient, which is to be expected given that it represents new construction, and that it is assumed complete.

**CASH FLOW GRAPH**



## RECOMMENDATIONS FOR RESERVE FUND PLANNING

The reserve fund of Jagare Ridge Homeowners Association is marginally deficient, which is to be expected given that it represents new construction, and that it is assumed complete.. This deficiency should be eliminated over time, to ensure that the HOA is fully funded to affect all major repairs and replacements necessary to maintain the project in excellent condition. Our recommendations, subject to the aforementioned Extraordinary Assumptions, are as follows:

### *Reserve Fund Contributions:*

2024 – 2028	\$19,000 per annum
2029 – 2033	\$19,500 per annum
2034 – 2038	\$20,000 per annum
2039 – 2053	\$20,750 per annum

### *Additional Recommendations:*

- The Home Owners Association (HOA) is recommended to accept this study as the capital replacement reserve fund.
- The reserve fund should be fully invested to maximize returns
- The reserve fund should be reviewed by the board every year to ensure that the underlying assumptions are still valid and that the estimates remain current

Failure to implement an appropriate reserve fund strategy may result in large special assessments in the future when major repairs and replacements may be required.

**CERTIFICATE OF APPRAISER/RESERVE FUND STUDY PROVIDER**

We certify to the best of our knowledge and belief that:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal impartial, and unbiased professional analyses, opinions and conclusions;
- We have no, present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- We have no bias with respect to the subject matter, property or issue that is the subject matter of this report or to the parties involved with this assignment;
- We are not in a conflict of interest to undertake this assignment;
- Our compensation is not contingent on an action or event resulting from the analyses, opinion, or conclusions in, or the use of, this report;
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice;
- We have the knowledge, skills and experience to complete the assignment competently;
- No one provided professional assistance or third party professional assistance to the person signing this report;
- As of the date of this report the undersigned has/have fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for members;
- The undersigned are a member(s) in good standing of the Appraisal Institute of Canada;
- Jeff Miller, B. Comm., Licensed Candidate, made a personal inspection of the property that is the subject of this report on September 14th, 2022. The report was completed under the direct supervision of Pawel Martyniak, MBA, AACI, Licensed Appraiser Reserve Fund Study Provider, who did not make a personal inspection of the property; and

## Jagare Ridge Homeowners Association - Reserve Fund Study

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- The analyses, conclusions and recommendations, effective as at January 1<sup>st</sup>, 2024 and completed as at April 24, 2024 subject to the aforementioned Extraordinary Assumptions, are summarized in the previous section:

Respectfully submitted,

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Jeff Miller,  
B. Comm., Licensed Candidate

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Pawel Martyniak,  
MBA, AACI, Licensed Appraiser  
Reserve Fund Study Provider

Date: April 24, 2024

**EXHIBIT A**  
FUNDAMENTAL ASSUMPTIONS AND LIMITING CONDITIONS

## **FUNDAMENTAL ASSUMPTIONS AND LIMITING CONDITIONS**

### ***Fundamental Assumptions***

In estimating various reserve items, certain assumptions are made in respect to structural repairs and replacements of improvements. For example, reserves for exterior walls, structural repairs, replacements of mechanical and electrical components are difficult to predict and/or quantify. Therefore, the only reasonable approach is to provide contingency estimates.

The underlying assumptions and quantification of contingency reserves should be reviewed from time to time, particularly, in the context of repair experience and problem investigations, such as water damage, cracks in walls and concrete structures, and noticeable deterioration.

Reserve fund estimates are necessarily in part subjective, and those given here are based on our understanding of the life cycle of building components and our experience. It must be appreciated that reserve fund budgeting and projections are not exact sciences. They are, at best, prudent provisions for all possible contingencies, if, as and when they arise. Reserve fund requirements are subject to change and should be reviewed and modified over time, not less than every three years.

In essence, the HOA should adopt a long-term policy regarding reserve fund allocations, which must be flexible to accommodate changes in reserve fund requirements in the future.

The following assumptions underlie the reserve fund estimates hereinafter and are based on our investigation, observation and analysis of the various reserve components:

### **Quality of Construction**

The project was initially constructed in 2013/14 and completed in stages, assumed in accordance with applicable building codes and then current construction practices. The quality of construction, materials and workmanship is generally considered to be good.

The reserve fund estimates hereinafter are affected by observed conditions, the current program of renovations and preventive maintenance, and an analysis of building components, which reflect the quality of construction and finishing.

### **Demolition and Disposal Costs**

The estimates herein include provisions for demolition and disposal costs including dumping fees; these costs have been rising in recent years. Particularly, dumping of certain materials has become problematic and very costly. It appears that certain codes and environmental regulations will become more stringent in future years, all of which will further increase disposal costs.

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## Jagare Ridge Homeowners Association - Reserve Fund Study

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### Goods and Services Tax

The Goods and Services Tax ("GST") applies to all repairs and replacements including disposal costs. Therefore, these costs are included in the reserve fund estimates hereinafter.

### Contingency Reserves

It is frequently impossible to forecast the incidence of repairs or replacements of various reserve components, particularly, major components, such as exterior walls, structural elements, sewer and water systems. Reserve estimates are therefore of a contingency nature and as such are subject to changing conditions and repair experience over time.

### Structural Deficiencies

There have not been any reports of any serious structural deficiencies with none being apparent upon inspection. It is noted however, that the planner is not a structural engineer and is not expressing an opinion on the structural integrity of any component, but is commenting on observed and reported conditions

### Environmental Conditions

The planner(s) is/are not qualified to comment on environmental issues that may affect this analysis, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect this Reserve Fund Study. If the party relying on this report requires information about environmental issues, that party is cautioned to retain an expert qualified in such issues. CanWest Reserve Planners expressly denies any legal liability relating to the effect of environmental issues on the Reserve Fund Study.

### Insurance Repairs

Insurance should cover the building(s) and improvements against numerous perils, but it is not intended to be a maintenance program. The difference between an insurance claim and maintenance repairs is not always clear and it can result in prolonged disputes.

For example, an unexpected sewer cave-in and resulting back-up is a legitimate insurance claim and as such should be covered by the insurance policy subject to the stated deductible, whereas the deterioration of a catch basin and sewer connection, which caused a cave-in resulting into a sewer back-up is a building repair expense.

### Management Policy

It is assumed that the subject property will continue to operate under professional property management. This would usually entail the following:

- Operating and reserve fund expenditures are kept separate in the financial accounting and budgeting;
- Routine maintenance and repairs are deemed to be operating expenses; and
- In general, any repair or replacement under \$1,000.00 is considered, as a guideline, an operating expense. Major repairs and replacements over \$1,000.00 are charged to the Reserve Fund. It is emphasized that this is only a guideline.

