eStrataHub Cover Sheet

Date Delivered	December 17, 2022 04:17PM
Strata Manager	MOUNTAIN PEAKS RESORT REALTY LTD
eStrataHub Order Number	576013
Folio Reference	Denise Brown
Requestor Company	RE/MAX Sea to Sky Real Estate
Requested By	Denise Brown
Property Name	Horstman House
Strata Plan #	LMS4141
Strata Lot #	10
Civic Address	#205G3 - 4653 Blackcomb Way, Whistler, BC, V8E 0Y9

Documents and Files in this Container for Order 576013(Folio:Denise Brown)

Depreciation Report

eSH576013-01-Depreciation Report_R-3666 - Horstman House Depreciation Report 2015 (LMS 4215) - Draft 3.pdf

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Bylaws

eSH576013-02-Bylaws_HH_Association_Bylaws_Final July 2022.pdf

eSH576013-03-Bylaws_HH Strata Bylaws FINAL July 28 2022.pdf

Financial Statements (most recent)

eSH576013-04-Financial Statements (most recent)_HHS Q4 Financials 2021-2022.pdf

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Annual General Meeting Minutes

eSH576013-05-Annual General Meeting Minutes_HH AGM 2022 meeting minutes.pdf

eSH576013-06-Annual General Meeting Minutes_HH Homeowners 2021.pdf

eSH576013-07-Annual General Meeting Minutes_HH Homeowners 2020.pdf

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Strata Council Meeting Minutes

eSH576013-08-Strata Council Meeting Minutes_Aug 20 2020 AGM Minutes LMS 4141.pdf

eSH576013-09-Strata Council Meeting Minutes_HH AGM 2022 meeting minutes.pdf

eSH576013-10-Strata Council Meeting Minutes_HH AGM 2021 meeting minutes.pdf

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Form B - Information Certificate

Not Available - Form B to follow- awaiting signature

Rules

Not Available

Warranty

Not Available

Engineering Report

Not Available

Remediation/Building Envelope Reports or Summary

Not Available

Special General Meeting Minutes

Not Available

Document is not available

Document:	Form B - Information Certificate
Property:	Horstman House
Strata Plan #:	LMS4141
Strata Lot #:	10
Comment:	Form B to follow- awaiting signature

Document is not available

Document:	Rules
Property:	Horstman House
Strata Plan #:	LMS4141
Strata Lot #:	10
Comment:	

Document is not available

Document:	Warranty
Property:	Horstman House
Strata Plan #:	LMS4141
Strata Lot #:	10
Comment:	

Document is not available

Document:	Engineering Report
Property:	Horstman House
Strata Plan #:	LMS4141
Strata Lot #:	10
Comment:	

Document is not available

Document:	Remediation/Building Envelope Reports or Summary
Property:	Horstman House
Strata Plan #:	LMS4141
Strata Lot #:	10
Comment:	

Document is not available

Document:	Special General Meeting Minutes
Property:	Horstman House
Strata Plan #:	LMS4141
Strata Lot #:	10
Comment:	

Horstman House LMS4141
Strata Council Joint Quarterly Meeting – 2nd Quarter
Wednesday, January 18th, 2023

Via Teleconference: HHS President: Nolan Peters; HHS Vice President: Rudy Wartlik; HHS Treasurer: Nancy Serwo; HHS Council Members: Sean Kearns, Lisa Reino, Branko Cvoric

Guests: MPRR (Mountain Peaks Resort Realty) Managing Broker: Scott Duke; Western Trust Business Development Director: Nico Leenders; MPRR General Manager: Aaron MoQuin; MPRR Director of Operations: Tim Riley, Horstman House Lodge Manager: Bryony Dique

The meeting was called to order at 5:40 pm.

1. **Approval of Agenda**
   Motioned, seconded, and approved as presented.

2. **Minutes from the First Quarter Council Meeting**
   Motioned, seconded, and carried to approve the minutes of the Horstman House Strata Quarterly meeting held on October 12th, 2022.

3. **Review of 2023 Q1 Financial statements to date**
   a. **Financial Statements**
   We are in a comfortable position with a YTD positive variance of $56,368.33. We are under in Natural Gas by ~$14K partly driven by a $5,450.33 rebate received during Q2. Hydro is also under. Contingency is a healthy $609,224.60.
   b. **A/R**
   AR report was sent- WP will monitor closely.

4. **Building Status**
   a. **Fire Protection System**
   Common area deficiencies completed in July 2022, in-suite done in October 2022 maintenance week. All items for last year have been completed. The next annual inspection will be conducted in April/May. List of deficiencies will be made and will be sent to Council for approval.

   b. **Hytec Water System**
   MPRR rang Clearwater and are still in correspondence. Plumbers have inspected the site. MPRR is having a meeting on Friday to review building plans. A proposal and quote will follow. MPRR followed up the proposal from Hytec two weeks ago. They are aware that MPRR will be in contact again after a competitive quote is gained.

   c. **EV chargers**

The charging heads are on warranty until the end of 2023. There is still no plan for Canada upgrades- this will be updated within the next year. We do not need to upgrade until 2025 as per the email from SemaConnect. A small amount of income has been gained from them, but annual fees apply so we are unsure if they are profitable overall. It was suggested that we reduce down to one or two chargers if they are not profitable, but we would need one inside and one outside the gates. Council and MPRR will look at finances if needed. The initial cost was the main bulk of the cost. There may be a financial summary available from a website that will give the statistics of annual cost and money gained in 2022. MPRR will check.

d. Backflow prevention testing

Tested annually and logged with the Muni: Fire protection system, ice machine, pool and hot tub, and irrigation system are tested.

It was reported that in HH406, the hose in the kitchen sink shows some of the mesh inside and a pressure bubble has formed. MPRR will look at hoses in all units. Will buy replacement hoses which will ideally have a metal mesh.

e. Heat trace

All systems are functioning as expected. There are now 2 spare breakers on site which will reduce repair time if needed. They are located on the pool deck, front deck, and entry stairs to Horstman House.

f. Hot water storage tank

Annual inspections are carried out. During the last inspection the insulation in the middle boiler was damp due to a pinhole leak. It has sealed itself for now. This will be kept in mind for the budget next year. It is no longer under warranty. Estimated price to replace is around $10,000. When asked the company advised to replace rather than repair. Awaiting further quotes. May be worth getting a water alarm senser to monitor whether it starts leaking again. MPRR will find out the details about the warranty.

g. 2nd floor wall scuffs

Some scuffs on the wall that were covered but a few new ones since. MPRR have ordered some buffers for the housekeeping carts and will perform a trial to reduce marks made on the walls.

h. Ice Machine

The ice machine on the 3rd floor broke over the Christmas Holiday period but is now repaired and functional. May be worth looking into getting an ice machine for each floor as prices have decreased since the ice machine was first installed. It would require a water source and need to be commercial grade. MPRR will look into the cost for one or two machines, including the plumbing cost to install, the price of the machine, and the additional backflow testing.

i. Lobby floor tiles

Some tiles are starting to lift in the lobby and the adhesive has failed. We have none of the original tiles, but have close alternatives that have been used before. Not sure of the cause for this but it should be addressed. May be an option to switch out a tile from a less obvious location, however the tile may crack when trying to remove it. MPRR will take a photo with new tiles on top to show colour difference, get a quote for the labour to replace the tiles, and look into a 'Welcome to Horstman House' non-slip matt for the entrance.

j. Parkade

There are some cracks on the ramps which will be addressed in the Spring. The parkade will be pressure washed, and the lines re-painted as required around April.

k. 2nd Floor carpet stain repair

We are aware of this issue and have reached out to several different companies. Only one said they would be able to repair the carpet, and we are on the wait list. They estimated it would be a few months before they are able to complete this task.

l. **South stairwell stair nosings**

Rubber nosings in the South Stairwell are showing a lot of wear. Reached out to a few companies who said we need to take a current nosing to them for a quote. We will need to wait and do this when Horstman House is quieter. Nosings in the North stairwell do not need to be replaced yet. We will try to keep the colour the same. MPRR will get a quote then share with the Council.

5. **Horstman House Strata Bylaw Updates**

Form 1 to be signed in person by 2 council members. Council will be alerted when this has been filed by the lawyer and completed.

6. **Council Member Positions**

Kelley Marlow will be invited to join the Council. Council will contact her and she will be officially voted in at the next AGM. WP and council members will be copied into an email which will allow them to welcome the new member and get the contact information for the mailing list. The new member will join for the Q3 meeting. Rudy will stay on Council until his unit sells.

7. **New Business**

None

8. **Next meeting, 2023 Q3 quarterly meeting- date**

Wednesday 12th April 2023 at 5.30pm.

9. **Meeting Adjourned**

Motion to adjourn. Seconded and approved. Meeting adjourned at 6:42 pm.

Horstman House LMS4141
Horstman House Association Quarterly Meeting – 2nd Quarter
Wednesday, January 18th, 2023

Via Teleconference: HOA President: Nolan Peters; HOA Vice President: Rudy Wartlik; HOA Treasurer: Nancy Serwo; HOA Council Members: Branko Cvoric, Lisa Reino.

Guests: MPRR (Mountain Peaks Resort Realty) Managing Broker: Scott Duke; Western Trust Business Development Director: Nico Leenders; MPRR General Manager: Aaron MoQuin; MPRR Director of Operations: Tim Riley, Horstman House Lodge Manager: Bryony Dique

The meeting was called to order at 6:45 pm.

1. **Approval of Agenda**
   Motioned, seconded, and approved as presented.

2. **Review of Minutes From 2023 Q1 Quarterly Meeting Held October 12th, 2022**
   Rudy's name is mentioned twice so it will be removed. It was motioned, seconded, and carried to approve the minutes of the Horstman House Homeowners Association Quarterly meeting held on October 12th, 2022.

3. **Review of 2023 Q3 Financial Statements**
   There is a Year-to-date positive variance of $44,379.50. We've had a positive variance in the property fee income which we expected as we budget this conservatively due to it being variable. Unit Inventory is healthy and new appliances have been ordered to continue the move to stainless steel. 3 more sets of each appliance have been ordered, and patio furniture is due to arrive next month. The appliance order was phased into 2 orders due to storage limitations. The Refurbishment fund has a balance of $44,379.50 and all of the projects that we were working on have been paid for and completed.

4. **Replacement Fund**
   a. **Bed Replacement**
      All orders and projects have been paid for. All King beds were replaced in October 2022. We have not paid for or ordered new sofa bed mattresses yet. WP will obtain pricing for new sofa bed mattresses to be presented to the Council for consideration. The sofa beds were bought between 8-10 years ago. The mattress in one unit has already been replaced in October 2022 as it was particularly bad. Foam mattress toppers were also purchased to increase the comfort level, and covers for the toppers were bought to increase their life. Previous quote to replace them all was $25,000-$40,000, but this has probably increased by now. Rudy will try to find the previous quote. A new quote will be sourced by Whistler Premier from the previously used mattress company, or the company we bought the sofas from originally. Finances would allow these to be replaced in October 2023.

b. **Update on Balcony Furniture**
   Awaiting delivery. Council will confirm dates. Should arrive beginning of February and will be built as soon as possible.
c. **Appliances**
   Already discussed above.
d. **Account balance to date**
   Already discussed above.

5. **Rotational Calendar**
   2 different calendars were put forward: one created by owners to try and increase equality, and one by WP that follows the same pattern as previous. Council will look over these in the next few weeks. This will be revisited in the Q3 meeting and finalized in the AGM.

6. **Horstman House Newsletter**
   Council members will send items to be included in the newsletter to WP.

7. **Whistler Premier Update**
   a. **Whistler rental market**
      There has been a big increase in the number of visitors to Whistler over the past 6 months, with a predicted 83% increase in February 2023 compared to February 2022. There is a large increase in people travelling from the USA and Australia. We are back to pre-pandemic visitor numbers, and rates have been increased which will mean increased revenue.
   b. **BC Assessment**
      There will be no appeal for the June evaluation of the property as requested by an owner. Horstman House was previously challenged by the tax authority. Lawyers were involved and HH had to pay commercial tax for 1 year. HH won the case and was able to get the extra money back. A new tax bracket was created for HH quarter-share owners. It may be worth looking at getting another valuation to assess tax rates in the future. Legends is another quarter-share property and they have higher tax rates than HH. All units are in compliance with the BC assessment requirements.
   c. **Deep Cleans**
      Scheduled for Spring.
   d. **Maintenance Planning spreadsheet**
      A new maintenance planning program is currently being created and will be rolled out after a testing phase. This has a huge potential to increase efficiency, tracking, and requests. Asana will be the main task management system being used, starting in the next few weeks. Updates will be given in the Q3 meeting.

8. **Horstman House Association Bylaw Updates**
   Are not required to be filed.

9. **Online registration and auto check-in**

   This system seems to be working well now. Owners are becoming more used to it, and a lot of the issues have been resolved such as the emails going to people's spam/ junk folders. It was suggested to add a line advising that the arrival instructions will be sent within 24 hours of completion of the online registration form. The WP IT department is currently in the trial phase to make arrival instructions automated which should be introduced soon. It was requested that all communication be made available to all owners, including owner portal access, especially for units with more than one owner. This will be looked at by the WP IT team.

10. **Council Member Positions**

    Discussed in the Strata meeting.

11. **New Business**

    Amenities: Council and WP will be looking at potential options for alternative amenities. Council will put together a list of amenities at low cost to improve the level of quality, potentially to include some kitchen items. The towel hooks were upgraded. It was requested that clothing racks be purchased to dry items of clothing without using the tumble dryer. Hoping to move towards a 'greener' approach I.e., less plastic waste and more environmentally friendly. WP currently pay for amenities; conditioner was agreed to be covered by the HHOA budget. Council will work with WP to find consistent line of product. Council may need to consider upgrading the budget for these items. All suites must be identical- any upgrades in one unit must be made to all units.

12. **Next meeting, 3rd quarter- date?**

    Wednesday 12th April, 2023, after the Strata meeting is adjourned.

13. **Adjourn**

    Motion to adjourn. Seconded and approved. Meeting adjourned at 7:49 pm.

