

HACKETT SIMPSON* TRIPODI LLP

BARRISTERS & SOLICITORS

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**TO: SOLICITORS ACTING ON CEDAR SPRINGS MORTGAGE TRANSACTIONS
(For properties with up –to-date Section 119 and Section 118 Restrictions)**

NB: This letter should be read in conjunction with my Detailed Letter (**CSCC Detailed Letter to Solicitors 2008**) which provides a summary of the General Building Scheme.

Re: Cedar Springs Community Club (the “Club”)
Request for Consent to Mortgage a Cottage in Cedar Springs, Burlington (the “Property”)

Please be advised that I have been retained by the Board of Directors of Cedar Springs Community Club to process the above noted Consent to Mortgage of a Cottage in Cedar Springs by the Club. I understand that you have been retained as the Mortgagor(s) solicitor with respect to this transaction. To assist in your understanding of the mechanics of this transaction I have or soon will be forwarding both my standard “Detailed Letter to Solicitors” and standard “Initial Letter to Solicitors” which provide details as to the general building scheme and the By-Laws, rules, regulations and procedures of Cedar Springs Community Club.

Pursuant to the By-Laws and procedures of Cedar Springs Community Club, the Club’s consent to the mortgage of the above property will be provided in escrow.

In order to ensure that solicitors acting on mortgages of cottages in Cedar Springs understand the terms of the escrow delivery of the Club’s Consent, I am writing to outline the terms of the Club’s standard procedures which are as follows:

1. The Mortgagor must have already registered against title a Summary of the Restrictions and Provisions of the General Building Scheme by way of an application under Section 119 of the Land Titles Act. As well, the property must already be subject to the Club’s standard form of Section 118 Application prohibiting any further Transfer, Charge or Lease without the consent of Cedar Springs Community Club. If the current version of these two documents are not registered against title to the subject property you will need

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to contact me immediately so that further instructions and escrow provisions can be arranged.

2. The Charge/Mortgage of Land must include, as a Statement 61 Schedule, the Club's Form of Consent and a Schedule of Amendments to Charge which will modify the terms of the Charge and any Standard Charge Terms so as to incorporate the Restrictive Covenants and the obligations and provisions of the General Building Scheme directly into the Charge. A sample registered Mortgage containing the Club's Consent and a Schedule of Amendments to Charge can be downloaded from the Land Title Office. **Request Instrument Number HR221387.**
3. The above noted Statement 61, Schedule will be executed by the President or another authorized officer of Cedar Springs Community Club and then scanned into your Charge/Mortgage of Land. Accordingly, it will be necessary for you to message your draft mortgage to me so that I can attend to the incorporation of this Statement 61, Schedule.
4. In the Statements section of the Charge/Mortgage of Land, I will add a warning to the effect that "Cedar Springs Community Club has consented to the registration of this document subject to the continuance of the Section 118 Restrictions previously registered". Wording will also be inserted in the "Additional Provisions" portion of the Charge/Mortgage of Land to the effect that "Cedar Springs Community Club has consented to the registration of this document, subject to the continuance of the Section 119 Restrictive Covenants registered on title and subject to and conditional upon the terms and conditions contained in the Consent to Charge and Schedule of Amendments to Charge attached to this Charge, as a Schedule".
5. Once the Charge/Mortgage of Land has been completed to the Club's satisfaction and upon receiving confirmation from you of your agreement to all escrow terms, including the deliveries noted below, arrangements will be coordinated to instruct the Registrar of Land Titles to override the Section 118 Restrictions to allow the registration of the Charge/Mortgage of Land.
6. Immediately following the registration of the Charge/Mortgage of Land you will be required to advise me of registration particulars allowing me to immediately contact the Registrar of Land Titles to have the override removed and the Section 118 Restrictions reinstated.

The Club's Consent to Charge and all other deliveries will be provided in escrow conditional upon the following deliveries, before or immediately following closing, (in duplicate except for payments noted):

1. Charge/Mortgage of Land, as registered, immediately by fax with two (2) hard copies by mail or courier to follow;
2. Payment of any outstanding arrears of Annual Dues, in certified form, payable to Cedar Springs Community Club, unless paid in advance;
3. Septic Undertaking unless a septic certificate, confirming that the septic system is in good working order and condition, has been received and approved by Cedar Springs;
4. Payment of my Legal Fees with respect to the Charge/Mortgage, estimated to be \$450.00 plus G.S.T.

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CSCC Letter re Mortgage Details