### ***Fundamental Limiting Conditions***

The legal and survey descriptions of the property as stated herein are those which are recorded by the Registrar of the requisite Land Titles Office and are assumed to be correct.

Any architectural, structural, mechanical, electrical and other plans and specifications of any building or buildings and improvements are assumed to be correct. Furthermore, all buildings and improvements are deemed to have been constructed and finished in accordance with such plans and specifications, unless otherwise noted.

Sketches, drawings, diagrams and photographs, if any, presented in this report are included for the sole purpose of illustration. No legal survey, soil tests, engineering investigations, detailed quantity survey compilations, nor exhaustive physical examinations have been made. Accordingly, no responsibility is assumed concerning these matters, nor other technical and engineering techniques which would be required to discover any inherent or hidden condition of the property.

**The Reserve Fund Study is a Financial Document which has been prepared from provided documents, financial statements, budgets and existing reserve funds. A limited physical inspection is conducted of common property that is made available for inspection by the property manager or owner. The inspection is based on a visual observation only. No destructive testing, dismantling or technical audit is made.**

In order to arrive at supportable replacement cost estimates, it is necessary to utilize both documented and other cost data. A concerted effort has been put forth to verify the accuracy of the information contained herein. Accordingly, the information is believed to be reliable and correct, and it has been gathered to standard professional procedures, but no guarantee as to the accuracy of the data is implied.

The utilization of the cost estimates is valid only within the context of this report. The estimates herein must not be used in conjunction with any other appraisal or reserve fund study and may be invalid if so used.

The client to whom this report is addressed may use it in deliberations affecting the subject property only, and in so doing, the report must not be extracted; it must be used in its entirety.

Possession of this report or any copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone but the applicant without the written consent of the author, and in any event, only with the proper qualifications.

The agreed compensation for services rendered in preparing this report does not include fees for consultations and/or arbitrations, if any. Should personal appearances be required in connection with this report, additional fees must be negotiated. Unless otherwise noted, all estimates are expressed in Canadian currency.

All rights reserved. No part of this report may be reproduced or used in any form or by any means, graphic, electronic or mechanical, including photocopying, recording, typing or information storage and retrieval, without permission of the author.

***Personal Information Protection and Electronic Documents Act (PIPEDA)***

This report conforms to the requirement of the “Personal Information Protection and Electronic Documents Act” (PIPEDA).

***Extraordinary Assumptions***

As at the date of this report the development is largely complete however some of the elements included as HOA responsibility are not full constructed. Accordingly, the Terms of Reference provided to the writers are to assume that construction is complete, as per the building plans provided.

This report represents an updated report from an original copy completed in July, 2023 and whereby a new inspection has not been completed. The components herein are assumed to remain in similar condition as the original inspection although are considered to have increased in age by one year, which was generally confirmed by property management.

According to the Standards of the Appraisal Institute of Canada, these assumptions represent “Extraordinary Assumptions”. An Extraordinary Assumption refers to a hypothesis, either supposed or unconfirmed, which if not true, could alter the writer’s opinions and conclusions.

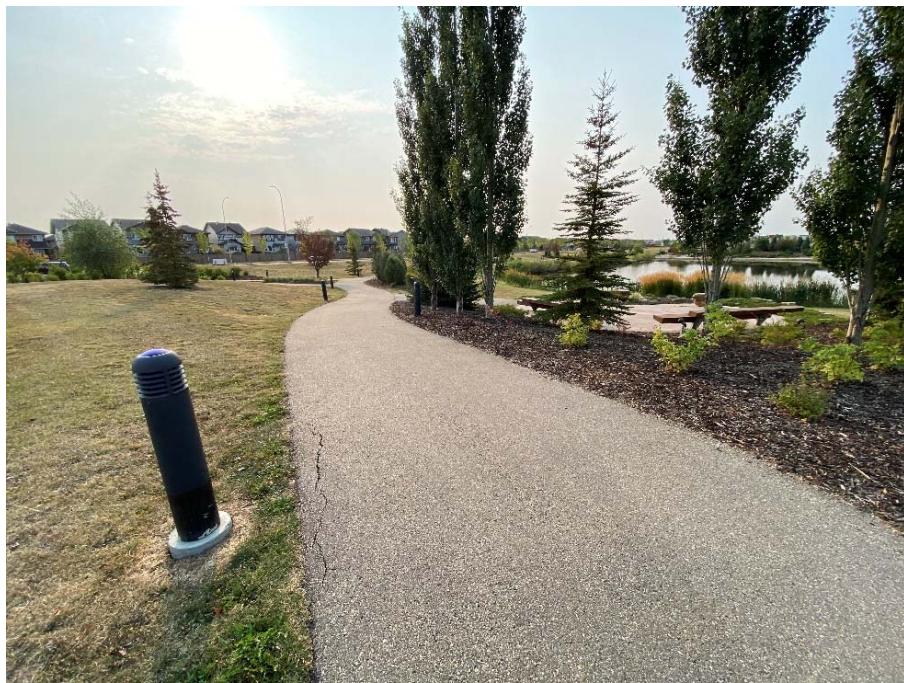
**EXHIBIT B**  
PHOTOGRAPHS OF SUBJECT PROPERTY



**Views of Subject**



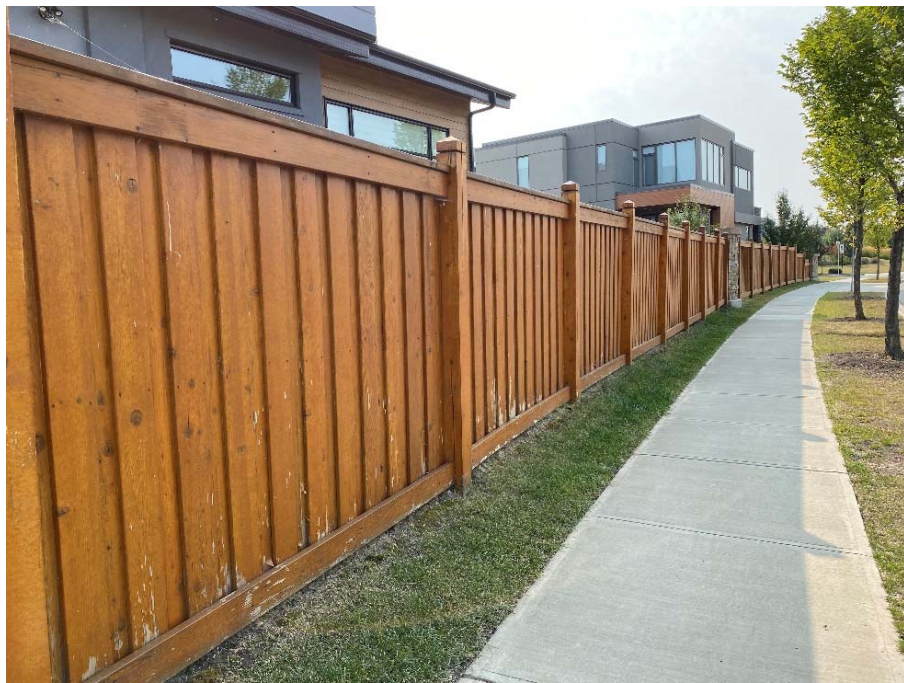
**Views of Subject**



**Views of Subject**



**Views of Subject**



**Views of Subject**



**Views of Subject**



**Views of Subject**



**Views of Subject**

**EXHIBIT C**  
STANDARD DEFINITIONS

## **RESERVE FUND DEFINITIONS AND CONCEPTS**

In estimating reserves required for maintaining the building components and improvements at desired standards and conditions, one must quantify the various reserve components, estimate replacement costs and project cost estimates in accordance with anticipated life spans. Therefore, it is essential that the terminology and methodology are clearly understood.