Horstman House Strata Plan LMS4141
Profit & Loss Budget vs. Actual
June through November 2022

	Jun - Nov 22	Budget	$ Over Budget
Ordinary Income/Expense			
Income			
4010 · Fee Income			
4020 · Strata Fees	654,910.33	654,453.48	456.85
Total 4010 · Fee Income	654,910.33	654,453.48	456.85
4120 · Miscellaneous Income	504.19	0.00	504.19
4140 · Interest Income	1,465.55	0.00	1,465.55
Total Income	656,880.07	654,453.48	2,426.59
Gross Profit	656,880.07	654,453.48	2,426.59
Expense			
6010 · Audit & Legal	1,995.75	2,700.00	-704.25
6020 · Bank Charges	977.79	1,032.00	-54.21
6030 · Common Area Cleaning & Janitor	19,152.00	23,850.00	-4,698.00
6040 · Cleaning Supplies	1,530.00	1,680.00	-150.00
6050 · Elevator Maintenance	3,163.28	3,960.00	-796.72
6052 · Energy Management	630.00	672.00	-42.00
6060 · Garbage Removal	9,640.89	9,502.00	138.89
6070 · Fire & Safety Maintenance	992.25	6,585.00	-5,592.75
6080 · Hydro	24,988.14	28,128.00	-3,139.86
6090 · Insurance	40,032.00	40,064.00	-32.00
6100 · Landscape Maintenance	15,016.88	9,998.00	5,018.88
6110 · Management Fees	10,395.00	11,022.00	-627.00
6111 · Property Taxes	79,981.49	81,565.00	-1,583.51
6120 · Meeting Expenses	0.00	248.00	-248.00
6130 · Miscellanous	0.00	372.00	-372.00
6140 · Postage & Copies	318.08	99.98	218.10
6150 · Pool / Spa	21,264.29	22,004.00	-739.71
6160 · Natural Gas	5,975.08	20,000.00	-14,024.92
6170 · Repairs & Maintenance	26,704.26	30,381.00	-3,676.74
6171 · Repairs & maintenance - labour	19,026.00	22,932.00	-3,906.00
6175 · Repairs & Maintenance- Property	-163.72	5,002.00	-5,165.72
6190 · Security	5,796.71	9,750.00	-3,953.29
6210 · Snow Removal	2,953.13	1,416.00	1,537.13
6220 · Window Cleaning	2,546.25	2,600.00	-53.75
6230 · Utilities - Water & Sewer	1,567.50	0.00	1,567.50
6710 · Roof Replacement	40,000.00	39,998.00	2.00
Total Expense	334,483.05	375,560.98	-41,077.93
Net Ordinary Income	322,397.02	278,892.50	43,504.52
Other Income/Expense			
Other Expense			
6700 · Transfers to contingency fund	20,000.00	20,002.00	-2.00
6800 · HH Association Contributions	252,222.37	252,222.00	0.37
6910 · Transfer to PY surplus/deficit	12,863.00	25,725.00	-12,862.00
Total Other Expense	285,085.37	297,949.00	-12,863.63
Net Other Income	-285,085.37	-297,949.00	12,863.63
Net Income	**37,311.65**	**-19,056.50**	**56,368.15**

Horstman House Strata Plan LMS4141
Profit & Loss Budget vs. Actual
September through November 2022

	Sep - Nov 22	Budget	$ Over Budget
Ordinary Income/Expense			
Income			
4010 · Fee Income			
4020 · Strata Fees	327,791.03	327,226.74	564.29
Total 4010 · Fee Income	327,791.03	327,226.74	564.29
4120 · Miscellaneous Income	504.19	0.00	504.19
4140 · Interest Income	781.82	0.00	781.82
Total Income	329,077.04	327,226.74	1,850.30
Gross Profit	329,077.04	327,226.74	1,850.30
Expense			
6010 · Audit & Legal	1,225.00	1,350.00	-125.00
6020 · Bank Charges	591.94	516.00	75.94
6030 · Common Area Cleaning & Janitor	8,935.50	11,925.00	-2,989.50
6040 · Cleaning Supplies	765.00	840.00	-75.00
6050 · Elevator Maintenance	1,278.26	1,980.00	-701.74
6052 · Energy Management	315.00	336.00	-21.00
6060 · Garbage Removal	4,703.70	4,750.00	-46.30
6070 · Fire & Safety Maintenance	0.00	3,291.00	-3,291.00
6080 · Hydro	16,402.45	18,297.00	-1,894.55
6090 · Insurance	20,016.00	20,033.00	-17.00
6100 · Landscape Maintenance	8,650.96	5,000.00	3,650.96
6110 · Management Fees	5,197.50	5,511.00	-313.50
6111 · Property Taxes	38,758.05	40,782.00	-2,023.95
6120 · Meeting Expenses	0.00	125.00	-125.00
6130 · Miscellanous	0.00	186.00	-186.00
6140 · Postage & Copies	0.00	50.00	-50.00
6150 · Pool / Spa	10,138.28	11,000.00	-861.72
6160 · Natural Gas	950.45	15,000.00	-14,049.55
6170 · Repairs & Maintenance	14,790.74	15,190.00	-399.26
6171 · Repairs & maintenance - labour	9,513.00	11,466.00	-1,953.00
6175 · Repairs & Maintenance- Property	0.00	2,500.00	-2,500.00
6190 · Security	1,620.85	4,875.00	-3,254.15
6210 · Snow Removal	2,953.13	1,416.00	1,537.13
6220 · Window Cleaning	121.25	0.00	121.25
6230 · Utilities - Water & Sewer	783.75		
6710 · Roof Replacement	20,000.00	20,000.00	0.00
Total Expense	167,710.81	196,419.00	-28,708.19
Net Ordinary Income	161,366.23	130,807.74	30,558.49
Other Income/Expense			
Other Expense			
6700 · Transfers to contingency fund	10,000.00	10,000.00	0.00
6800 · HH Association Contributions	132,892.00	132,892.00	0.00
6910 · Transfer to PY surplus/deficit	0.00	12,864.00	-12,864.00
Total Other Expense	142,892.00	155,756.00	-12,864.00
Net Other Income	-142,892.00	-155,756.00	12,864.00
Net Income	**18,474.23**	**-24,948.26**	**43,422.49**

Horstman House Homeowners Association
Profit & Loss Budget vs. Actual
June through November 2022

	Jun - Nov 22	Budget	$ Over Budget
Ordinary Income/Expense			
Income			
4020 - Strata Contributions	252,222.37	252,222.37	0.00
4030 - Interest Income	0.00	17.00	-17.00
4060 · Property Fee Income	33,019.96	24,456.00	8,563.96
Total Income	285,242.33	276,695.37	8,546.96
Gross Profit	285,242.33	276,695.37	8,546.96
Expense			
6005 · Annual Deep Cleans	47,541.85	48,878.00	-1,336.15
6010 · Audit & Legal Expenses	3,505.72	3,459.00	46.72
6020 · Bank Fees & Charges	112.42	180.00	-67.58
6030 · Cable & Telephone	21,081.97	21,947.00	-865.03
6040 · Front Desk Staff	45,838.36	47,424.00	-1,585.64
6080 · Meeting Expenses	0.00	250.00	-250.00
6090 · Miscellaneous Expenses	0.00	998.00	-998.00
6100 · Postage & Copies	0.00	150.00	-150.00
6120 · Repairs & Maintenance Expense	7,037.07	9,998.00	-2,960.93
6121 · Repairs & Maint - Labour	19,026.00	22,932.00	-3,906.00
6123 · Repairs & Maint - Remediation	0.00	1,500.00	-1,500.00
6130 · Accounting Fee	6,930.00	7,560.00	-630.00
6160 · Telephone Maintenance	0.00	248.00	-248.00
6200 · Unit inventory	13,042.94	35,002.00	-21,959.06
6500 · TW Assessment	39,336.18	37,976.00	1,360.18
Total Expense	203,452.51	238,502.00	-35,049.49
Net Ordinary Income	81,789.82	38,193.37	43,596.45
Other Income/Expense			
Other Expense			
6800 - Transfers to replacement	27,000.00	27,000.00	0.00
Total Other Expense	27,000.00	27,000.00	0.00
Net Other Income	-27,000.00	-27,000.00	0.00
Net Income	**54,789.82**	**11,193.37**	**43,596.45**

Horstman House Homeowners Association
Profit & Loss Budget vs. Actual
September through November 2022

	Sep - Nov 22	Budget	$ Over Budget
Ordinary Income/Expense			
Income			
4020 - Strata Contributions	132,892.00	132,892.00	0.00
4030 - Interest Income	0.00	9.00	-9.00
4060 · Property Fee Income	11,393.81	7,107.00	4,286.81
Total Income	144,285.81	140,008.00	4,277.81
Gross Profit	144,285.81	140,008.00	4,277.81
Expense			
6005 · Annual Deep Cleans	31,016.85	26,099.00	4,917.85
6010 · Audit & Legal Expenses	1,752.86	1,728.00	24.86
6020 · Bank Fees & Charges	57.57	90.00	-32.43
6030 · Cable & Telephone	10,741.90	10,973.00	-231.10
6040 · Front Desk Staff	22,905.75	23,712.00	-806.25
6080 · Meeting Expenses	0.00	125.00	-125.00
6090 · Miscellaneous Expenses	0.00	500.00	-500.00
6100 · Postage & Copies	0.00	75.00	-75.00
6120 · Repairs & Maintenance Expense	5,876.80	5,000.00	876.80
6121 · Repairs & Maint - Labour	9,513.00	11,466.00	-1,953.00
6123 · Repairs & Maint - Remediation	0.00	750.00	-750.00
6130 · Accounting Fee	3,465.00	3,780.00	-315.00
6160 · Telephone Maintenance	0.00	125.00	-125.00
6200 · Unit inventory	7,178.91	17,500.00	-10,321.09
6500 · TW Assessment	18,988.83	18,989.00	-0.17
Total Expense	111,497.47	120,912.00	-9,414.53
Net Ordinary Income	32,788.34	19,096.00	13,692.34
Other Income/Expense			
Other Expense			
6800 - Transfers to replacement	13,500.00	13,500.00	0.00
Total Other Expense	13,500.00	13,500.00	0.00
Net Other Income	-13,500.00	-13,500.00	0.00
Net Income	**19,288.34**	**5,596.00**	**13,692.34**

NLD CONSULTING

RESERVE FUND ADVISORS

A Division of Niemi LaPorte & Dowle Appraisals Ltd.

Tel: 604-638-1041 **Toll Free: 1-855-578-7282**

www.reserveadvisors.ca

DEPRECIATION REPORT

LMS 4214—"Horstman House"
4653 Blackcomb Way
Whistler, BC
2016

March 9, 2016

The Owners, LMS 4214—"Horstman House"

c/o Whistler Premier
4220 Gateway Drive
Whistler, BC, V0N 1B4

Dear Sir/Madam:

Depreciation Report / Reserve Fund Study
LMS 4214—"Horstman House"
4653 Blackcomb Way, Whistler, BC

This Depreciation Report lists and describes the major reserve fund items. It provides current and future reserve expenditure estimates and recommends reserve fund actions. The depreciation report has been completed to the legislated requirements of the BC Strata Property Act as amended to date. This depreciation report is a complex document and should be reviewed in detail.

We recommend that a Reserve Fund plan be adopted with Contingency Reserve Fund (CRF) contributions adjusted to $0 in the year Jun 2016–May 2017, and further increased as per the recommendations in section 5.2. It is important to be aware that the legislation does not require the Strata owners to follow any particular funding recommendation within this report. The Strata owners are allowed to choose their own funding plan, provided it meets the minimum legislated requirements.

NLD Consulting – Reserve Fund Advisors would be pleased to provide you with depreciation report updating services as required. We appreciate the opportunity to perform this report for you. If you have any questions, please do not hesitate to contact the undersigned.

Respectfully submitted,

Terry Dowle, AACI, P.App., RI, CRP
NLD Consulting – Reserve Fund Advisors

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Executive Summary of Facts and Conclusions

This executive summary has been prepared as a quick reference of pertinent information and conclusions of this Depreciation Report / Reserve Fund Study. It is provided for convenience only. Readers are advised to refer to the full text of this Depreciation Report for complete information.

Client The Owners, LMS 4214—"Horstman House"
c/o Whistler Premier
4220 Gateway Drive
Whistler, BC, V0N 1B4

Date of Study March 9, 2016 (Inspection Date: December 18, 2015)

Property LMS 4214—"Horstman House"
4653 Blackcomb Way
Whistler, BC, V0N 1B4
Constructed in 2000

FORECASTED RATES—see section 4

CPI Inflation 1.7%
Cost Inflation 2.9%
Interest Rate 2.9%

Deficiency/Contribution Quotient
May 2014–April 2015
DCQ = 88.7
See Section 5.4 for details

CURRENT FISCAL YEAR INFORMATION

Current Fiscal Year Jun 2015–May 2016
Opening Balance $519,392
CRF Contributions $0

Three Year Plan	Current Year	Recommendations*		
	Jun 2015–May 2016	**Jun 2016–May 2017**	Jun 2017–May 2018	Jun 2018–May 2019
Contingency Reserve Fund Contributions	$ -	**$ -**	$ 31,200	$ 56,160
Average Monthly Contribution per Owner**	$ -	**$ -**	$ 50	$ 90

*The strata is not legally required to follow the recommended plan. These recommendations come from the Adequate Funding Model in Section 5. For other models please refer to Appendix J.

**Defined as CRF Contributions divided by 12, divided by the number of strata lots. The amount an owner will actually pay to the CRF depends on their relative unit entitlement.

Certification

I certify to the best of my 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 my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present interest in the issue that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the issue that is the subject matter of this report or to the parties involved with this assignment.
- My compensation is not contingent on an action or an event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.
- I have the knowledge and experience to complete the assignment competently, and hereby certify that I am a qualified person empowered to conduct reserve fund studies.
- I have personally inspected the property described within, and I have personally examined the building plans and/or documents as identified herein. To the best of my knowledge and belief, the information and data used herein are true and correct.
- I have not been provided significant professional assistance in the completion of this report.
- As of the date of this report I have fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for members. I am a member in good standing with the Appraisal Institute of Canada and carry current errors and omission insurance through Trisura Guarantee Insurance Company.
- The Depreciation Report was prepared in conformity with the requirements of the BC Strata Property Act as amended to date, as well as the Reserve Fund Study Standards, published by the Real Estate Institute of Canada, and the Consulting Standard of the Appraisal Institute of Canada.

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Terry Dowle, AACI, P.App., RI, CRP
March 9, 2016
Qualifications listed in Appendix A

1. Report Overview

1.1 Purpose of the Report

Description

This depreciation report is a study of the existing development components that have shared responsibility and which will require replacement or major repairs less often than once per year. It is a financial document that estimates expenditures from the Contingency Reserve Fund (CRF) in the long term and recommends funding actions.

This report is subject to the assumptions and limiting conditions described in Appendix B.

Purpose

The purpose of a depreciation report is to help current owners determine how much money to save in their reserve fund. The report forecasts a 30 year period but the purpose of this report is specifically to provide information to help current owners determine reserve contributions for the next three years. This report also satisfies the requirements of the Strata Property Amendment Act, 2009, Part 6 Division 1 (Appendix C).

This report should not be considered a detailed review of the roof, building envelope, or any other specific component; nor does it contain exhaustive property maintenance instructions. The replacement dates and component costs are predictions of what will happen, rather than specific recommendations. We are not recommending when to repair or replace each component or how much it will cost; we are recommending CRF funding actions based on our forecasts of what reserve expenditures you will make.

1.2 Methodology

This is a brief summary of the work we have done for this report. For more details please refer to the full report, including appendices.

Property Information (Section 2)

The subject property was visually inspected on December 18, 2015. The consultant reviewed building plans, financial documents, AGM minutes, and bylaws, and consulted with the client to identify undocumented repair work, learn about latent defects that are causing problems, assess risk tolerance, and determine the client's short-term intentions regarding reserve fund work.

Component Details (Section 3)

The consultant counted, estimated, or measured quantities for all the reserve components, determined their lifespans and effective ages, and forecasted a schedule of major repair and replacement work. The consultant estimated the current cost to repair or replace each component.

Economic Forecasting (Section 4)

An appropriate construction inflation rate was calculated and applied to the current component costs to create a reserve fund budget for 30 years. An achievable interest rate was calculated, applying it to the current balance and future contributions. Finally, a Consumer Price Index (CPI) inflation rate was calculated to aid in recommending fair contributions.

Funding Models (Section 5)

The consultant created an equitable payment schedule such that each owner pays their share towards each component's next replacement, called a Benchmark Analysis. This is a hypothetical scenario because it assumes that there is no reserve fund deficiency. Then the consultant created three funding models (two of them in Appendix J) based on how much money the CRF actually has, and compared it to the benchmark to assess fund performance and risk.

2. Property Information

2.1 Property Description Summary

LMS 4214—"Horstman House"
4653 Blackcomb Way
Whistler, BC, V0N 1B4

This development is located on the east side of Blackomb Way in the Benchlands area of Whistler. It was constructed in 2000 and registered as a strata corporation on February 19, 2009. The Strata Corporation consists of one four-storey Condominium building with two floors of parkade below. The property is a condo hotel property with a Homeowners association and nightly rental agreement.

Web Write up: *The Lodge has a well maintained gym and a spacious guest lounge with billiard table, kids games room and big screen TV lounge. The pool deck is quiet and beautifully laid out with year round heated outdoor pool, hot tub and outdoor BBQ area. Located in a peaceful mountainside location close to Village amenities but with the peace and serenity of the mountains and a private ski in trail to the door at the end of the day.*

The overall construction, materials, and workmanship are of good quality. The project is assumed to have been constructed in accordance with applicable building codes, fire codes, city by-laws, and construction practices in existence at that time.

Whistler Premier, a firm experienced in residential and commercial property management, manages the property.

The property was inspected for the purposes of preparing this report on December 18, 2015, by Terry Dowle, AACI, P.App., RI, CRP. The inspection included a visual on-site inspection of the reserve components, where practical, as per the requirements of the Act.

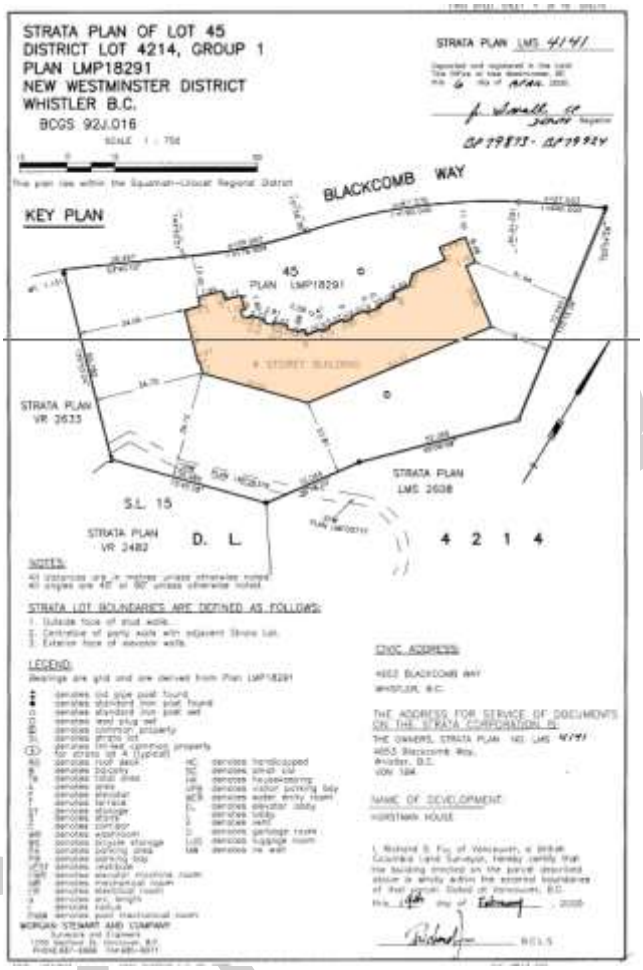
2.2 Building Plans

The following plans were examined in the performance of the depreciation report:

Architectural Plan	Burrowes Huggins Architects
Strata Plan	Morgan stewart & Co.

The architectural plans and strata plan were used for quantifying the components and other improvements. There were complete architectural drawings (combination printed and electronic files) for the development and the available drawings were in good condition. Some quantities were estimated on site or measured off the strata plans and are considered estimates.

Building Plans Example


STRATA PLAN OF LOT 45
DISTRICT LOT 4214, GROUP 1
PLAN LMP18291
NEW WESTMINSTER DISTRICT
WHISTLER B.C.
BCGS 92J.016

STRATA PLAN LMS 4141

KEY PLAN

BLACKCOMB WAY

45
PLAN LMP18291

STRATA PLAN VR 2633

STRATA PLAN LMS 2038

S.L. 15

STRATA PLAN VR 2482

D. L 4214

NOTES:

STRATA LOT BOUNDARIES ARE DEFINED AS FOLLOWS:

LEGEND:

CIVIC ADDRESS:

NAME OF DEVELOPMENT:
HORSTMAN HOUSE

MORGAN STEWART AND COMPANY

2.3 Property Data

The following data have been calculated using dimensions taken from the available plans, and observed during the inspection of the buildings and improvements. The estimates below are for reference purposes only.

Site Area	118,483 square feet
Building Coverage	22,919 square feet
Building Height	Four storeys (50 feet)
Gross Floor Area	56,591 square feet
Occupancy	52 strata units
Parking	82 stalls

2.4 Sections

The subject strata corporation has one distinct governing body and has not been organized into legally-distinct sections. Therefore one set of funding models has been created, pertaining to the strata corporation as a whole. For more information about sections please see Appendix D.

2.5 Development End of Life

A development can reach the end of its economic life long before it physically deteriorates to an unusable condition. The end of its economic life occurs when the property's redevelopment value exceeds its existing value.

No repairs or replacements should be made or accounted for after the end of the development's economic life. Therefore, the strata's reserve fund contributions will decrease until the contributions become zero by the end of the development's life.

As a general rule, an End of Life date more than 50 years away makes no significant difference to the 30 year projections. Even an End of Life date in 30 years, though it drastically changes the 30 year projections, tends to make no significant difference to our recommendation for the annual contributions in the next three years, which is the main focus of this report.

In determining whether to set an End of Life date for the subject property, the consultant has relied upon standard age/life averages, CHOA Information Bulletins, and personal experience in building analysis. When appropriate, the strata council and management have been consulted to determine whether it is helpful to set an End of Life date.

End of Life date: no date set

2.6 Bylaw Review

The consultant has reviewed the bylaws. The review has found them to be fairly typical of BC Strata Corporations with the following important notes:

Repair and Maintenance
The bylaws are typical in terms of which items are the strata corporation's responsibilities to repair and maintain. The bylaws are the basis for determining which items to consider as reserve components.

The subject building is a condo-hotel commonly referred to as Horstman House. The units are individual ownership strata's, however they participate in the Hotel rental agreement. There is a Homeowners Agreement as well as a set of budget and regulations which govern the "hotel" operations. There is a separate budget and set of regulations which govern the strata. We have been instructed by the client to restrict our analysis to the Condominium portion of the Strata only. To this end, we have not investigated the Homeowner Agreement or the reserves and costs for the operations aspect of the development.

The subject bylaws (amended 2005) describe the responsibilities of the owners for any non-reserve components in Section 2, 2.1 – Repair and Maintenance of property by strata corporation. The reserve components are described further in Appendix E.

The non-reserve components forming part of the common and/or limited common property, as per the bylaws, are as follows:

- None noted

For further details related to the bylaws, please refer to the original bylaw document(s) as amended to date.

2.7 Previous Depreciation Reports

There were no previous depreciation reports / reserve fund studies provided for review.

2.8 Historical Financial Analysis

The consultant has examined financial statements for the strata corporation for its operations from Jun 2013–May 2016. The property management company at the time, Whistler Premier, prepared the budget.

Information available indicates that the balance in the reserve funds as of June 1, 2015 was $519,392. The strata has budgeted contributions of $0 for this fiscal year, which is approximately an average of $0 per strata lot per month.

We recommend that separate General Ledger codes are used for each component to facilitate the reserve fund update process. We also recommend that all reserve expenditures be taken from reserve accounts.

Reserve Fund Financial History

HISTORICAL ANALYSIS

Horstman House

	Jun 2013–May 2014	Jun 2014–May 2015	Jun 2015–May 2016
Opening Balance			$ 519,392
RESERVE FUND INCOME			
Reserve Fund Contributions			
Loan Draws			
Special Assessment			
Transfer From Operating			
Other Income			
Interest Income			7,791
Total Cash Resources	-	-	**527,183**
RESERVE FUND EXPENDITURES			
	Building - Structural and Architectural		
1	Substructure and Underground Garage		
2	Wall Assemblies - Wood Siding		
3	Wall Assemblies - Brick Siding		
4	Window Assemblies		
5	Common Door Assemblies - Wood		
6	Common Door Assemblies - Metal		
7	Common Door Assemblies - Sliding Glass		
8	Fascia Board and Trim		
9	Gutters and Downspouts		
10	Caulking and Weather-Stripping		
11	Balcony Floor Construction - Wood		
12	Terraces		
13	Balcony Railings		
14	Roof Assembly - Sheet Steel		
	Building - Finishes and Decoration		
15	Exterior Building Painting		
16	Balcony Floor Finish		
17	Underground Garage Markings		
18	Garage Insulation		
19	Security Gate		
20	Parkade Lighting		
21	Interior Common Corridor Painting		
22	Interior Common Corridor Wallpaper		
23	Interior Stairwell Painting		
24	Interior Common Area Flooring - Carpet		
25	Interior Common Area Flooring - Ceramic Tile		
26	Interior Common Area Lighting		

26	Interior Common Area Lighting			
27	Lobby Renovation			
28	Elevator Cab Renovation			
29	Sump Pumps / Drains and Controls			
	Building - Mechanical Systems			
30	Domestic Water Supply			
31	Sprinkler System			
32	Heating System - Boiler			
33	Heating System - Hot Water Storage Tank			
34	Make-up Air Handling Unit			
35	Terminal Air Handling Unit			
36	Special and Exhaust Equipment			
37	Elevator Modernization - Hydraulic			
	Building - Electrical Systems			
38	Electrical Distribution System and Fixtures			
39	Entry System - Intercom			
40	Fire Alarm System			
	Building - Amenities			
41	Amenity Room			
42	Exercise Room			
43	Exercise Equipment			
44	Pool - Mechanical			
45	Pool - Structure			
46	Pool - Furnishings			
47	Hot Tub - Mechanical			
48	Hot Tub - Structure			
49	Common Area Washrooms			
50	Common Area Changerooms			
51	Bicycle Storage			
52	Ski Lockers			
	Common Site Improvements			
53	Site Services - Sewer and Water			
54	Asphalt Paving			
55	Concrete Paving and Curbs			
56	Parking Paint and Markings			
57	Exterior Landscaping			
58	Retaining Walls - Concrete			
59	Exterior Lighting			
	Miscellaneous			
	Non-Specific Reserve Fund Draws			
	Total Expenditures	-	-	-
	Closing Balance	-	-	**527,183**

3. Component Details

3.1 Component Descriptions

This report includes each existing building and site component that has shared responsibility and which will require replacement or major repairs less often than once per year.

Component Descriptions may be found in Appendix E. Each component analysis typically includes the following information:

- Pictures
- Component Description
- Condition Analysis
- Reserve Fund Expenditure History
- Life Cycle Analysis
- Potential Deterioration
- Funding Analysis (including Current Repair or Replacement Costs)
- Suggested Maintenance

3.2 Life Cycle Analysis

Each component's next replacement date occurs at the end of its Remaining Life, which is defined as the difference between its Effective Age and its Lifespan. Subsequent replacements are made assuming the component lasts its full lifespan again.

The **Effective Age** is a subjective, observed age for each reserve component. It differs from the component's actual age when it is performing better or worse than expected. The Effective Age is subject to change due to numerous factors, and will not necessarily increase proportional to its actual age. It is chosen considering the following factors:

- Actual age of component
- Observed performance compared to expectations
- Reported Problems
- Maintenance history
- Repair and replacement history
- Client's replacement intentions
- Functional Obsolescence
- Coordination and practicality of replacement scheduling

The **Lifespan** is an average life expectancy for each reserve component. It is chosen considering the following factors:

- Type of Component
- Material
- Utilization
- Workmanship
- Quality
- Manufacturer's recommendation
- CMHC Capital Replacement Planning Manual: Life Expectancy Guidelines
- Contractors' experience
- Functional Obsolescence
- Required Standards
- Environmental Factors
- Regular Maintenance
- Preventive Maintenance
- Observed Condition
- Client's Risk Tolerance

3.3 Current Cost Estimates

The cost to replace any component is variable. It depends on the scope of work, the quality of construction, the construction market, personal contacts, risk-tolerance, and many other factors. While we have to choose an exact cost for our funding models, we recognize that the actual cost you pay can differ greatly from that amount depending on how those factors are addressed.

Cost estimates are typically calculated using the current year RSMeans Commercial Renovation Cost Data, modified as to time, location and quality of construction. They are based on our investigation, observation, analysis, and extensive experience performing depreciation reports and reserve fund studies. All costs are strictly estimates and should be regarded as a prediction rather than a recommendation.

Here is how some of the major factors in estimating the Repair and Replacement Costs are addressed:

Scope of Work
Cost estimates are based on a like-for-like replacement (when possible), including demolition and disposal of the existing component, major repair or replacement of the component (labour,

materials, and equipment), special construction requirements, safety installations, limited access, reuse of salvageable materials, clean-up costs, contingencies, and contractor profit and overhead.

Quality of construction

Cost estimates are based on quality materials as required under current building code regulations, using contractors' prices, union labour, and current construction techniques. When possible and desirable, the replacement quality is matched to the original quality of construction.

Replacement Cost Factors

The costs of repairs and replacements of many reserve components are higher than original building costs. When constructing a new building, contractors have considerable latitude in planning their work and can utilize economies of scale to keep costs within construction budgets. In contrast, repair work must frequently be performed in an expedient manner with removal costs, additional safety precautions, and care for existing occupants.

Tax

All cost estimates include Goods and Services Tax (GST) and Provincial Sales Tax (PST). Given that the proportion of costs which would be PST-exempt is uncertain, these costs are charged conservatively at 12% as they were under the Harmonized Sales Tax (HST). This is a risk-averse method to estimating the embedded tax, given the long-term nature of this report.

Contingency

All cost estimates include an individual contingency allowance to reflect uncertainties in the final costing and timing of work. This number typically varies from 5% to 25% depending on the overall expense of the component, the potential for latent defects, and the potential for additional costs.

Budget Provisions

It is frequently infeasible to forecast the scope of repairs or replacements of various reserve components, particularly major components such as the foundation and substructure, domestic water plumbing, and electrical systems. A percentage of the total cost is budgeted for components that we do not expect to require a complete replacement in a single year, called a Budget Percentage. This percentage reflects cost on the balance of probabilities (average), which can differ from the most likely cost given a number of scenarios (mode).

4. Economic Forecasting

This depreciation report heavily relies on our long-term economic predictions of inflation and interest rates. While actual economic conditions will certainly be different than our forecasts, we are confident that our estimates are reasonable and valuable.

Inflation and interest rates may vary year-to-year and must be periodically reviewed to ensure their relevance and accuracy. We conduct our economic analysis based on long-term conditions to eliminate short-term volatility.

Construction Costs

Construction costs increase over time at a different rate than standard Consumer Price Index (CPI) inflation. We have modified all of our estimated costs by applying a construction inflation rate in line with their replacement dates.

We use a construction inflation rate of 2.9%. Please see Appendix F for a detailed explanation of our construction inflation analysis.

Interest Rates

Interest earned on money in the reserve fund can significantly lower reserve contributions. We have applied interest each year to the closing balances in our funding models.

We use a rising interest rate, starting at 1.5% and increasing over 6 years to a long-term rate of 2.9%. Please see Appendix G for a detailed explanation of our interest rate analysis.

CPI Inflation

Every year owners save money to replace components that have not yet failed. The amount they contribute towards any given component should stay the same year-to-year in terms of purchasing power. We increase these contributions by a localized CPI inflation rate which measures how much less one dollar is worth each year.

We use a localized CPI inflation rate of 1.7%. Please see Appendix H for a detailed explanation of our CPI inflation analysis.