### Reserve Component or Item

Identification and description of the building component or improvement.

### Replacement or Repair Cost

The estimated cost of repairing or replacing a reserve component at current prices including the cost of demolition and disposal.

### Expected or Normal Life Span

The estimated life expectancy of a reserve component in terms of years under normal conditions.

### Actual Age

The chronological age of the building components, expressed in years.

### Effective Age

The observed condition estimate of building components and improvements not necessarily the actual age, expressed in years.

### Remaining Life Span

The difference between the expected or normal life span and the effective age of the reserve component.

### Projected Inflation

An estimated long-term inflation factor, used in projecting cost estimates.

### Projected Interest Rate

An averaged long-term interest rate, used in calculating interest earned from the investment of reserve funds.

### Future Replacement Costs

The estimated costs of replacing or repairing reserve components at future prices.

### Current Reserve Requirements

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## Jagare Ridge Homeowners Association - Reserve Fund Study

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Reserve funds required today, considering the effective age of the components or improvements.

### Future Reserve Accumulation

The current reserve requirements invested at the projected interest rate over the relevant time period.

### Future Reserve Requirements

The shortfall between the future replacement cost estimate and the future reserve fund accumulation.

### Annual Stabilized Reserve Assessment

Annual amount required to be paid into the reserve fund once the deficit is eliminated, and to be invested at the projected interest rate to fund the future reserve requirements.

### Life Span Analysis

The life cycle analysis of each reserve component based on the observed condition estimate involving:

- Life Span estimate of the reserve component in terms of years;
- Effective Age estimate, which is an observed condition judgment in terms of years; and
- Remaining Life estimate, which is the useful life of the reserve remaining from the date of the condition estimate.

### ***Reserve Component Classification***

The reserve component classification used herein is based on the Unifomat System, developed by the US Government and has been modified for reserve fund planning purposes.

Reserve fund components are grouped into functional classifications, such as architectural, structural, interior design, mechanical, electrical and special facilities. This classification system is consistently applied for quick analysis and data base applications.

In this reserve fund study, there are 8 major reserve components for easy reference and convenience.

The cost estimates are taken from the 2022 (4Q) R.S. Means Repair & Remodeling Cost Data for the Canadian Construction Industry as well as local contractors pricing for various items. The life span estimates herein are based on experience records and our observation of conditions.

**EXHIBIT D**  
JAGARE RIDGE HOA BYLAWS

**FILED** **BY-LAW RELATING GENERALLY TO THE TRANSACTION OF THE  
BUSINESS AND AFFAIRS OF THE**

**NOV - 8 2012**

Registrar of Corporations  
Province of Alberta

**JAGARE RIDGE HOMEOWNERS ASSOCIATION**

**PART I: INTERPRETATION, DEFINITIONS, AND INCORPORATION OF  
RESIDENTS' COVENANTS.**

1. These Bylaws shall be construed with reference to the provisions of the *Societies Act*, R.S.A. 2000, c. S-14, as amended from time to time (or any subsequent governing legislation), and terms used in these Bylaws shall be taken as having the same respective meanings as they have when used in that Act. Notwithstanding anything else herein contained, these Bylaws shall be read subject to the restrictions upon their scope and effect contained in the *Societies Act* and other applicable statutes and rules of law and equity, and any provisions herein repugnant to such restrictions shall, wherever possible, be severed from these Bylaws, in order that the rest may stand.
  
2. In the interpretation of these Bylaws (including this Article 2), except where excluded by the context,
  - a. words importing the singular number shall also include the plural, and vice-versa;
  - b. words importing the masculine gender shall also include the feminine;
  - c. words importing persons shall include corporations;
  - d. the headings herein are given for convenience only, and shall not affect the interpretation of these Bylaws;
  - e. these Bylaws shall be interpreted in a large and liberal sense so as to give effect thereto wherever possible;
  - f. "Act" shall mean the *Societies Act* R.S.A. 2000, c. S-14 as amended, and any statute that may be substituted therefor;
  - g. "Association" shall mean the Jagare Ridge Homeowners Association;
  - h. "the Board" means the Board of Directors of the Association;
  - i. "Bylaws" shall mean the Bylaws of the Association as amended from time to time;
  - j. "Developer" means Jagare Ridge Communities Inc.;
  - k. "Director" shall mean any person who has been duly elected or appointed to the Board of Directors by whatever name called;
  - l. "Member" shall mean a member of the Association unless the context requires otherwise;

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**NOV 08 2012**

Corporation Registrar

- m. "Multi-Family Lands" means the parcel or parcels of land within the Jagare Ridge Subdivision that are now or may in future be developed as multi-family housing properties;
  - m. "Registered Office" shall mean the registered office for the Association;
  - n. "Residents Covenants" shall each mean such restrictive covenants and easements, leases and encumbrance agreements, as may be placed and recorded on the titles within the Jagare Ridge Subdivision by the Developer, as they may be amended or extended from time to time;
  - o. "Single-Family Building Lot" means:
    - i. A detached single-family residential lot;
    - ii. A semi-detached (duplex) residential lot; or
    - iii. A bare-land condominium unit suitable for a single-detached, semi-detached or townhouse residence.
  - p. "Special Resolution" shall have the meaning provided in the Act;
  - q. "Subdivision" means the Jagare Ridge Subdivision, to be developed on the lands described in Schedule "A" hereto and such other lands as may hereafter be added to the Residents' Covenants hereafter by amendment or extension thereof; and
  - r. "Subdivided Lot" means a Single-Family Building Lot or multi-family land parcel.
3. The purpose and objects of the Association are to carry out the duties and functions provided for in the Residents' Covenants to be performed or done by the Association and generally to provide for care and maintenance of Subdivision Features in the Jagare Ridge Subdivision as defined in the Residents' Covenants.