5. Funding Models

5.1 Benchmark Analysis

The Benchmark Analysis shows how much money should be in the reserve fund as of the beginning of this fiscal year, and how much should be contributed this year. These hypothetical numbers are generated by equitably dividing the cost to replace a component over its lifespan, taking inflation and interest into account. For a detailed explanation of how this is calculated, please refer to Appendix I.

The Benchmark Analysis is used to evaluate the reserve fund's performance and recommend equitable funding plans.

Please note the following definitions associated with the table on the next page.

Current Replacement Cost

The cost to repair or replace each component today, after the Budget Percentage has been applied.

Future Replacement Cost

The cost to repair or replace each component when it needs to be replaced.

Current Reserve Fund Requirement

The amount that should be in the reserve account(s) for each component given its lifespan.

Current Required Contribution

The amount that would equitably be contributed this year for each component if the reserve fund balance matches the Current Reserve Fund Requirement

Contribution Weight

The proportion of each component's Current Required Contribution to the total Current Required Contributions.

Benchmark Analysis

BENCHMARK ANALYSIS

Construction Inflation	2.90%
Current Interest Rate	1.50%
Inflation (CPI)	1.70%

R-3666
Horstman House
As of Jun 2015

		Year of Acquisition	Expected Lifespan (Years)	Observed Condition (Years)	Budget Percentage	Current Replacement Cost	Future Replacement Costs	Current Reserve Fund Requirements	Current Required Contribution	Contribution Weight
	Building - Structural and Architectural									
1	Substructure and Underground Garage	2000	35	14	10%	$ 86,531	$ 157,723	$ 38,919	$ 3,162	3%
2	Wall Assemblies - Wood Siding	2000	35	14	60%	$ 102,600	$ 187,012	$ 46,147	$ 3,749	4%
3	Wall Assemblies - Brick Siding	2000	40	14	15%	$ 5,179	$ 10,890	$ 2,094	$ 170	0%
4	Window Assemblies	2000	35	14	50%	$ 333,537	$ 607,949	$ 150,016	$ 12,187	12%
5	Common Door Assemblies - Wood	2000	30	10	25%	$ 4,598	$ 8,144	$ 1,715	$ 189	0%
6	Common Door Assemblies - Metal	2000	35	14	10%	$ 3,093	$ 5,638	$ 1,391	$ 113	0%
7	Common Door Assemblies - Sliding Glass	2000	25	14	75%	$ 89,219	$ 122,188	$ 53,162	$ 4,319	4%
8	Fascia Board and Trim	2000	20	14	60%	$ 21,964	$ 26,074	$ 15,907	$ 1,292	1%
9	Gutters and Downspouts	2000	25	14	50%	$ 2,422	$ 3,317	$ 1,443	$ 117	0%
10	Caulking and Weather-Stripping	2000	12	8	50%	$ 12,572	$ 14,095	$ 8,576	$ 1,166	1%
11	Balcony Floor Construction - Wood	2000	24	14	100%	$ 55,776	$ 74,234	$ 34,427	$ 2,797	3%
12	Terraces	2000	30	14	15%	$ 2,631	$ 4,157	$ 1,343	$ 109	0%
13	Balcony Railings	2000	25	14	25%	$ 22,073	$ 30,229	$ 13,152	$ 1,068	1%
14	Roof Assembly - Sheet Steel	2000	50	14	50%	$ 304,506	$ 852,217	$ 103,929	$ 8,443	8%
	Building - Finishes and Decoration									
15	Exterior Building Painting	2000	18	14	100%	$ 47,652	$ 53,425	$ 37,915	$ 3,080	3%
16	Balcony Floor Finish	2000	12	14	100%	$ 57,885	$ 77,041	$ 10,222	$ 5,311	5%
17	Underground Garage Markings	2000	12	14	100%	$ 1,137	$ 1,513	$ 201	$ 104	0%
18	Garage Insulation	2000	50	14	50%	$ 60,804	$ 170,171	$ 20,752	$ 1,686	2%
19	Security Gate	2000	15	14	100%	$ 26,697	$ 27,471	$ 25,060	$ 2,036	2%
20	Parkade Lighting	2000	12	14	50%	$ 8,460	$ 11,260	$ 1,494	$ 776	1%
21	Interior Common Corridor Painting	2000	16	14	100%	$ 12,567	$ 13,307	$ 11,122	$ 904	1%
22	Interior Common Corridor Wallpaper	2000	15	14	100%	$ 26,452	$ 27,219	$ 24,830	$ 2,017	2%
23	Interior Stairwell Painting	2000	22	14	100%	$ 6,518	$ 8,193	$ 4,340	$ 353	0%
24	Interior Common Area Flooring - Carpet	2000	18	12	100%	$ 68,830	$ 81,709	$ 47,481	$ 4,434	4%
25	Interior Common Area Flooring - Ceramic Tile	2000	35	10	50%	$ 13,350	$ 27,281	$ 4,388	$ 485	0%
26	Interior Common Area Lighting	2000	20	10	75%	$ 24,664	$ 32,826	$ 13,055	$ 1,441	1%
27	Lobby Renovation	2000	15	14	100%	$ 56,196	$ 57,825	$ 52,749	$ 4,285	4%
28	Elevator Cab Renovation	2000	22	14	100%	$ 6,263	$ 7,872	$ 4,170	$ 339	0%
	Building - Mechanical Systems									
29	Sump Pumps / Drains and Controls	2000	15	14	20%	$ 1,185	$ 1,219	$ 1,112	$ 90	0%
30	Domestic Water Supply	2000	30	12	15%	$ 55,944	$ 93,591	$ 24,762	$ 2,313	2%
31	Sprinkler System	2000	35	12	15%	$ 96,628	$ 186,490	$ 37,680	$ 3,519	4%
32	Heating System - Boiler	2000	18	14	100%	$ 27,176	$ 30,468	$ 21,623	$ 1,757	2%
33	Heating System - Hot Water Storage Tank	2000	18	14	100%	$ 10,992	$ 12,324	$ 8,746	$ 710	1%
34	Make-up Air Handling Unit	2000	15	14	60%	$ 14,492	$ 14,912	$ 13,603	$ 1,105	1%
35	Terminal Air Handling Unit	2000	15	14	50%	$ 7,948	$ 8,178	$ 7,460	$ 606	1%
36	Special and Exhaust Equipment	2000	12	14	100%	$ 7,421	$ 9,876	$ 1,310	$ 681	1%
37	Elevator Modernization - Hydraulic	2000	25	14	65%	$ 100,960	$ 138,266	$ 60,157	$ 4,887	5%
	Building - Electrical Systems									
38	Electrical Distribution System and Fixtures	2000	35	14	15%	$ 26,116	$ 47,602	$ 11,746	$ 954	1%
39	Entry System - Intercom	2000	15	14	75%	$ 4,660	$ 4,795	$ 4,374	$ 355	0%
40	Fire Alarm System	2000	15	14	50%	$ 5,256	$ 5,408	$ 4,933	$ 401	0%
	Building - Amenities									
41	Amenity Room	2000	25	14	75%	$ 47,234	$ 64,688	$ 28,145	$ 2,286	2%
42	Exercise Room	2000	20	14	50%	$ 17,396	$ 20,651	$ 12,598	$ 1,023	1%
43	Exercise Equipment	2000	8	14	75%	$ 13,386	$ 14,174	$ 10,156	$ 1,814	2%
44	Pool - Mechanical	2014	18	1	100%	$ 6,951	$ 11,300	$ 426	$ 439	0%
45	Pool - Structure	2000	12	14	100%	$ 4,540	$ 6,042	$ 802	$ 416	0%
46	Pool - Furnishings	2000	10	14	100%	$ 2,350	$ 2,790	$ 973	$ 257	0%
47	Hot Tub - Mechanical	2014	18	1	100%	$ 6,951	$ 11,300	$ 426	$ 439	0%
48	Hot Tub - Structure	2000	12	14	100%	$ 2,973	$ 3,957	$ 525	$ 273	0%
49	Common Area Washrooms	2000	22	14	50%	$ 12,606	$ 15,846	$ 8,394	$ 682	1%
50	Common Area Changerooms	2000	22	14	66%	$ 28,281	$ 35,548	$ 18,831	$ 1,530	2%
51	Bicycle Storage	2000	20	14	20%	$ 743	$ 882	$ 538	$ 44	0%
52	Ski Lockers	2000	40	14	25%	$ 6,538	$ 13,747	$ 2,644	$ 215	0%
	Common Site Improvements									
53	Site Services - Sewer and Water	2000	35	14	10%	$ 39,628	$ 72,230	$ 17,823	$ 1,448	1%
54	Asphalt Paving	2000	25	14	50%	$ 17,509	$ 23,979	$ 10,433	$ 847	1%
55	Concrete Paving and Curbs	2000	35	14	33%	$ 93,251	$ 169,972	$ 41,942	$ 3,407	3%
56	Parking Paint and Markings	2000	10	14	100%	$ 1,045	$ 1,241	$ 433	$ 114	0%
57	Exterior Landscaping	2000	15	14	10%	$ 12,349	$ 12,707	$ 11,591	$ 942	1%
58	Retaining Walls - Concrete	2000	40	14	20%	$ 10,676	$ 22,450	$ 4,317	$ 351	0%
59	Exterior Lighting	2000	18	14	50%	$ 3,518	$ 3,944	$ 2,799	$ 227	0%
	TOTAL RESERVES					**$ 2,150,876**	**$ 3,761,557**	**$ 1,101,303**	**$ 100,262**	**100%**

5.2 30-Year Reserve Fund Projection

The 30-Year Reserve Fund Projection recommends a funding plan and shows forecasted cash flows in detail. It contains an abridged Benchmark Analysis for each year, comparing it to the recommended plan to analyze deficiency of the fund. Please note the following definitions.

Minimum Balance

The lowest allowable Closing Balance for each year, increasing with CPI inflation. A Special Assessment is triggered when the CRF would otherwise fall below the Minimum Balance.

Opening Balance

The reserve fund position at the beginning of each fiscal year. This includes any monetary resources marked for reserve purposes and may include multiple accounts, including accounts that are inaccessible due to investing strategies.

Recommended Annual Contribution

The total recommended annual reserve fund contribution each year, excluding interest.

Special Assessment

The amount required each year to maintain the reserve fund's Minimum Balance. A Special Assessment is a one-time, unique contribution to the reserve fund.

Interest Income

Expected interest from all reserve fund investments, assuming that all expenditures of the given year occur before any interest is earned.

Closing Balance

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

Benchmark Annual Contribution

The amount contributed each year in a benchmark scenario. The first year's Benchmark Annual Contribution will match the Benchmark Analysis' Current Required Contribution.

Benchmark Closing Balance

The Current Reserve Fund Requirement (see Benchmark Analysis) for the following year's abridged Benchmark Analysis.

Reserve Fund Deficiency

The difference between the Closing Balance and the Benchmark Closing Balance.

Deficiency/Contribution Quotient (DCQ)

A stable measure of reserve fund performance. See section 5.4 for details.

30-Year Reserve Fund Projection—Adequate Funding Model

RESERVE FUND PROJECTION - 30 YEAR - ADEQUATE FUNDING

Study Year: 2016
Construction: 2000
Number of Years in Study: 30

Construction Inflation	2.90%
Default Interest Rate	2.90%
Inflation (CPI)	1.70%
Strata Year End	May 31

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Minimum Balance (2016) $ -

	Jun 2015-May 2016	Jun 2016-May 2017	Jun 2017-May 2018	Jun 2018-May 2019	Jun 2019-May 2020	Jun 2020-May 2021	Jun 2021-May 2022	Jun 2022-May 2023	Jun 2023-May 2024	Jun 2024-May 2025	Jun 2025-May 2026	Jun 2026-May 2027	Jun 2027-May 2028	Jun 2028-May 2029	Jun 2029-May 2030	Jun 2030-May 2031
OPENING BALANCE	**519,400**	**527,200**	**367,400**	**371,200**	**435,500**	**407,100**	**514,600**	**504,700**	**644,100**	**721,800**	**874,900**	**794,800**	**564,000**	**724,400**	**893,500**	**1,071,900**
Recommended Annual Contribution Increase	N/A	N/A	N/A	80.00%	38.89%	24.00%	16.13%	11.11%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Recommended Annual Contribution	0	0	31,200	56,200	78,000	96,700	112,300	124,800	128,400	132,100	136,000	139,900	144,000	148,200	152,400	156,900
Loan Draws																
Special Assessment																
Transfer From Operating																
Other Income																
Interest Rate	1.50%	0.00%	0.00%	2.20%	2.43%	2.67%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Interest Income	7,800	0	0	8,200	7,800	10,900	11,100	14,600	16,700	20,900	18,600	12,000	16,400	21,000	25,900	31,100
Total Cash Resources	**527,200**	**527,200**	**398,600**	**435,500**	**521,300**	**514,600**	**638,000**	**644,100**	**789,200**	**874,900**	**1,029,400**	**946,700**	**724,400**	**893,500**	**1,071,900**	**1,259,800**
Total Expenditures	**0**	**159,700**	**27,500**	**0**	**114,300**	**0**	**133,300**	**0**	**67,500**	**0**	**234,600**	**382,700**	**0**	**0**	**0**	**0**
Closing Balance	**527,200**	**367,400**	**371,200**	**435,500**	**407,100**	**514,600**	**504,700**	**644,100**	**721,800**	**874,900**	**794,800**	**564,000**	**724,400**	**893,500**	**1,071,900**	**1,259,800**
DEFICIENCY ANALYSIS																
Hypothetical Annual Contribution if Fully Funded From Day 1	100,300	123,500	124,200	100,500	101,000	99,400	99,300	101,000	103,500	105,300	109,900	116,400	118,300	120,400	122,400	124,500
Fully Funded Closing Balance	1,218,100	1,177,200	1,273,100	1,401,600	1,419,200	1,556,400	1,563,700	1,710,100	1,793,800	1,951,100	1,876,200	1,653,300	1,819,500	1,992,700	2,172,900	2,360,400
Reserve Fund Deficiency	**-690,900**	**-809,800**	**-902,000**	**-966,100**	**-1,012,100**	**-1,041,800**	**-1,059,000**	**-1,066,000**	**-1,072,000**	**-1,076,300**	**-1,081,400**	**-1,089,200**	**-1,095,200**	**-1,099,100**	**-1,101,000**	**-1,100,500**
Deficiency/Contribution Quotient (DCQ)	**88.7**	**999.9**	**28.9**	**15.0**	**11.8**	**9.7**	**8.6**	**7.6**	**7.4**	**7.0**	**7.0**	**7.2**	**6.8**	**6.5**	**6.2**	**5.9**

30-Year Reserve Fund Projection—Adequate Funding Model

RESERVE FUND PROJECTION - 30 YEAR - ADEQUATE FUNDING (CONTINUED)

Study Year: 2016
Construction: 2000
Number of Years in Study: 30

	Jun 2031-May 2032	Jun 2032-May 2033	Jun 2033-May 2034	Jun 2034-May 2035	Jun 2035-May 2036	Jun 2036-May 2037	Jun 2037-May 2038	Jun 2038-May 2039	Jun 2039-May 2040	Jun 2040-May 2041	Jun 2041-May 2042	Jun 2042-May 2043	Jun 2043-May 2044	Jun 2044-May 2045	Jun 2045-May 2046
OPENING BALANCE	**1,259,800**	**1,175,200**	**1,352,100**	**1,421,300**	**1,638,300**	**1,858,400**	**814,200**	**698,000**	**723,500**	**806,700**	**1,010,800**	**1,083,500**	**1,335,900**	**1,573,400**	**1,853,100**
Recommended Annual Contribution Increase	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Recommended Annual Contribution	161,400	166,100	170,900	175,900	181,000	186,200	191,600	197,200	202,900	208,800	214,800	221,100	227,500	234,100	240,900
Loan Draws															
Special Assessment															
Transfer From Operating															
Other Income															
Interest Rate	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Interest Income	28,600	33,400	35,200	41,200	47,300	17,700	14,300	14,800	17,000	22,600	24,500	31,400	37,900	45,600	48,400
Total Cash Resources	**1,449,800**	**1,374,700**	**1,558,300**	**1,638,300**	**1,866,600**	**2,062,400**	**1,020,100**	**910,000**	**943,400**	**1,038,100**	**1,250,200**	**1,335,900**	**1,601,300**	**1,853,100**	**2,142,300**
Total Expenditures	**274,600**	**22,600**	**137,000**	**0**	**8,100**	**1,248,100**	**322,100**	**186,500**	**136,700**	**27,300**	**166,700**	**0**	**28,000**	**0**	**184,700**
Closing Balance	**1,175,200**	**1,352,100**	**1,421,300**	**1,638,300**	**1,858,400**	**814,200**	**698,000**	**723,500**	**806,700**	**1,010,800**	**1,083,500**	**1,335,900**	**1,573,400**	**1,853,100**	**1,957,600**
DEFICIENCY ANALYSIS															
Hypothetical Annual Contribution if Fully Funded From Day 1	129,900	132,400	136,300	138,600	141,000	158,400	165,000	170,000	174,600	177,800	182,900	186,000	189,500	192,700	198,200
Fully Funded Closing Balance	2,276,100	2,451,200	2,517,600	2,729,200	2,941,000	1,900,400	1,789,000	1,819,000	1,905,700	2,110,700	2,183,300	2,432,600	2,663,800	2,933,700	3,027,000
Reserve Fund Deficiency	-1,100,900	-1,099,100	-1,096,400	-1,090,900	-1,082,600	-1,086,200	-1,091,000	-1,095,500	-1,098,900	-1,099,900	-1,099,800	-1,096,600	-1,090,400	-1,080,700	-1,069,300
Deficiency/Contribution Quotient (DCQ)	5.8	5.5	5.3	5.0	4.7	5.3	5.3	5.2	5.0	4.8	4.6	4.3	4.1	3.9	3.7

30-Year Reserve Fund Projection—Component Costs

	ADEQUATE FUNDING RESERVE COMPONENTS	Expected Lifespan (years)	Observed Condition (years)	Current Replacement Cost	Jun 2015-May 2016	Jun 2016-May 2017	Jun 2017-May 2018	Jun 2018-May 2019	Jun 2019-May 2020	Jun 2020-May 2021	Jun 2021-May 2022	Jun 2022-May 2023	Jun 2023-May 2024	Jun 2024-May 2025	Jun 2025-May 2026	Jun 2026-May 2027	Jun 2027-May 2028	Jun 2028-May 2029	Jun 2029-May 2030	Jun 2030-May 2031
1	Substructure and Underground Garage	35	14	86,500																
2	Wall Assemblies - Wood Siding	35	14	102,600																
3	Wall Assemblies - Brick Siding	40	14	5,200																
4	Window Assemblies	35	14	333,500																
5	Common Door Assemblies - Wood	30	10	4,600																
6	Common Door Assemblies - Metal	35	14	3,100																
7	Common Door Assemblies - Sliding Glass	25	14	89,200												122,200				
8	Fascia Board and Trim	20	14	22,000							26,100									
9	Gutters and Downspouts	25	14	2,400												3,300				
10	Caulking and Weather-Stripping	12	8	12,600					14,100											
11	Balcony Floor Construction - Wood	24	14	55,800											74,200					
12	Terraces	30	14	2,600																
13	Balcony Railings	25	14	22,100												30,200				
14	Roof Assembly - Sheet Steel	50	14	304,500																
15	Exterior Building Painting	18	14	47,700					53,400											
16	Balcony Floor Finish	12	14	57,900											77,000					
17	Underground Garage Markings	12	14	1,100											1,500					
18	Garage Insulation	50	14	60,800																
19	Security Gate	15	14	26,700		27,500														
20	Parkade Lighting	12	14	8,500											11,300					
21	Interior Common Corridor Painting	16	14	12,600			13,300													
22	Interior Common Corridor Wallpaper	15	14	26,500		27,200														
23	Interior Stairwell Painting	22	14	6,500									8,200							
24	Interior Common Area Flooring - Carpet	18	12	68,800							81,700									
25	Interior Common Area Flooring - Ceramic Tile	35	10	13,300																
26	Interior Common Area Lighting	20	10	24,700											32,800					
27	Lobby Renovation	15	14	56,200		57,800														
28	Elevator Cab Renovation	22	14	6,300									7,900							
29	Sump Pumps / Drains and Controls	15	14	1,200		1,200														
30	Domestic Water Supply	30	12	55,900																

30-Year Reserve Fund Projection—Component Costs

30	Domestic Water Supply	30	12	55,900													
31	Sprinkler System	35	12	96,600													
32	Heating System - Boiler	18	14	27,200					**30,500**								
33	Heating System - Hot Water Storage Tank	18	14	11,000					**12,300**								
34	Make-up Air Handling Unit	15	14	14,500	**14,900**												
35	Terminal Air Handling Unit	15	14	7,900	**8,200**												
36	Special and Exhaust Equipment	12	14	7,400										**9,900**			
37	Elevator Modernization - Hydraulic	25	14	101,000											**138,300**		
38	Electrical Distribution System and Fixtures	35	14	26,100													
39	Entry System - Intercom	15	14	4,700	**4,800**												
40	Fire Alarm System	15	14	5,300	**5,400**												
41	Amenity Room	25	14	47,200											**64,700**		
42	Exercise Room	20	14	17,400						**20,700**							
43	Exercise Equipment	8	14	13,400		**14,200**								**17,800**			
44	Pool - Mechanical	18	1	7,000													
45	Pool - Structure	12	14	4,500										**6,000**			
46	Pool - Furnishings	10	14	2,400						**2,800**							
47	Hot Tub - Mechanical	18	1	7,000													
48	Hot Tub - Structure	12	14	3,000										**4,000**			
49	Common Area Washrooms	22	14	12,600								**15,800**					
50	Common Area Changerooms	22	14	28,300								**35,500**					
51	Bicycle Storage	20	14	700						**900**							
52	Ski Lockers	40	14	6,500													
53	Site Services - Sewer and Water	35	14	39,600													
54	Asphalt Paving	25	14	17,500											**24,000**		
55	Concrete Paving and Curbs	35	14	93,300													
56	Parking Paint and Markings	10	14	1,000						**1,200**							
57	Exterior Landscaping	15	14	12,300	**12,700**												
58	Retaining Walls - Concrete	40	14	10,700													
59	Exterior Lighting	18	14	3,500					**3,900**								
	Loan Repayment																
	Total Expenditures				**0**	**159,700**	**27,500**	**0**	**114,300**	**0**	**133,300**	**0**	**67,500**	**0**	**234,600**	**382,700**	**0**	**0**	**0**	**0**

30-Year Reserve Fund Projection—Component Costs

	ADEQUATE FUNDING RESERVE COMPONENTS	Expected Lifespan (years)	Observed Condition (years)	Current Replacement Cost
1	Substructure and Underground Garage	35	14	86500
2	Wall Assemblies - Wood Siding	35	14	102600
3	Wall Assemblies - Brick Siding	40	14	5200
4	Window Assemblies	35	14	333500
5	Common Door Assemblies - Wood	30	10	4600
6	Common Door Assemblies - Metal	35	14	3100
7	Common Door Assemblies - Sliding Glass	25	14	89200
8	Fascia Board and Trim	20	14	22000
9	Gutters and Downspouts	25	14	2400
10	Caulking and Weather-Stripping	12	8	12600
11	Balcony Floor Construction - Wood	24	14	55800
12	Terraces	30	14	2600
13	Balcony Railings	25	14	22100
14	Roof Assembly - Sheet Steel	50	14	304500
15	Exterior Building Painting	18	14	47700
16	Balcony Floor Finish	12	14	57900
17	Underground Garage Markings	12	14	1100
18	Garage Insulation	50	14	60800
19	Security Gate	15	14	26700
20	Parkade Lighting	12	14	8500
21	Interior Common Corridor Painting	16	14	12600
22	Interior Common Corridor Wallpaper	15	14	26500
23	Interior Stairwell Painting	22	14	6500
24	Interior Common Area Flooring - Carpet	18	12	68800
25	Interior Common Area Flooring - Ceramic Tile	35	10	13300
26	Interior Common Area Lighting	20	10	24700
27	Lobby Renovation	15	14	56200
28	Elevator Cab Renovation	22	14	6300
29	Sump Pumps / Drains and Controls	15	14	1200
30	Domestic Water Supply	30	12	55900

PROJECTED FUTURE EXPENDITURES (CONTINUED)

Jun 2031-May 2032	Jun 2032-May 2033	Jun 2033-May 2034	Jun 2034-May 2035	Jun 2035-May 2036	Jun 2036-May 2037	Jun 2037-May 2038	Jun 2038-May 2039	Jun 2039-May 2040	Jun 2040-May 2041	Jun 2041-May 2042	Jun 2042-May 2043	Jun 2043-May 2044	Jun 2044-May 2045	Jun 2045-May 2046
					157,700									
					187,000									
										10,900				
					607,900									
				8,100										
					5,600									
										46,200				
19,900												28,000		
4,200														
						89,400								
						108,600								
						2,100								
42,200														
						15,900								
		21,000												
41,800														
														15,400
								136,700						
									27,300					
														58,100
88,800														
														14,800
1,900														
		93,600												

30-Year Reserve Fund Projection—Component Costs

30	Domestic Water Supply	30	12	55900			**93,600**											
31	Sprinkler System	35	12	96600								**186,500**						
32	Heating System - Boiler	18	14	27200							**51,000**							
33	Heating System - Hot Water Storage Tank	18	14	11000							**20,600**							
34	Make-up Air Handling Unit	15	14	14500	**22,900**													
35	Terminal Air Handling Unit	15	14	7900	**12,600**													
36	Special and Exhaust Equipment	12	14	7400							**13,900**							
37	Elevator Modernization - Hydraulic	25	14	101000														
38	Electrical Distribution System and Fixtures	35	14	26100						**47,600**								
39	Entry System - Intercom	15	14	4700	**7,400**													
40	Fire Alarm System	15	14	5300	**8,300**													
41	Amenity Room	25	14	47200														
42	Exercise Room	20	14	17400											**36,600**			
43	Exercise Equipment	8	14	13400			**22,400**								**28,100**			
44	Pool - Mechanical	18	1	7000		**11,300**												
45	Pool - Structure	12	14	4500							**8,500**							
46	Pool - Furnishings	10	14	2400	**3,700**										**4,900**			
47	Hot Tub - Mechanical	18	1	7000		**11,300**												
48	Hot Tub - Structure	12	14	3000							**5,600**							
49	Common Area Washrooms	22	14	12600														**29,700**
50	Common Area Changerooms	22	14	28300														**66,700**
51	Bicycle Storage	20	14	700											**1,600**			
52	Ski Lockers	40	14	6500											**13,700**			
53	Site Services - Sewer and Water	35	14	39600						**72,200**								
54	Asphalt Paving	25	14	17500														
55	Concrete Paving and Curbs	35	14	93300						**170,000**								
56	Parking Paint and Markings	10	14	1000	**1,700**										**2,200**			
57	Exterior Landscaping	15	14	12300	**19,500**													
58	Retaining Walls - Concrete	40	14	10700											**22,500**			
59	Exterior Lighting	18	14	3500							**6,600**							
	Loan Repayment																	
	Total Expenditures				**274,600**	**22,600**	**137,000**	**0**	**8,100**	**1,248,100**	**322,100**	**186,500**	**136,700**	**27,300**	**166,700**	**0**	**28,000**	**0**	**184,700**

5.3 Cash Flow Analysis

The following two pages include Cash Flow Table summaries of the recommendations of the 30-Year Reserve Fund Projection, including graphs serving as visual representations. The first page is a nominal (actual dollar) summary, and the second page is a real dollar (adjusted for CPI inflation) summary.

The **Nominal Table** shows the actual dollar amounts that are forecasted and recommended. This is useful for planning and setting CRF contributions. The strata should follow the Nominal Cash Flow Table for setting CRF contributions.

The **Real Dollar Table** shows dollar amounts adjusted for inflation. This is useful for understanding the expenditures and contributions in terms of purchasing power. This table is not intended to be followed when setting CRF contributions.

Please note the following definition.

Average Monthly Contribution per Strata Lot

Each year's recommended contribution divided by twelve and divided by the total number of strata lots. This represents an approximate monthly contribution, although actual contributions will vary depending on unit entitlement.

Nominal Cash Flow Table and Graph—Adequate Funding Model

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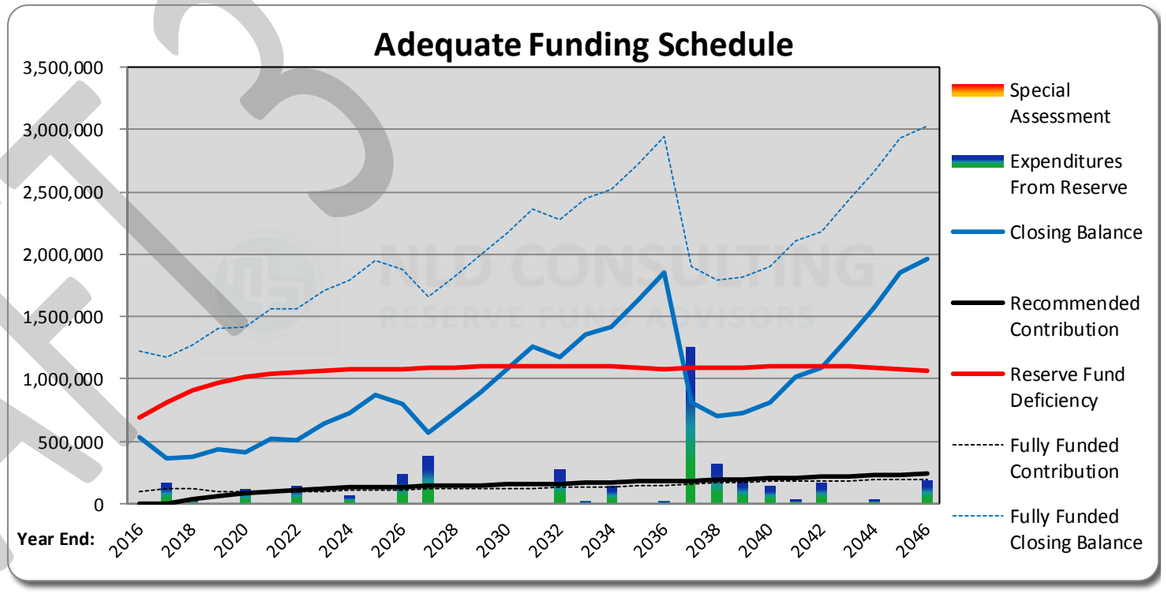
Nominal Cash Flow Table—Adequate Funding