**PART II: MEMBERS OF THE SOCIETY AND VOTING RIGHTS**

4. The membership and voting rights of Members shall be as follows:
- a. Every owner in fee simple of a Subdivided Lot within the Subdivision (including Added Lands, if any) shall be entitled to be a member of the Association, subject to and bound by the Association's Application for Incorporation, Bylaws, Rules and Regulations. The Developer shall be entitled to be a member in respect of each Subdivided Lot as to which the Developer is and remains the registered or beneficial owner until such time (in respect of each Subdivided Lot respectively) as the Subdivided Lot is transferred to a purchaser who buys the Subdivided Lot from the Developer. The Developer shall also be entitled to be a member in respect of such of the lands within the Subdivision as remain owned by the Developer, including both Subdivided Lots and unsubdivided portions of the Subdivision. The foregoing does not include persons or entities who hold a

leasehold interest or interest merely as security for the performance of an obligation. Ownership, as defined above, shall be the sole qualification for membership. When any Subdivided Lot is owned by two or more persons or other legal entity, all such persons or entities shall be Members but they shall have voting rights limited as herein set out. An owner of more than one Subdivided Lot shall be entitled to membership in respect of each Subdivided Lot owned by him. Save as provided in paragraph 4(c) hereof, membership shall be appurtenant to and may not be separated from ownership of any Subdivided Lot, and entitlement to it shall be automatically transferable by conveyance or other transfer of that Subdivided Lot. Anyone who ceases to be an owner of a Subdivided Lot shall *ipso facto* cease to be a Member. This provision shall not apply to the Developer who shall also be a Member so long as the Developer legally or beneficially owns one or more Subdivided Lots or unsubdivided lands within the Subdivision.

- b. The Association shall have three classes of voting membership, Class A, Class B and Class C. All votes shall be cast in the manner provided in these Bylaws. When more than one person or entity holds an interest in any Subdivided Lot, the vote for such Subdivided Lot shall be exercised (as between them) as provided for in these Bylaws; but in no event shall more than the number of votes hereinafter designated be cast with respect to any such Subdivided Lot. The three classes of voting memberships, and voting rights related thereto, are as follows:

- i. Class A. Class A members shall be:

- (a) The subscribers to the Association's incorporation and charter documents (and substitutions therefor made by the Developer or any other person delegated such power by the Developer); and
- (b) All owners other than the Developer of Subdivided Lots, excluding the Multi-Family Land as long as it is not subdivided or condominiumized; and
- (c) If any Multi-Family Land is subdivided into single-family building lots or condominium units all owners (other than the Developer) of such residential lots or condominium units.

Class A owners shall be entitled to one (1) vote for each subscriber and one (1) vote for each Subdivided Lot owned;

- ii. Class B. The Owners of Multi-Family Land shall be the only Class B members. As long as the Developer owns the Multi-Family Land, the Developer shall be the Class B member. Such Class B members shall, for as long as the Multi-Family Land remains unsubdivided into Single-Family Building Lots, be entitled to a number of votes in respect of each Multi-Family Land parcel equal to fifteen (15) multiplied by the number of acres within the Multi-Family Land parcel. If a Multi-Family Land parcel shall be subdivided into Single-Family Building Lots, then there shall be no Class B members for such parcel but the said Single-Family

Building Lot owners shall be entitled to be Class A members (or Class C members as to the Developer relative to the lots owned by the Developer);

- iii. Class C. The Developer shall be the only Class C member. Class C members (the Developer) shall have Fifty (50) votes for each Subdivided Lot (excluding the Multi-Family Land) which the Developer owns legally or beneficially and one hundred fifty (150) votes for each Multi-Family Land parcel which the Developer owns legally or beneficially, and Two Hundred (200) votes for that portion (if any) of the Subdivision that remains unsubdivided and owned by the Developer from time to time;
- c. Notwithstanding the foregoing, the subscribers to the Association's incorporation and charter documents are entitled to be and shall be Members, whether or not they shall own any Subdivided Lots, until such time as the Developer shall have subdivided and sold and transferred at least 80% of all Subdivided Lots in the Subdivision. Further, the Developer may select and designate and retain as Members substitutions for such subscribers (who may be officers, directors or employees of the Developer or of any agent appointed by the Developer) who shall be eligible to be Members even though they do not own any Subdivided Lots. Such persons who are Members pursuant to this clause 3(c) shall each and all be entitled to continue to be Members until the Developer shall have sold and transferred to purchasers at least 80% of the said Subdivided Lots. They shall automatically cease to be members after the Developer's transfer of more than 80% of the said Subdivided Lots. They shall, notwithstanding their ceasing to be members, nonetheless be entitled to serve as members of the Board of Directors and/or officers of the Association until the Developer no longer owns any land in the Subdivision. After the transfer of 80% of the Subdivided Lots by the Developer as aforesaid, the said five (5) members shall not have any power to vote in their own right; but any one (or some or all of them) may act as proxies for and cast votes for the Developer. The Developer shall be sole determiner of the achievement of the said 80% transfer circumstance.
- d. An owner shall be entitled to become a Member forthwith on becoming registered (which may include registration by caveat) as an owner as aforesaid, and his membership shall be recorded by the Secretary upon his providing to the Association's Board satisfactory evidence of such ownership, or the Board otherwise being satisfied of such ownership.
- e. Voting rights shall be as set out above.
- f. No owner shall be expelled from the Association as long as he continues to be a registered owner of a Subdivided Lot or Multi-Family Land within the Subdivision.
- g. A Member may resign from the Association by delivering a signed notice to that effect to the registered office of the Association.

5. Membership Year

Membership year shall be from January 1 to December 31, of each year.

6. Notice of Meeting

A Member shall be entitled to notice of and to attend at all meetings of the Members of the Association. Where two or more persons own a Subdivided Lot, a notice given to one such owner shall be deemed to have been given to all such owners. Notices may be given as follows:

- a. Notices hereunder may be given to an owner of a parcel by delivery to, or by prepaid ordinary mail addressed to, such owner's parcel, or by publication in a local newspaper circulating in Edmonton, Alberta in the area of the Subdivision. Notices to the Association may be given by personal delivery to the registered office of the Association or by personal service on a member of the Board of Directors of the Association. Notices to parcel owners may be addressed to "Members" or "Occupants" or "Owners" or "Residents" or any similar designation, and do not need to state the Members' names.
- b. If a parcel is part of a condominium property, notices to all owners of units in such condominium will be deemed to be given on delivery or posting by ordinary mail to the registered address of the condominium corporation, or on newspaper publication as aforesaid.

**PART III: MEETINGS OF THE ASSOCIATION**

7. The Annual General Meeting

- a. An Annual General Meeting of the Association shall be held in each calendar year after 2013 in the City of Edmonton, in the Province of Alberta, on a day to be fixed by the Board from time to time; and any Annual General Meeting may be held at the business offices of the Developer;
- b. At least fourteen (14) days prior to the Annual General Meeting the Secretary shall give to Members a notice in manner and by means provided for in Bylaw 6 setting forth the date, place and time of the Annual General Meeting;
- c. The Annual General Meeting shall consider the report of the President, review of financial statements (which shall set out the Association's income, disbursements, assets and liabilities, and shall comply with the requirements of the *Societies Act*), appoint such auditors or accountants as may be desired, elect the Board, and transact such other business as may be put before the meeting;
- d. A quorum for the Annual General Meeting of the Association shall be the attendance of five (5) or more persons collectively entitled to cast five (5) or more votes;
- e. Unless any two Members demand a ballot vote, all voting at the Annual General Meeting shall be done by a show of hands;

f. Each Member may vote by proxy. Such proxy should himself be a Member of the Association or an officer or employee of a corporate Member, but before voting must produce and deposit with the Secretary a sufficient appointment in writing. The Secretary or in his absence the Chairman of the meeting shall have complete discretion to determine whether an appointment or proxy is valid and sufficient;

g. Except as to a Special Resolution, each issue and Resolution shall be decided by a majority of the votes of the Members present or in person or represented by a proxy;

h. Accidental omission to give any notice to any Member or the non-receipt of any notice by any Member or any error in any notice not affecting the substance thereof shall not invalidate any action taken at a meeting held pursuant to such notice or otherwise founded thereon; and

i. At the Annual General Meeting there shall be elected as many Directors as shall be required to fill the vacancies of the Board.

#### 8. Special Meetings of the Association

a. Special meetings of the Association shall be called at the direction of the President or upon request in writing of any fifteen (15) Members in good standing, stating the object of the special meeting;

b. At least seven (7) days prior (and if a Special Resolution is proposed at least twenty-one (21) days prior) to the special meeting, the Secretary shall mail or deliver to each Member or give by newspaper advertisement a notice setting forth the date, place, time and purpose of the special meeting. Notices may be delivered or mailed to the addresses of Members' properties within the Subdivision. Alternatively notice may be given by advertisement in a local newspaper commonly circulated in the City of Edmonton in the area of the subdivision (which may without limitation include The Edmonton Examiner);

c. The method of voting, the use of proxies and the quorum required for any special meeting shall be the same as for the Annual General Meetings;

d. Accidental omission to give any notice to any Member or the non-receipt of any notice by any Member or any error in any notice not affecting the substance thereof shall not invalidate any action taken at a meeting held pursuant to such notice or otherwise founded thereon.

#### 9. Proceedings at General Meetings

a. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of the Members, shall be dissolved, but in every other case it shall stand adjourned to the same day in the following week at the same time and place;

b. The President, or in his absence, a Vice-President, shall preside at every general meeting of the Society. If neither the President nor a Vice-President is present

within a half an hour from the time appointed for the holding of the meeting, the Members present shall choose one of the Members to preside at such meeting;

- c. The person presiding may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business unfinished at the meeting from which the adjournment took place;
  - d. At every general meeting every question shall be decided in the first instance by a show of hands, unless before or upon the declaration of the result of the show of hands, a ballot be demanded by at least two (2) Members personally present and entitled to vote. A declaration by the person presiding that a resolution has been carried or carried by a particular majority, or lost, shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour or against any such resolution. If a ballot be demanded in the manner above mentioned, it shall be taken at such time and place and in such manner as the person presiding may direct, and the result of the ballot shall be deemed to be the resolution of the general meeting at which the ballot was demanded. A demand for a ballot may be withdrawn;
  - e. In case of any dispute as to the admission or rejection of any vote, the person presiding shall determine the same, and such determination made in good faith shall be final and conclusive;
  - f. Notwithstanding anything to the contrary in these Bylaws a resolution assented to and adopted in writing under the hands of fifty-one (51%) percent of all the Members entitled to vote thereon, though not passed at a General Meeting, shall be of the same force and effect as if it had been duly passed at a General Meeting duly convened, and no previous notice, or convening of any General Meeting for the purpose of passing such resolution shall in such case be deemed to have been necessary, whether the business transacted thereat is special or not, and a Member may signify his assent to such resolution in writing under his hand or by letter or facsimile or e-mail, and such resolutions shall be deemed to have been passed on any date therein stated to be the effective date thereof.
  - g. Co-owners may vote by proxy jointly appointed by them, and in the absence of such proxy are entitled to vote on a show of hands; but on any vote by ballot each co-owner is entitled to such part of the vote applicable to the Parcel he co-owns as is proportionate to his interest in the Parcel.
10. In determining the identity or addresses of members the Secretary shall be entitled to rely upon either (or both) title searches and notifications of ownership given to the Board by Members or their representatives.

## PART IV: THE GOVERNMENT OF THE ASSOCIATION

### 11. The Board of Directors

- a. Until the first Annual General Meeting of the Association, the following shall constitute the entire Board:
  - i. Peter Daly - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
  - ii. Jason Fjeldheim - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
  - iii. Michaela Davis - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
  - iv. Naomi Stefura - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
  - v. Karen Albarda - 900, 10310 Jasper Avenue, Edmonton, Alberta, T5J 1Y8;
- b. Those persons listed in paragraph a. above shall be entitled to continue to be Board Members as long as any Developer shall continue to be an owner of at least one Subdivided Lot, provided that the Developers shall be at liberty from time to time to select and designate other persons to replace those (or some of those) listed above, and on their so doing the replacement persons shall take the place of those above-named who are so replaced;
- c. If an owner of a Subdivided Lot or Multi-Family Land is a corporation, any one officer, director or other designatee of the corporation is eligible to become a member of the Board, except in the case of the Developer, who shall have the right to designate five (5) members to the Board so long as the Developer remains owner of at least one Subdivided Lot, as aforesaid;
- d. With the exception of paragraphs a., b. and c. above, each Board member must be a Member (or designatee of a corporate Member) in good standing of the Association at the time of his election and throughout his term of office; and a Board member shall *ipso facto* cease to be a Board member if he dies, is convicted of an indictable offence or is declared mentally incompetent by a court of law, or if he ceases to be a Member (or designatee of a corporate Member);
- e. Board membership shall commence upon election or appointment to the Board and shall expire at the next succeeding Annual General Meeting, unless prior thereto the Board member resigns, becomes disqualified under clause (d) hereof or is removed under clause (f) hereof. Board members may be re-elected, but no member shall sit on the Board for longer than five (5) successive terms of office. The signatories to the application for incorporation are hereby appointed as, and shall form, the first Board of Directors of the Association; and their term of office shall expire on the date of the next Annual General Meeting of the Association (unless, and to the extent that, any are then re-elected);