Year End	Opening Balance	Recommended Annual Contribution	Percentage Increase in Annual Contribution	Average Monthly Contribution per Strata Lot	Special Assessments	Estimated Interest Earned	Estimated Future Expenditures	Closing Balance
2016	519,392	-	N/A	-	-	7,791	-	527,183
2017	527,183	-	N/A	-	-	-	159,735	367,448
2018	367,448	31,200	N/A	50	-	-	27,480	371,168
2019	371,168	56,160	80.00%	90	-	8,166	-	435,493
2020	435,493	78,000	38.89%	125	-	7,817	114,256	407,054
2021	407,054	96,720	24.00%	155	-	10,855	-	514,629
2022	514,629	112,320	16.13%	180	-	11,057	133,346	504,660
2023	504,660	124,800	11.11%	200	-	14,635	-	644,095
2024	644,095	128,419	2.90%	206	-	16,722	67,459	721,778
2025	721,778	132,143	2.90%	212	-	20,932	-	874,853
2026	874,853	135,976	2.90%	218	-	18,568	234,566	794,830
2027	794,830	139,919	2.90%	224	-	11,953	382,666	564,035
2028	564,035	143,976	2.90%	231	-	16,357	-	724,369
2029	724,369	148,152	2.90%	237	-	21,007	-	893,527
2030	893,527	152,448	2.90%	244	-	25,912	-	1,071,888
2031	1,071,888	156,869	2.90%	251	-	31,085	-	1,259,841
2032	1,259,841	161,418	2.90%	259	-	28,571	274,646	1,175,184
2033	1,175,184	166,100	2.90%	266	-	33,425	22,600	1,352,108
2034	1,352,108	170,916	2.90%	274	-	35,238	137,009	1,421,254
2035	1,421,254	175,873	2.90%	282	-	41,216	-	1,638,343
2036	1,638,343	180,973	2.90%	290	-	47,276	8,144	1,858,448
2037	1,858,448	186,222	2.90%	298	-	17,699	1,248,126	814,244
2038	814,244	191,622	2.90%	307	-	14,271	322,141	697,995
2039	697,995	197,179	2.90%	316	-	14,834	186,490	723,517
2040	723,517	202,897	2.90%	325	-	17,018	136,693	806,739
2041	806,739	208,781	2.90%	335	-	22,604	27,281	1,010,844
2042	1,010,844	214,836	2.90%	344	-	24,480	166,705	1,083,455
2043	1,083,455	221,066	2.90%	354	-	31,420	-	1,335,941
2044	1,335,941	227,477	2.90%	365	-	37,931	27,991	1,573,357
2045	1,573,357	234,074	2.90%	375	-	45,627	-	1,853,058
2046	1,853,058	240,862	2.90%	386	-	48,383	184,673	1,957,630

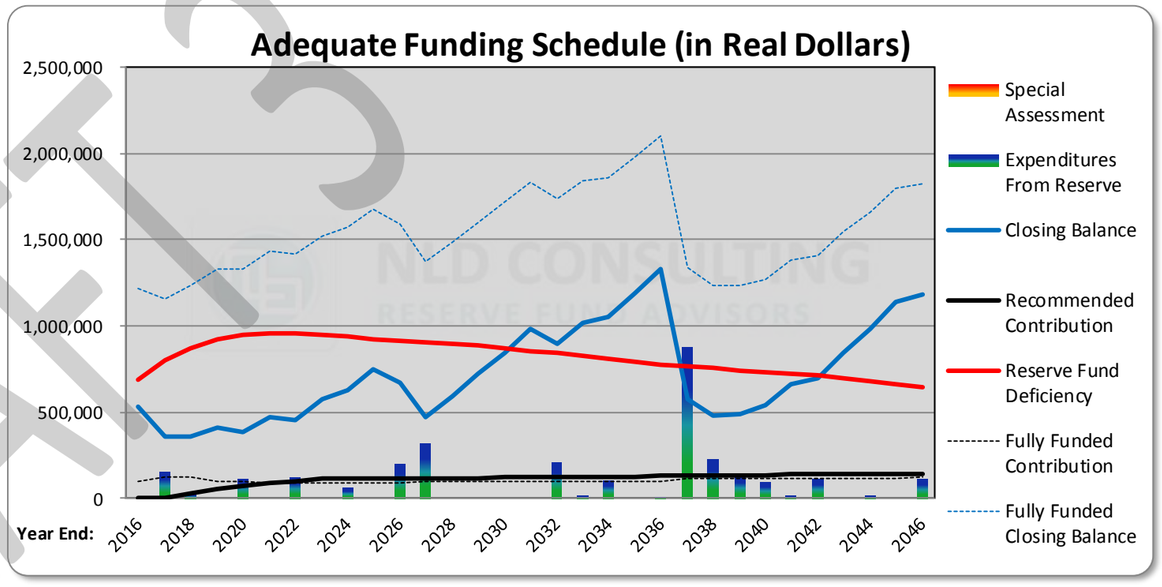


Real Dollar Cash Flow Table and Graph—Adequate Funding Model

R-3666

Real Dollar Cash Flow Table (Adjusted for CPI Inflation)—Adequate Funding

Year End	Opening Balance	Recommended Annual Contribution	Percentage Increase in Annual Contribution	Average Monthly Contribution per Strata Lot	Special Assessments	Estimated Interest Earned	Estimated Future Expenditures	Closing Balance
2016	519,392	-	N/A	-	-	7,791	-	527,183
2017	518,371	-	N/A	-	-	-	157,065	361,306
2018	355,266	30,166	N/A	48	-	-	26,569	358,863
2019	352,864	53,391	76.99%	86	-	7,763	-	414,017
2020	407,097	72,914	36.57%	117	-	7,307	106,806	380,512
2021	374,152	88,902	21.93%	142	-	9,977	-	473,031
2022	465,124	101,515	14.19%	163	-	9,994	120,519	456,114
2023	448,489	110,909	9.25%	178	-	13,006	-	572,405
2024	562,837	112,218	1.18%	180	-	14,613	58,949	630,719
2025	620,176	113,542	1.18%	182	-	17,985	-	751,703
2026	739,138	114,882	1.18%	184	-	15,688	198,178	671,529
2027	660,304	116,237	1.18%	186	-	9,930	317,900	468,571
2028	460,739	117,609	1.18%	188	-	13,361	-	591,709
2029	581,818	118,997	1.18%	191	-	16,873	-	717,687
2030	705,691	120,401	1.18%	193	-	20,465	-	846,556
2031	832,406	121,821	1.18%	195	-	24,140	-	978,367
2032	962,012	123,259	1.18%	198	-	21,816	209,719	897,368
2033	882,368	124,713	1.18%	200	-	25,097	16,969	1,015,208
2034	998,238	126,185	1.18%	202	-	26,016	101,151	1,049,287
2035	1,031,748	127,674	1.18%	205	-	29,921	-	1,189,342
2036	1,169,461	129,180	1.18%	207	-	33,746	5,813	1,326,574
2037	1,304,399	130,704	1.18%	209	-	12,423	876,029	571,497
2038	561,944	132,247	1.18%	212	-	9,849	222,324	481,716
2039	473,664	133,807	1.18%	214	-	10,066	126,554	490,984
2040	482,776	135,386	1.18%	217	-	11,355	91,210	538,308
2041	529,309	136,983	1.18%	220	-	14,831	17,899	663,224
2042	652,138	138,600	1.18%	222	-	15,793	107,548	698,982
2043	687,298	140,235	1.18%	225	-	19,932	-	847,465
2044	833,299	141,890	1.18%	227	-	23,659	17,460	981,388
2045	964,983	143,564	1.18%	230	-	27,985	-	1,136,531
2046	1,117,533	145,258	1.18%	233	-	29,179	111,372	1,180,598



5.4 Deficiency Analysis

The Deficiency Analysis focuses on the current fiscal year. It is a comparison between the actual reserve fund balance and the Benchmark Analysis, a hypothetical Fully Funded scenario.

The Benchmark Analysis indicates how much money would be in the CRF if the strata corporation had contributed an equitable amount each year, leaving the strata on pace to fully fund each component. Thus the deficiency is the amount of money the strata corporation will have to raise before the end of the building's economic life.

It is important to realize that most strata corporations in British Columbia will show a benchmark deficiency in their funding to varying degrees. This is typical of reserve fund balances. The deficiency can be resolved through special assessments, higher contributions than the equitable benchmark contributions would require, and/or by achieving longer performance out of the components for less money. The contributions for each component go into one fund, so strata can often maintain a deficiency without special assessments by borrowing savings from some components to pay for others.

Please note the following definitions associated with the table on the next page:

Current Budgeted Reserve Fund Contribution

The approved annual contribution to the reserve fund.

Special Assessment

An estimation of the amount collected and to be collected on top of the Current Budgeted Reserve Fund Contribution, as a one-time fee.

Estimated Reserve Fund Expenditures

Costs incurred and expected to be incurred on reserve fund components.

Estimated Reserve Fund Deficiency

The difference between the CRF's closing balance and the Benchmark's Closing Balance

Deficiency/Contribution Quotient

A stable measure of reserve fund performance. See the next page for details.

For the period Jun 2015–May 2016		
Opening Balance	$	519,392
Current Budgeted Reserve Fund Contribution	$	-
Loan Draws	$	-
Special Assessments	$	-
Transfer From Operating	$	-
Other Income	$	-
Interest Income	$	7,791
Less: Estimated Reserve Fund Expenditures	**$**	**-**
Projected Closing Balance	$	527,183
Less: Benchmark Reserve Fund Requirement		-$1,218,084
Estimated Reserve Fund Deficiency	**$**	**690,901**
Outstanding Loan Balance	$	-
Deficiency / Contribution Quotient		**88.7**

Deficiency/Contribution Quotient (DCQ)

The DCQ is a funding score for a given year. It is a stable measurement of the relative size of your contributions compared to your reserve fund deficiency. A strata that is prioritizing reserve fund contributions will have a decreasing DCQ even though their deficiency may be increasing. A strata with no deficiency has a DCQ of zero.

This formula is simply a given year's closing balance Deficiency including Outstanding Loan Balance, if any (D), divided by the same year's contributions, including interest (C), or D/C. Using this formula, the subject strata corporation has a DCQ as follows:

For the period Jun 2015–May 2016		
Estimated Reserve Fund Deficiency	**$**	**690,901**
Outstanding Loan Balance	$	-
Current Budgeted Reserve Fund Contribution	$	-
Interest Income	$	7,791
DCQ = (690,901)/(7,791)		
Deficiency / Contribution Quotient		**88.7**

Here is a rough guide to discerning what this DCQ means for your reserve fund.

DCQ greater than 40

Indicative of a strata that has not prioritized reserve fund contributions—though it is still possible that they proactively maintain their building through different funding methods.

DCQ between 15 and 40

Normal for stratas that have begun to prioritize their reserve fund within the last handful of years. It is also normal for stratas that haven't had much time to accumulate a deficiency.

DCQ between 0 and 15

Relatively stable and unlikely to need emergency funding, though it is still possible to incur a special assessment with a low DCQ.

DCQ equals 0

The reserve is fully funded. This is also the development's position at the exact beginning and end of its economic life.

DCQ less than 0

The reserve fund is overfunded and, while very stable, should move towards a DCQ of zero to place greater emphasis on the equity of reserve contributions year-to-year.

The DCQ is not affected by location, time, or building type, and is useful for comparing buildings with themselves over time and with other buildings. However, most reserve consultants use differing methodology, assumptions, and algorithms when developing their funding plans, particularly when calculating deficiency. Thus the DCQ should only be used to compare different stratas when their depreciation report has been conducted by the same firm using the same methodology.

6. Recommendations

NLD Consulting – Reserve Fund Advisors' recommendations, set out below and detailed in this report, will assist the corporation to achieve and maintain an adequate reserve fund.

1. The corporation should prepare and implement a long-term reserve fund strategy.
2. Major repairs and replacements should be recorded in, and funded from, a reserve fund account. Reserve expenditures should be recorded in the general ledger using individual ledger codes for each component.
3. The reserve fund contribution should be increased to $0 per annum in the year Jun 2016–May 2017, and thereafter by the recommendations in section 5.2 each subsequent year.
4. The reserve fund should be fully invested in guaranteed long-term securities per the strata property act, at the maximum available rate.
5. The corporation should make such expenditures as necessary to maintain the property in optimum condition.
6. The reserve fund should be reviewed every year to ensure that the underlying assumptions are still valid and that the estimates remain current.
7. The corporation should update the Depreciation Report at least every three years, as per the regulations of the strata property act, unless future regulation requires an alternate schedule of updates.

Appendix A—Qualifications

Terry Dowle, AACI, P.App., RI, CRP

NLD Consulting – Reserve Fund Advisors

Education

Langara Community College

Realty Appraisal Program	1989
Real Estate Management	1989
Real Estate Sales and Marketing	1991
Business Communications	1995

University of British Columbia, Faculty of Commerce – Real Estate Division

Advanced Real Estate Management	1997
Real Estate Agent (9.15)	1997

University of British Columbia, Sauder School of Business

BUSI – Foundations of Real Estate Appraisal	2005

Real Estate Institute of Canada

Certified Reserve Planner Program	2011
Ethics and Business Practice Curriculum	2011

Designations and Certificates

Certified Reserve Planner – Real Estate Institute of Canada	2011
RI - Real Estate Institute of British Columbia	1998
Agent 9.15 – Real Estate Council of British Columbia	1998
AACI – Accredited Appraiser of the Canadian Institute	1995
P.App. – Professional Appraiser	1995
Sales Agent – Real Estate Council of British Columbia	1994

Professional Experience

Royal LePage – Commercial Appraisal Division — 1989 – 1991
- Real Estate Consulting and Appraisal of IC&I properties

Campbell & Pound (1961) Ltd. — 1991 – 1996
- Real Estate Consulting and Appraisal of IC&I properties

Niemi LaPorte & Dowle Appraisals Ltd. — 1996 – Present
- Real Estate Consulting and Appraisal of IC&I properties
- Management of Staff
- Development of Business

Niemi LaPorte & Dowle Whistler Appraisal Group Ltd. — 1999 – Present
- Real Estate Consulting and Appraisal of IC&I properties
- Management of Staff
- Development of Business

Niemi LaPorte & Dowle Appraisals Victoria	2011 – Present
Real Estate Consulting and Appraisal of IC&I properties	
Management of Staff	
Development of Business	
NLD Consulting – Reserve Fund Advisors	2011 – Present
Depreciation Report Consulting	
Management of Staff	
Development of Business	

Publications & Volunteer Services

Vancouver Chapter Executive – AICBC	2001 – Present
Currently serving as Chair	
Past Secretary for 10 years	
Seminar Presenter – Langara Community College	2002
Valuation of Leaky Condo's	
Provincial Board of Examiners - BCAIC	2003 – Present
Designated interviewer – BDI/STARS	

Memberships

Professional Association of Managing Agents	2010 – Present
Condominium Home Owners Association	2010 – Present
Strata Property Agents of BC	2010 – Present
Expropriation Association of BC.	2010 – Present
Real Estate Institute of Canada	2010 – Present
Mortgage Investment Brokers Association of BC.	2008 – Present
Real Estate Institute of BC	1998 – Present
Mortgage Brokers Association of BC.	1998 – Present
Appraisal Institute of Canada	1989 – Present

Court Experience

Supreme Court of British Columbia
Assessment Appeal Board of BC
Court of Revision

Depreciation Report/Reserve Fund Study Clients

24/7 Strata Management
Ascent Management Real Estate Corp.
AWM Alliance Real Estate Group Ltd.
Bayside Property Services Ltd.
Baywest Management Corp.
BC Housing
Bradshaw Strata Management Ltd.
C & C Property Group Ltd.
Colyvan Pacific Real Estate Management Services Ltd.
Crossroads Management Ltd.
Dodwell Realty and Strata Management Ltd.
Dorset Realty Group Canada Ltd.
Fairfax Management
FirstService Residential
Homelife Peninsula Property Management
Hutton Condominium Services Ltd.
I.J.M. Properties Ltd.
iStrata Property
Leonis Management & Consultants Ltd.
Maple Leaf 1st Realty Ltd.
Martello Property Services Inc.
Northwest Strata Management
Ocean Bay Management Ltd.
Pacific Quorum Properties Inc.
Pacifica First Management Ltd.
Paragon Realty Corp.
Peterson Group
Polygon Ltd.
Profile Properties Ltd.
R. Jang & Associates Ltd.
Rancho Management Services (BC) Ltd.
Re/Max Property Management Services
Richmond Caring House (Non-profit)
Self-Managed Stratas
The Wynford Group
Trilogy Management Services Ltd.
WRM Strata Management & Real Estate Services Ltd.
Various co-op and undivided fee simple properties

Appendix B—Assumptions and 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. Further, the strata bylaws and strata plan provided must be assumed to be correct and complete, as must any strata financials, AGM and/or SGM minutes, and budgets.