- 9 -

- f. Casual vacancies in the Board may be filled by appointment by the remaining Board members to serve until the next Annual General Meeting; provided that a Board member (other than a Developer representative) may be removed prior thereto by resolution of the Members of the Association at any Special Meeting of the Members duly called for such purpose;
- g. The affairs of the Association shall be managed by the Board consisting of not less than three (3) nor more than seven (7) persons;
- h. The Officers shall consist of a President, Vice-President, Secretary and Treasurer, and they shall be appointed by the Board from amongst Board members; and the Board may appoint one person to more than one position, and the Board may also remove any officer from office;
- i. The number of Board members shall be five (5) for the initial Board and thereafter the number (not to be less than three nor more than seven) shall be fixed at each Annual General Meeting;
- j. The Board, at any Board meeting following the Annual General Meeting of the Association, may appoint not more than two (2) persons to the Board in the event that at the Annual General Meeting of the Association there are an insufficient number of persons elected to the Board;
- k. Any member of the Board shall be eligible for re-election to the Board, subject to the limitation set out in Section 11(e);
- l. The Board shall, subject to these Bylaws and any directions given it by majority vote at any General Meeting properly called and constituted, have full control and management of the affairs of the Association, and meetings of the Board shall be held as often as may be required, but at least once every twelve months, and shall be called by the President or on the instructions of any two (2) members of the Board provided they request the President in writing to call such meeting, and state the business to be brought before the meeting;
- m. Meetings of the Board shall be called by seven (7) days notice in writing and delivered or mailed to each member or by three (3) days notice by telephone unless waived by all of the members of the Board;
- n. A majority of the members of the Board, personally present, shall constitute a quorum at any meeting of the Board; provided that as long as any Developer is a Member, attendance of at least one (1) of its representatives is necessary for there to be a quorum;
- o. Subject to Article 2(a), each member of the Board including the President shall have one (1) vote. In the case of an equality of votes, the President shall not have a second or casting vote and the motion will be deemed defeated;
- p. A resolution of the Board in writing signed by all of the members of the Board shall be as effective as a resolution passed at a meeting of the Board duly convened and held.

12. Duties and Powers of the Board

- a. Except as provided in the Act and otherwise in these Bylaws, the powers of the Association shall be exercised by the Board, and without restricting the generality of the foregoing, the duties of the Board shall include the responsibilities set out in the Application for Incorporation of the Association and those undertaken in any Residents' Covenants, together with the following:
  - i. To facilitate and promote the objects of the Association;
  - ii. To create and define categories of Members;
  - iii. To engage, hire and discharge any employees including administrative employees, in respect to the operation of the Association;
  - iv. To maintain and properly protect the assets and properties of the Association;
  - v. To prepare and approve an annual budget consistent with the good management of the Association;
  - vi. To pay all expenses of and incidental to the operation and management of the Association;
  - vii. To remunerate or indemnify any persons for services rendered or liabilities incurred in connection with the affairs of the Association;
  - viii. To maintain all accounting and financial records of the Association;
- b. In addition, the Board shall have the following powers:
  - i. To invest and deal with the monies of the Association not immediately required in such securities and in such manner as from time to time may be determined by the Board;
  - ii. To finance the operations of the Association and to borrow, raise or secure the payment of moneys in such manner as the Board may, from time to time, think fit; provided that no borrowing in excess of \$20,000.00 shall be made without prior authorization of the Members in General Meeting, or by signed resolution, and no debenture shall be granted unless authorized by Special Resolution;
  - iii. To appoint legal counsel and auditors from time to time;
  - iv. To make rules and regulations for the operation of the Association and the use of its facilities and assets;
  - v. Without in any way abrogating or limiting the general responsibility of the Board, to delegate its powers and duties to any person engaged as a

manager of the Association, and without limitation to retain the Developer or an affiliated company as Manager;

- vi. To set, levy, issue and collect levies for the Rent Charges provided for in any Residents' Covenants;
- vii. To enter into the leases and easements provided for in any Residents' Covenants;
- viii. To issue certificates as to Members' position with regard to Rent Charges, any such certificate to be signed by at least two members of the Board; and any certificate so issued shall estop the Association and all Members from denying the accuracy of such certificate as against any mortgagee, purchaser or other person dealing with the owner of the parcel of land to which the certificate relates (but shall not be an estoppel as against the owner of such parcel); and
- ix. To place and maintain third party liability insurance in such amounts and on such terms as the Board may from time to time select, insuring the Members and Board members in respect of the actions and omissions of the Association.

### 13. Board Committees

- a. The Board may appoint committees to advise the Board from time to time in respect to the various duties and responsibilities of the Board;
- b. Each committee created by the Board shall be headed by one of its members appointed by the President to be Chairman of that committee;
- c. Each committee created by the Board shall meet at the call of the Chairman, record minutes of its proceedings, and distribute such minutes to the members of the committee and to the Chairman of all other committees and furnish reports at the request of the President prior to each Board meeting. Unless waived by all of the members of the committee, not less than two (2) days prior notice of the date, place and time of a committee meeting shall be mailed or delivered to each member of the committee;
- d. A majority of the members of any committee personally present at a meeting shall constitute a quorum; and
- e. Each member of the committee including the Chairman shall have one (1) vote at the meeting of the committee but in case of an equality of votes there shall be no casting vote.

### 14. Officers

- a. President: the President shall supervise the affairs of the Association, and be ex-officio a member of all committees. He shall, when present, preside at all meetings of the Association and of the Board. In his absence the Vice-President

shall preside at any such meetings, and in the absence of both a chairman may be elected by the meeting to preside thereat;

- b. Vice-President: the Vice-President shall assist the President and preside at meetings in the absence of the President;
- c. Secretary: it shall be the duty of the Secretary to attend all meetings of the Association and of the Board, and to keep accurate minutes of the same. He shall have charge of the Seal of the Association. In case of the absence of the Secretary, his duties shall be discharged by such person as may be appointed by the Board. The Secretary shall have charge of all the correspondence of the Association and be under the direction of the President and the Board. The Secretary shall also keep a record of all the Members of the Association and their addresses, send all notices of the various meetings as required, and shall collect and receive the Rent Charge assessments or annual dues levied by the Association, such moneys to be promptly turned over to the Treasurer;
- d. Treasurer: the Treasurer shall receive all moneys paid to the Association and shall deposit the same in whatever chartered bank, treasury branch or trust company the Board may order. He shall present a full detailed account of receipts and disbursements to the Board whenever requested and shall prepare for submission to the Annual Meeting a statement duly audited as hereinafter set forth of the financial position of the Association;
- e. The officers of the Association shall be appointed for a term of one (1) year or until the next Annual General Meeting whichever the Board selects; and
- f. Any vacancy arising in any office shall, except as otherwise provided herein, be filled by the appointment by the Board of another member of the Board who shall hold such office until the next Annual General Meeting of the Association.

#### **PART V: BOOKS AND RECORDS AUDITING**

- 15. The books and records of the Association may be inspected by any Member of the Association at the annual meeting provided for herein or at any other time upon giving reasonable notice and arranging a time satisfactory to the officer or officers having charge of the same. Each member of the Board shall at all times have access to such books and records.
- 16. The books, records and financial statements shall be audited once a year by an auditor, if requested by the Board, appointed from time to time by the Board. Such auditor may be a Member and need not be a Chartered Accountant; but he shall not be a member of the Board.

#### **PART VI: VOTING**

- 17. Any Member shall have the right to vote at any meeting of the Association. The number of votes available to Members is to be determined in accordance with these Bylaws.

## **PART VII: MINUTES OF THE PROCEEDINGS**

18. The Secretary shall maintain and have charge of a copy of the Minute Books, the original Minute Books being maintained at the Registered Office of the Association and shall record in the copy or cause to be recorded in the original, minutes of all proceedings of all meetings of the Members and of the Board.
19. The Board shall see that all necessary books and records of the Association required by the Bylaws of the Association or by any applicable statute or laws are regularly and properly kept and filed.

## **PART VIII: SEAL OF THE ASSOCIATION**

20. The Board may, in the name of the Association, adopt a seal which shall be the common seal of the Association and which shall be under the control of the Board and the responsibility for its custody and use from time to time shall be determined by the Board; but in the absence of any specific determination, the seal shall be preserved by the Secretary who together with the President shall execute and affix the seal of the Association on all contracts of the Association required to be executed under the seal of the Association.

## **PART IX: REMUNERATION**

21. Unless authorized at any general meeting and after notice of same shall have been given, no Director, Officer or Member of the Association shall receive any remuneration for services performed in his or her capacity as a Member, Officer or Director. Nothing herein shall derogate from or affect the right of the Developer or affiliated company to receive compensation as manager for the Association or in respect of the Developer's performance of any Association duties or transactions.

## **PART X: INDEMNITY**

22. Each member of the Board, officer and employee shall be indemnified by the Association against any and all liability and reasonable expenses in connection with or resulting from any claim, action, suit or proceeding in which he may become involved as a party, or otherwise, by reason of his having been a Director of the Board, officer or employee of the Association except in relation to matters as to which he shall be adjudged with respect to such claim, action or proceeding to be liable for gross negligence or wilful misconduct in the performance of his duty to the Association.

## **PART XI: BYLAWS**

23. The Bylaws may be rescinded, altered or added to by a Special Resolution of the Association, at a general or special meeting of which at least twenty-one (21) days written notice specifying the intention to propose the resolution as a Special Resolution has been duly given.

written notice specifying the intention to propose the resolution as a Special Resolution has been duly given.

**PART XII: WINDING UP**

24. In the event the Association is wound up or dissolved, any surplus of funds shall be paid to such registered and incorporated charitable organizations as the Members by Special Resolution may from time to time determine. In no event shall the Members or any of them become entitled to any of the assets of the Association.

**PART XIII: SIGNATORIES**

25. The signatories to the Association are hereby ratified and confirmed as subscribers to the incorporation of the Association.

DATED at the City of Edmonton, in the Province of Alberta, this 24<sup>th</sup> day of October, 2012.

Tanya Eklund  
Witness  
Printed Name: TANYA EKLUND

[Signature]  
PETER DALY  
900, 10310 Jasper Avenue  
Edmonton AB T5J 1Y8  
Businessman

Tanya Eklund  
Witness  
Printed Name: TANYA EKLUND

[Signature]  
JASON FJELDHEIM  
900, 10310 Jasper Avenue  
Edmonton AB T5J 1Y8  
Businessman

Tanya Eklund  
Witness  
Printed Name: TANYA EKLUND

[Signature]  
MICHAELA DAVIS  
900, 10310 Jasper Avenue  
Edmonton AB T5J 1Y8  
Businessman

Tanya Eklund  
Witness  
Printed Name: TANYA EKLUND

[Signature]  
NAOMI STEFURA  
900, 10310 Jasper Avenue  
Edmonton AB T5J 1Y8  
Businesswoman

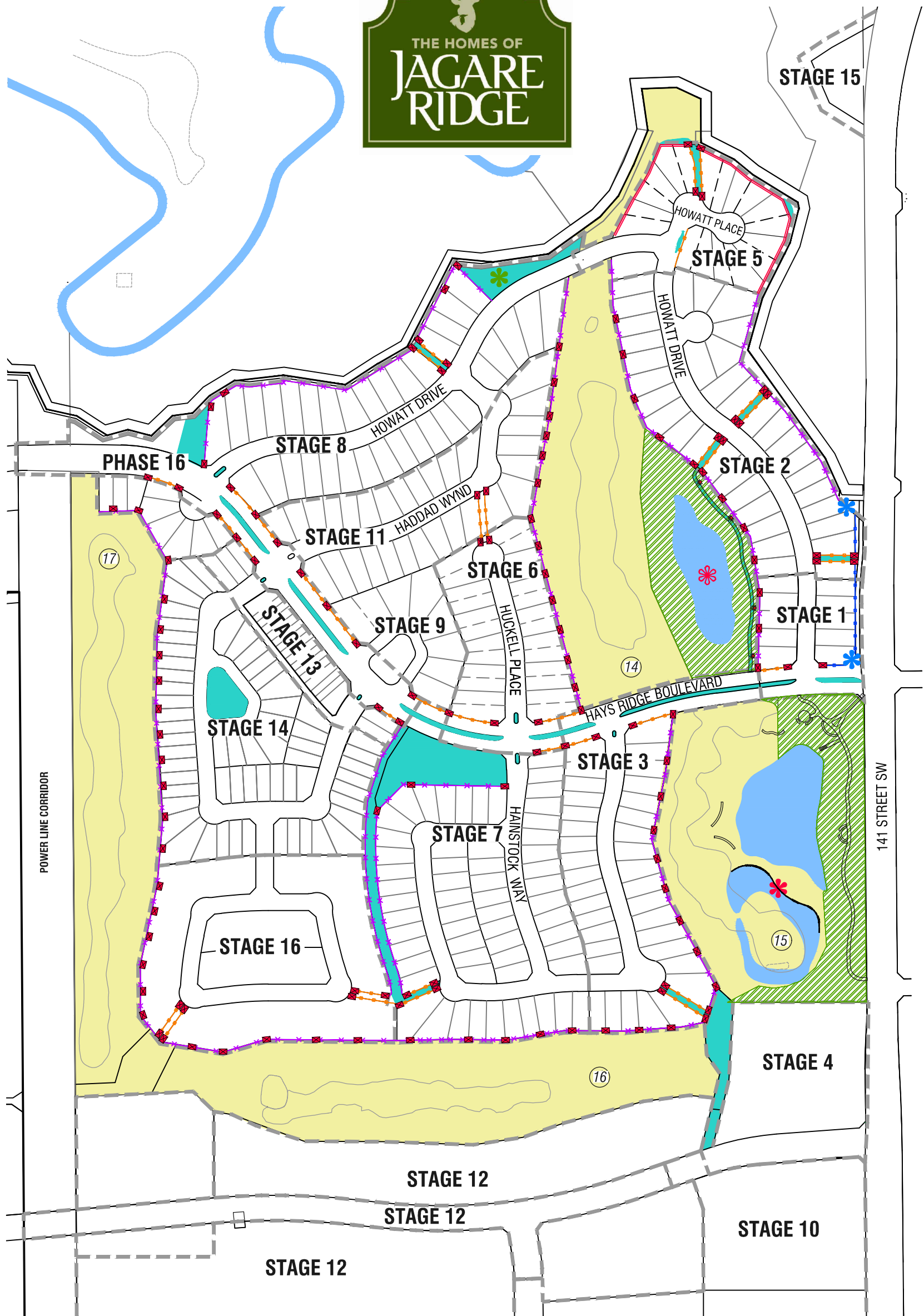
Tanya Eklund  
Witness  
Printed Name: TANYA EKLUND