The architectural, structural, mechanical, electrical and other plans and specifications of the building or buildings and improvements were provided in whole or in part (as available) for this study. 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, 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 or other technical and engineering techniques, which would be required to discover any inherent or hidden condition of the property.

The reserve components were assessed visually. No intrusive or destructive testing, specialized imaging, or aerial inspections of elevated areas has been undertaken. The consultant(s) accept no liability for conditions not visible at the time of the building and site review. If further investigation of specific components is required by the client, the services of an expert specializing in the particular building system/component is recommended.

Measurements and quantities are taken either on-site during inspection as approximations or directly from plans where available. Where electronic plans/drawings are made available, quantity take-offs are completed using Planswift professional plan management software. The consultant(s) accept no liability for the use of dimensions taken from the above sources for the purposes of quantifying reserve components.

In order to arrive at supportable replacement cost estimates, it was found necessary to utilize both documented and other cost data. Current cost estimates are primarily based on the current year RSMeans Commercial Renovation Cost Data. This data is modified using percentage factors to reflect perceived local and site specific conditions and may also include a contingency factor based on the overall confidence in the costs relative to the specific component. PST and GST taxes are included in these costs. The intent of these cost estimates is to generate a realistic planning guideline, and it is likely that actual costs will vary from this number based on several factors. These include the supply/demand of contractors at the time replacements occur as well as the potential for changes in construction methods and materials over time.

Reserve fund estimates are subjective, and they are based on an understanding of the life cycle of reserve components and our experience gained from observing buildings, with projections

made over a 30 year period. 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 must be reviewed and modified over time, at least every three years.

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 consultant is not qualified to design specific repair, replacement or maintenance plans. Recommendations regarding repairs, replacements and maintenance are general in nature and are intended to provide guidance for long-range financial planning only. In all cases of major repairs or replacements, qualified design professionals should be retained to provide a specific design. In all cases, the maintenance directions provided by the manufacturer or installer of any specific component should be followed.

The estimates herein must not be extracted or used in conjunction with any other depreciation report / reserve fund study and may be invalid if so used. Additionally, the Strata Property Act of British Columbia requires a form B Information Certificate to include a copy of the depreciation report, where applicable. The user is cautioned to request this copy directly from the author, in order to ensure the depreciation report is complete, current, and authentic. Electronic copies should include a digital signature of the author. NLD Consulting uses Notarius™ Digital Signatures which are ISO 27001:2005 certified. No responsibility is accepted where a claim arises from a copy of this report which has either been distributed by a 3rd party, or is not originally or digitally signed.

The client to whom this report is addressed may use it in deliberations affecting the subject strata corporation only, and in so doing, the report must not be abstracted; 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 client without the written consent of the author, and in any event, only with the proper qualifications.

The consultant(s) are not liable for the failure of any sale to close, nor for any owner(s) failure to obtain financing, mortgage insurance, nor structure/contents insurance as a result of information contained in this report. The consultant(s) have no authority to compel any action on the part of the Strata Corporation and can accept no responsibility for the corporation's actions or failures to act.

All personal information supplied for the purposes of preparation of this report will remain within our organization and will not be shared with any external entity unless prior permission is given. Your personal information will not be sold, distributed or published in any manner whatsoever.

NLD Consulting – Reserve Fund Advisors takes privacy very seriously. We collect personal information to better serve our customers, for security reasons, and to provide customers and potential customers with information about our services. We would like to have a lifelong relationship of good service with our customers, and for that reason we may retain personal information provided for as long as necessary to provide our services and respect our obligations to governmental agencies and other third parties. The information will remain confidential to NLD Consulting, to businesses working for us, and to any organization that acquires part or all of our business, provided that they agree to comply with our privacy policy. By accepting our report, you are agreeing to maintain the confidentiality and privacy of any personal information contained herein and to comply in all material respects with the contents of our Privacy Policy.

The Personal Information Protection Act (PIPA) of British Columbia sets out requirements for how organizations may collect, use, disclose and secure personal information. The preparation of each report and/or retention of records is subject to the requirements of PIPA. Written authorization in advance must be requested to reproduce or use the report in any form by and means, graphic, electronic or mechanical, including photocopying, recording, typing or information storage and retrieval, which must be done in conformity with PIPA and the Privacy Policy. For further information on the Act, contact the office of the Information & Privacy Commissioner for British Columbia, or access through the website: http://www.oipc.bc.ca/

The consultant(s) maintain a reasonable level of insurance relative to industry standards to cover errors and omissions with per-claim and per-year limits. The consultant(s) liability related to this report is limited to the maximum per-claim value available at the time a potential claim is made.

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 will have to be negotiated. Unless otherwise noted, all estimates are expressed in Canadian currency.

Appendix C—Strata Property Act & Regulation Excerpt

This report complies with the depreciation report provisions of The Strata Property Act and Strata Property Regulation as amended to date.

Strata Property Act [SBC 1998] Chapter 43, Part 6, Division 1, Section 94: Depreciation Report

(1) In this section, "**qualified person**" has the meaning set out in the regulations.

(2) Subject to subsection (3), a strata corporation must obtain from a qualified person, on or before the following dates, a depreciation report estimating the repair and replacement cost for major items in the strata corporation and the expected life of those items:

(a) For the first time,

(i) December 14, 2013, in the case of a strata corporation that existed on December 14, 2011, or

(ii) the prescribed date, in all other cases;

(b) if the strata corporation has, before or after the coming into force of this section, obtained a depreciation report that complies with the requirements of this section, the date that is the prescribed period after the date on which that report was obtained;

(c) if the strata corporation has, under subsection (3) (a), waived the requirement under this subsection to obtain a depreciation report, the date that is the prescribed period after the date on which the resolution waiving the requirement was passed.

(3) A strata corporation need not comply with the requirement under subsection (2) to obtain a depreciation report on or before a certain date if

(a) The strata corporation, by a resolution passed by a 3/4 vote at an annual or special general meeting within the prescribed period, waives that requirement, or

(b) The strata corporation is a member of a prescribed class of strata corporations.

(4) A depreciation report referred to in subsection (2) must contain the information set out in the regulations.

Strata Property Regulation [amended up to B.C. Reg. 68/2014, July 16, 2014] Part 6.2: Depreciation Report

(1) For the purposes of section 94 of the Act, a depreciation report must include all of the following:

(a) a physical component inventory and evaluation that complies with subsection (2);

(b) a summary of repairs and maintenance work for common expenses respecting the items listed in subsection (2) (b) that usually occur less often than once a year or that do not usually occur;

(c) a financial forecasting section that complies with subsection (3);

(d) the name of the person from whom the depreciation report was obtained and a description of

(i) that person's qualifications,

(ii) the error and omission insurance, if any, carried by that person, and

(iii) the relationship between that person and the strata corporation;

(e) the date of the report;

(f) any other information or analysis that the strata corporation or the person providing the depreciation report considers appropriate.

(2) For the purposes of subsection (1) (a) and (b) of this section, the physical component inventory and evaluation must

(a) be based on an on-site visual inspection of the site and, where practicable, of the items listed in paragraph (b) conducted by the person preparing the depreciation report,

(b) include a description and estimated service life over 30 years of those items that comprise the common property, the common assets and those parts of a strata lot or limited common property, or both, that the strata corporation is responsible to maintain or repair under the Act, the strata corporation's bylaws or an agreement with an owner, including, but not limited to, the following items:

(i) the building's structure;

(ii) the building's exterior, including roofs, roof decks, doors, windows and skylights;

(iii) the building's systems, including the electrical, heating, plumbing, fire protection and security systems;

(iv) common amenities and facilities;

(v) parking facilities and roadways;

(vi) utilities, including water and sewage;

(vii) landscaping, including paths, sidewalks, fencing and irrigation;

(viii) interior finishes, including floor covering and furnishings;

(ix) green building components;

(x) balconies and patios, and

(c) identify common property and limited common property that the strata lot owner, and not the strata corporation, is responsible to maintain and repair.

(3) For the purposes of subsection (1) (c), the financial forecasting section must include

(a) the anticipated maintenance, repair and replacement costs for common expenses that usually occur less often than once a year or that do not usually occur, projected over 30 years, beginning with the current or previous fiscal year of the strata corporation, of the items listed in subsection (2) (b),

(b) a description of the factors and assumptions, including interest rates and rates of inflation, used to calculate the costs referred to in paragraph (a),

(c) a description of how the contingency reserve fund is currently being funded,

(d) the current balance of the contingency reserve fund minus any expenditures that have been approved but not yet taken from the fund, and

(e) at least 3 cash-flow funding models for the contingency reserve fund relating to the maintenance, repair and replacement over 30 years, beginning with the current or previous fiscal year of the strata corporation, of the items listed in subsection (2) (b).

(4) For the purposes of subsection (3) (e), the cash flow funding models may include any one or more of the following:

(a) balances of, contributions to and withdrawals from the contingency reserve fund;

(b) special levies;

(c) borrowings.

(5) If a strata corporation contributes to the contingency reserve fund based on a depreciation report, the contributions in respect of an item become part of the contingency reserve fund and may be spent for any purpose permitted under section 96 of the Act.

(6) For the purposes of section 94 (1) of the Act, **"qualified person"** means any person who has the knowledge and expertise to understand the individual components, scope and complexity of the strata corporation's common property, common assets and those parts of a strata lot or limited common property, or both, that the strata corporation is responsible to maintain or repair under the Act, the strata corporation's bylaws or an agreement with an owner and to prepare a depreciation report that complies with subsections (1) to (4).

(7) The following periods are prescribed:

(a) for the purposes of section 94 (2) (b) of the Act, 3 years;

(b) for the purposes of section 94 (2) (c) of the Act, 18 months;

(c) for the purposes of section 94 (3) (a) of the Act, the one year period immediately preceding the date on or before which the depreciation report is required to be obtained.

A strata corporation is prescribed for the purposes of section 94 (3) (b) of the Act if and for so long as there are fewer than 5 strata lots in the strata plan.

Appendix D—Sections and Types

Sections

Stratas can be organized into sections, each section representing the interests of its respective members. A section operates independent of other sections in matters that relate solely to the section. Each section can elect a council while the strata council administers functions which relate to the operations of the strata corporation as a whole.

Only specific types of strata lots can form sections, such as residential and non-residential strata lots comprising a single strata corporation, or non-residential strata lots of a single strata corporation which are used for significantly different purposes. Residential strata lots may only divide into apartments, townhouses, and detached houses.

With respect to matters relating solely to one section, the section is a corporation and has the same powers as the strata corporation to:

- Establish its own operating fund and contingency reserve fund for common expenses of the section, including expenses relating to limited common property designated for the exclusive use of all the strata lots in that section.
- Prepare a section budget and require section owners to pay strata fees and special levies for expenditures the section authorizes.
- Enter contracts in the name of the section.
- Sue or arbitrate in the name of the section.
- Acquire and dispose of land and other property in the name of or on behalf of the section.
- Enforce bylaws and rules.

Separate sections within a strata corporation may establish their own operating fund and CRF for common expenses that relate exclusively to that section.

Types

Section 6.4(2) of the Strata Property Act regulations permits strata corporations to allocate operating expenses within a strata corporation if the expenses relates solely to a "type of strata lot" and a bylaw or resolution creating the type of strata lot has been created. The creation of different types of strata lots does not create sections; sections are independent organizations within the strata corporation with their own powers and duties, and strata lot types do not have these independent powers and duties.

Types only provide for a mechanism to allocate operating expenses specific to different types of strata lots. As such, where different types exist in a strata corporation, the depreciation report does not address different types of strata lots, as there are no different reserve requirements or a separate contingency reserve fund required or allowed for strata types.

Appendix E—Reserve Component Descriptions and Analyses

Component Page Index

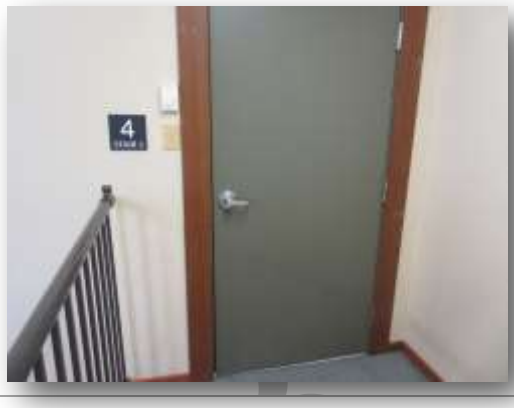
Component 1	Substructure and Underground Garage	
		
Component Description	This component includes all below-grade portions of the building: the foundation and parkade, including footings, basement floors, walls, ceilings, columns, membrane, and expansion joints. These are poured concrete or masonry block.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	21 years
Potential Deterioration	Potential deterioration includes water and road salt penetration on the surface of the concrete. Salt corrosion and water penetration of reinforcing rebar and freeze-thaw cycles can spall concrete. Hydraulic pressure caused by poor drainage and settling could also cause concrete cracking. The membrane can be damaged by cracked concrete, wear and tear, and material breakdown due to age. Under ideal conditions, concrete has a life of 110 years.	
Funding Analysis	Work	Provided a crack is not structural, the wall can be injected with a sealant. Other repair options may include spot replacement of damaged concrete, patchwork, and resealing the exterior foundation wall.
	Budget	A budget equal to 10% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	1,400 LF
	Current Job Cost	$86,531.04
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which include regular visual inspection of the walls, columns, and slab edges for signs of cracking. Regular application of waterproof membranes, Cathodic protection; Chloride extraction; Re-alkalisation and repair of cracks can extend the components life. Annual inspection for damage, spalling cracks, efflorescence or debris collection.	

Component 2		Wall Assemblies - Wood Siding
		
Component Description	This component may consist of either prefinished or unfinished natural wood siding such as cedar, or prefinished engineered wood siding. Behind the siding will be a weather barrier such as standard felt tar paper over plywood sheathing. Wood siding is typically nailed in place using counter sunk splitless nails. Paint or stain may have been applied at the factory or on-site after installation and caulking.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	21 years
Potential Deterioration	This component may experience deterioration due to climate and weather factors such as extreme temperature changes, rain, snow, wind, and sun exposure, as well as the potential for impact damage or infestation damage. Cracking, water damage such as rot and mildew, and warping may occur.	
Funding Analysis	Work	Removal and disposal of cracked or rotting wood boards, installation of new wood siding, work-site clean up, and any special safety preparation and precautions as required.
	Budget	A budget equal to 60% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	9,900 SF
	Current Job Cost	$102,599.88
Suggested Maintenance	The life of this component may be prolonged by effective preventative maintenance including regular inspections, regular painting, keeping the boards dry, and maintaining a gap between the walls and the landscaping. Annual inspection of siding for splits, warping, debris build up and water/rot should be undertaken. Attention should be given to areas where siding abuts windows, doors and corners.	