[Signature]  
KAREN ALBARDA  
900, 10310 Jasper Avenue  
Edmonton AB T5J 1Y8  
Businesswoman



THE EAST HALF OF THE NORTH WEST QUARTER OF SECTION TWENTY  
THREE (23)  
TOWNSHIP FIFTY ONE (51)  
RANGE TWENTY FIVE (25)  
WEST OF THE FOURTH MERIDIAN  
CONTAINING 32.4 HECTARES (80 ACRES) MORE OR LESS  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**EXHIBIT E**  
HOMEOWNERS ASSOCIATION OBLIGATIONS MAP AND LEGEND



**HOA OBLIGATIONS LEGEND**

Subject to Change

- |  |  |   |
|--|--|---|
| <ul style="list-style-type: none"> <li> Stage 1 - Masonry Entry Feature (includes stonework, signage and lighting)</li> <li>Stage 2 Masonry Entry Feature (includes stonework, signage and lighting)</li> <li> Masonry Pillar - (includes stonework)</li> <li> Stage 1 - Pond Fountain</li> <li> Stage 3 - Waterfall (includes stonework, mechanical/electrical and lighting)</li> <li> Stage 8 - Workout Equipment</li> </ul> | <ul style="list-style-type: none"> <li> Decorative Steel Fence</li> <li> Decorative Steel Fence on top of Retaining Wall</li> <li> Wood Screen Fence (does not incl. private to private lot fencing)</li> <li> Wood Screen Fence on Masonry Wall - Includes Stonework</li> <li> Area shared 50/50 between Jagare Ridge HOA (JRHOA) &amp; Jagare Ridge Golf Course (JRGC) (includes soft landscaping, plaza, pathway lighting, amenities and stonework)<br/>- Maintained by JRGC<br/>- Costs split 50/50 with JRHOA &amp; JRGC</li> </ul> | <p><u>Non-HOA Obligation Items</u></p> <ul style="list-style-type: none"> <li> City Maintained Pathway Lighting</li> <li> City Maintained Area (incl. landscaping, pathway, site furnishings and playground)</li> <li> Private Golf Course holes, owned and maintained by the Jagare Ridge Golf Course</li> </ul> |
|--|--|---|



**EXHIBIT F**  
RESERVE PLANNER QUALIFICATIONS

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## **APPRAISER & CONSULTANT QUALIFICATIONS**

**- Jeff Miller, B.Comm. -**

### **EDUCATION**

- **MacEwan University**  
2013: Bachelor of Commerce Degree – Management Major
- **University of British Columbia, Sauder School of Business Division**  
2014 – Present: Post-Graduate Certificate in Real Property Valuation
- **Appraisal Institute of Canada**  
2014 - Present: Candidate Appraiser

### **EXPERIENCE**

- **Glen Cowan & Associates Real Property Appraisals Ltd.**  
2014 - Present: Commercial Real Estate Appraiser
  - Valuation of commercial, industrial, residential, investment and special use properties.
  - Consulting services
  - Market research and analysis
- **CanWest Reserve Planners and Insurance Appraisers**  
2014 - Present:
  - Preparation of reserve fund studies and cost-based appraisals for insurance purposes.

### **APPRAISAL & RESERVE PLANNING EXPERIENCE**

- Completed a vast number of appraisal reports utilized for obtaining mortgage financing and/or internal decision-making purposes. The appraisals involve a wide range of property types from heavy use industrial manufacturing facilities, to grocery anchored shopping centres, to apartment complexes, to existing and proposed residential/industrial subdivisions.
  - Completed various appraisal valuations and expert reports which were submitted to the courts for aid in foreclosure.
  - Completed both current and retrospective appraisal analyses on a wide range of different real estate assets.
  - Completed Reserve Fund Study reports for a variety of properties including row/townhouses, low-rise and high-rise residential, retail, bare land, and industrial.
-

## **PROFESSIONAL ORGANIZATIONS AND MEMBERSHIPS**

- Appraisal Institute of Canada – Candidate Member

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## APPRAISER & CONSULTANT QUALIFICATIONS

— Pawel Martyniak, MBA, AACI, P. App —

### EDUCATION

- November 2016      **Masters of Business Administration**  
 University of Alberta  
 Finance Specialization
- June 2005            **Bachelor of Commerce**  
 University of Alberta  
 Major in Finance, minor in International Business
- June 2010            **Post-Graduate Certificate In**  
**Real Property Valuation**  
 University of British Columbia  
 Received AACI – Accredited Appraiser Canadian Institute - 2011

### EXPERIENCE

- July 05                **Commercial Real Estate Appraiser, Partner**
- Present                Glen Cowan & Associates Real Estate Appraisals Ltd.  
 CanWest Reserve Planners Ltd.
- ❖ Commercial real property valuations
  - ❖ Consulting services
  - ❖ Research
  - ❖ Expert Testimony

### PROFESSIONAL ORGANIZATIONS AND MEMBERSHIPS

- ❖ AIC – Appraisal Institute of Canada, AACI, P. App Accreditation –  
 November 2011
  - ❖ Alberta Expropriation Association (AEA)
-

## **EXPERT WITNESS**

- ❖ Alberta Court of King's Bench

## **APPRAISAL EXPERIENCE**

- ❖ Completed a vast number of appraisals and consulting reports utilized for obtaining mortgage financing, internal decision making purposes, litigation purposes, etc. The assignments involve a wide range of property types from industrial facilities, to grocery anchored shopping centres, to apartment complexes, to existing and proposed developments, etc.
  - ❖ Completed various appraisal valuations and expert reports which were submitted to the courts for aid in foreclosure and other legal matters
  - ❖ Completed both current and retrospective consulting and appraisal analyses on a wide range of different real estate assets
  - ❖ Completed feasibility studies for multi-family and mixed-use developments, etc.
-