Component 3		Wall Assemblies - Brick Siding
		
Component Description	Brick is primarily made from clay and shale which is then fired through a kiln at up to 2000 degrees. Brick can last centuries and likely won't require patching or repairs for the first twenty-five years. Brick is a building material that has exceptional "thermal mass" properties. Thermal mass is the ability of a heavy, dense material to store heat and then slowly release it.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	40 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	26 years
Potential Deterioration	Because bricks are porous – they expand or contract according to moisture levels and thermal influences – water is the principal cause of deterioration in brick at the building envelope. Mortar joint deterioration common. Water infiltration may cause staining and efflorescence, cracking/spalling/displacement, and deterioration in mortar joints.	
Funding Analysis	Work	Typically the brick requires re-pointing. Install new mortar and tool to a concave surface to draw water away from brick. Damaged bricks can be chiseled out and replaced.
	Budget	A budget equal to 15% of the estimated cost of the component is provided for periodic major repairs every 40 years.
	Quantity	1,025 SF
	Current Job Cost	$5,178.79
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include spot re-pointing, application of a brick sealant at regular intervals, and repairs as required. Inspection of bricks should be done every 3-5 years. Attention to areas of brittle mortar, discolored bricks or pitted and split bricks. Sealants can extend the life of this component.	

Component 4		Window Assemblies
		
Component Description	The window assemblies are the exterior windows that are installed in the living areas as well as the common areas. These windows are typically replaced with double-pane units with fixed or sliding portions. The frames are vinyl or aluminum. Windows typically have a "Limited Lifetime Warranty". Aluminum clad windows have an average life span of 20 -30 years while Vinyl windows have an average life span of 20-40 years.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	21 years
Potential Deterioration	Windows are primarily susceptible to impact damage and tearing of screening material. Frames and sliders can deteriorate due to exposure to the elements and sunlight causing oxidation. Failure or deterioration of the seals can cause fogging and moisture on the inner panes of the window.	
Funding Analysis	Work	Removal and disposal of existing assembly, repairs or replacement as required to the framing substructure and installation of new units. Appropriate safety precautions will be required.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	6,700 SF
	Current Job Cost	$333,537.26
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include caulking, regular inspection for damaged or cracked units and repairs or re-sealing as required. Windows that open require lubrication and cleaning of tracks and hinges. Split, or buckled caulking should be stripped and replaced immediately.	

Component 5		Common Door Assemblies - Wood
		
Component Description	Common door assemblies are generally manufactured or pre-hung fire-rated wood doors. These doors are manufactured to the standard fire prevention ratings of 20-minute, 45-minute, 60-minute, and 90-minute. Fire-rated doors are an integral part of not just the building's passive fire-protection system but the building's overall fire protection. Wooden doors can last the life of the property, provided they are well maintained and sealed.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building. Common interior doors refinished in 2014.
	Dollars Spent	$6,050 spent on refinishing
Life Cycle Analysis	Expected Lifespan	30 years (Budget Provision)
	Effective Age	10 years
	Remaining Lifespa	20 years
Potential Deterioration	Door hardware is subject to failure due to the constant usage in high traffic areas, such as busy corridors. Constant usage can lead to misalignment. Other common issues are holes or openings in the door assembly, improper gaps, and failure to latch.	
Funding Analysis	Work	Entire door system can be replaced or door jams and hardware can be replaced as required.
	Budget	A budget equal to 25% of the estimated cost of the component is provided for periodic major repairs every 30 years.
	Quantity	58 Doors
	Current Job Cost	$4,597.50
Suggested Maintenance	The life of this component may be prolonged by effective maintenance and repairs as required. A visual inspection of the door should be conducted annually. Doors should be cleaned of any debris regularly. A light pressurized water or soft brush can be used.	

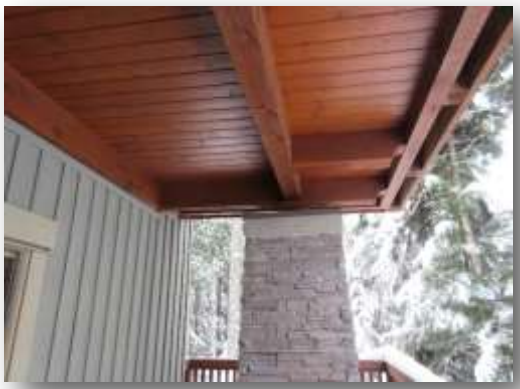
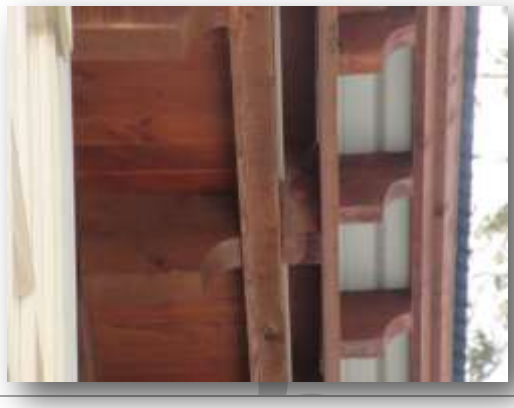
Component 6	Common Door Assemblies - Metal	
		
Component Description	This component consists of metal insulated interior and exterior doors and lock assemblies including deadbolts as standard hardware. Metal doors are considered to last the lifetime of a property. The life span of the typical metal door will be 60 + years.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	21 years
Potential Deterioration	Metal doors are subject to wear and tear from excessive use and damage from excessive force. The hinges and latch mechanism are prone to damage from excessive force, breakage, and impact damage.	
Funding Analysis	Work	Entire door system can be replaced, or door, jams, and hardware can be replaced as required.
	Budget	A budget equal to 10% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	56 Doors
	Current Job Cost	$3,092.98
Suggested Maintenance	Regular maintenance of lock assemblies and inspection and repair of door assemblies as required may extend the life of this component. Component should be visually inspected every 5-8 years. Maintenance should include lubrication of hinges. Closing devices should be checked for fluid leakage.	

Component 7	Common Door Assemblies - Sliding Glass	
	 	
Component Description	A sliding glass door or patio door, a type of sliding door in architecture and construction, is a large glass window opening in a structure that provide door access from a room to the outdoors, and natural light. A sliding glass door is usually a single unit consisting of two panel sections, one being fixed and one a being mobile to slide open. Balcony doors can also be "French" door design, a glazed entry door, with a standard door jam.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	25 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	11 years
Potential Deterioration	The roller, tracks, hinges, and handles are just a few of the replaceable parts of a sliding glass door. The most common problem is rollers, which can deteriorate with age, usage, rust and collect dirt and material. Physical damage can occur from impacts or building shifting.	
Funding Analysis	Work	Remove and replace rollers or tracks; replace the glass if damaged. The entire assembly can be replaced at end-of-life. Care to ensure proper flashing and water diversion is required.
	Budget	A budget equal to 75% of the estimated cost of the component is provided for periodic major repairs every 25 years.
	Quantity	58 Doors
	Current Job Cost	$89,219.10
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include new rollers and springs as well as seals, and repairs as required. Rollers and tracks should be lubricated every year. Debris should be removed from tracks.	

Component 8		Fascia Board and Trim
		
Component Description	Fascia board / trim is mounted on the exposed ends of rafters or the top of exterior walls to create a layer between the edge of the roof and the outside. In addition to serving an aesthetic function by creating a smooth, even appearance on the edge of the roof, fascia board / trim may also protect the roof and the interior of the building from weather damage.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. Some Fascia shows signs of deterioration.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	20 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	6 years
Potential Deterioration	Includes exposure to the elements, such as wind, rain, snow, freeze-thaw cycles, and extreme temperature changes. Exposure to the elements may cause the fascia board and trim to be vulnerable to water damage, which may lead to rot, and the rot can spread to the rafters and roofing materials. Physical damage may occur from debris, moss and algae, and impact damage.	
Funding Analysis	Work	Removal and disposal of existing assembly, repairs or replacement as required. Appropriate safety precautions will be required.
	Budget	A budget equal to 60% of the estimated cost of the component is provided for periodic major repairs every 20 years.
	Quantity	5,000 LF
	Current Job Cost	$21,963.94
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular painting and regular inspection for damaged fascia board and trim and repair / replace as required. Visual inspection of fascia should be done every 3-5 years. Boards with evidence of rot should be replaced. Reoccurrence of damage may require additional preventative maintenance.	

Component 9		Gutters and Downspouts
		
Component Description	Gutters protect a building's foundation by channeling water away from its base. They can be constructed from a variety of materials, including cast iron, lead, zinc, galvanized steel, painted steel, copper, painted aluminum, PVC (and other plastics), concrete, stone, and wood. Downspouts are the vertical pipes that are used to divert rain water away from a building's foundation. Aluminum gutters have a typical life of 20-25 yeas wile downspouts	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. Some gutters shows impact damage from snow slide.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	25 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	11 years
Potential Deterioration	Debris such as leaves, weeds, and grass in gutters can cause clogging and deterioration. Determining factors include proximity of trees to the roof line, the type of trees, the slope of the roof, and the type of roof.	
Funding Analysis	Work	Removal and replacement of sections of gutters / downspouts as required.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 25 years.
	Quantity	444 LF
	Current Job Cost	$2,421.94
Suggested Maintenance	The life of this component may be prolonged by effective maintenance. Gutters should be cleaned annually. In areas with significant tree coverage, bi-annual inspection of gutter should be undertaken. Corrosion of metal should be patched or replace. Caulking at joints should be monitored for any flaking or separation.	

Component 10	Caulking and Weather-Stripping	
	 	
Component Description	This component consists of all building caulking, silicone, weather-stripping, and polyurethane elastomeric sealant. It is applied around windows, exterior doors, roof flashing, rooftop equipment, and parapet walls. It would also include the sealant around moving components such as windows and doors. Caulking can fail at different rates. Most caulking is reported to have an average life span of 7-20 years.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	12 years (Budget Provision)
	Effective Age	8 years
	Remaining Lifespa	4 years
Potential Deterioration	Sealants or gaskets can dry out and crack as a result of drying and thermal expansion / contraction. Caulking relies on flexibility to maintain seals between building materials and gradually succumbs to elements such as sunlight, rain, and temperature fluctuations. The caulking hardens and cracks allowing water penetration and heat loss.	
Funding Analysis	Work	Removal of existing caulking, installation of new caulking. Appropriate safety precautions will be required including, safety harness and any require scaffolding.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 12 years.
	Quantity	6,350 LF
	Current Job Cost	$12,571.72
Suggested Maintenance	Regular upkeep of seals will prevent problems as a result of moisture infiltrating the building envelope and window assemblies and can extend the overall life of protected assemblies. Caulking should be visually inspected every 3-5 years. Inspection should involve gentle prodding of the caulk (recommend using your finger) to determine consistency.	

Component 11	Balcony Floor Construction - Wood	
	 	
Component Description	Exposed balconies should have a durable floor surface such as concrete, tile, timber, or composite flooring with the appropriate seal / coating or stain. Smaller balconies may be an extension of the floor beams or slab and have the same support structure. Larger balconies may need to be propped up with columns or posts.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	24 years
	Effective Age	14 years
	Remaining Lifespa	10 years
Potential Deterioration	Includes exposure to the elements which may cause water seepage leading to subsequent weakening of the membrane. Physical damage may occur from debris, moss and algae, and impact damage.	
Funding Analysis	Work	Removal and disposal of existing assembly, repairs or replacement as required. Appropriate safety precautions will be required. This does not include super structure work.
	Budget	We have allowed for a full replacement of this component every 24 years.
	Quantity	6,000 SF
	Current Job Cost	$55,776.29
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for moisture seepage and keeping the floor free from debris. Balcony flooring should be inspected every 2-3 years. Membrane connection points and seams should be given extra attention. If the membrane is damaged, the wood support can rot.	

Component 12		Terraces
		
Component Description	This includes all the terraces on the exterior of the building, but does not include any balconies. The terraces are above enclosed living spaces and often have planters on them.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	30 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	16 years
Potential Deterioration	Includes exposure to the elements which may cause water seepage leading to subsequent weakening of the membrane. Physical damage may occur from debris, moss and algae, and impact damage.	
Funding Analysis	Work	Removal of pavers, replacing the insulation and membrane, then replacing the pavers with an allowance for breakage.
	Budget	A budget equal to 15% of the estimated cost of the component is provided for periodic major repairs every 30 years.
	Quantity	1,000 SF
	Current Job Cost	$2,630.82
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for moisture seepage and keeping the floor free from debris.	

Component 13		Balcony Railings
		
Component Description	Balcony railings are part of the safety system of the balcony as well as provides atheistic value to the complex. Balcony railings can be constructed of various materials, however typically include metal fasteners, posts and rails. High end railings include glazing.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	25 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	11 years
Potential Deterioration	Metal can suffer fatigue due to shifts in the building, corrosion or rust from elements will undermine the safety of the fasteners and connection points. Glass is susceptible to impact damage. Seals can become worn and loose.	
Funding Analysis	Work	Removal and disposal of existing assembly, repairs or replacement as required. Appropriate safety precautions will be required.
	Budget	A budget equal to 25% of the estimated cost of the component is provided for periodic major repairs every 25 years.
	Quantity	280 LF
	Current Job Cost	$22,072.57
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for corrosion, and loose fasteners/membrane. Railings should be inspected every 2-3 years.	

Component 14		Roof Assembly - Sheet Steel
		
Component Description	Sheet steel / metal roofs are comprised of galvanized steel / mixed alloys / copper sheets which are coated for anti-rust, waterproofing, and to heat reflective qualities. This component includes the metal sheets and an allowance for partial resheathing, roof trim, and an allowance for replacement of roof-openings such as vents.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	50 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	36 years
Potential Deterioration	Includes exposure to the elements, such as wind, rain, snow, freeze-thaw cycles, and extreme temperature changes which may cause rusting, weather damage, and metal fatigue. Physical damage may occur from debris, moss and algae, and impact damage.	
Funding Analysis	Work	Removal and disposal of existing assembly, repairs or replacement as required to the roofing substructure / sheathing, and installation of new roof assembly. Appropriate safety precautions will be required.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 50 years.
	Quantity	22,000 SF
	Current Job Cost	$304,506.47
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include debris removal, inspecting the connector screws to tighten / replace, corrosion removal / corrosion prohibitive coating, regular inspection for damage or rusting, and repair / replace as required. Annual visual inspections should be conducted.	

Component 15		Exterior Building Painting
		
Component Description	This reserve item considers the preparation, priming, and painting of the exterior surfaces of the building. The type of paint which is suitable will be dependent on several factors, including the type of surface. Generally, applying the same type of paint as the original (e.g.. latex over latex or alkyd over alkyd) works best. Additionally, surface preparation, primer coats, and differing application methods must be considered.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	18 years
	Effective Age	14 years
	Remaining Lifespa	4 years
Potential Deterioration	Includes exposure to the elements, such as wind, rain, snow, freeze-thaw cycles, and extreme temperature changes. UV light may deteriorate the paint and cause fading. Physical damage may occur from debris, vandalism, and impact damage.	
Funding Analysis	Work	Surface preparation, potentially including sanding, scraping, masking, primer coat(s),finish coats, and clean up. Additional special conditions may include scaffolding where required, safety precautions, and safeguarding the work area perimeter.
	Budget	We have allowed for a full replacement of this component every 18 years.
	Quantity	9,900 SF
	Current Job Cost	$47,652.25
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for damage and subsequent touch-ups / repairs as required. Areas with hash weather exposure should be reviewed more regularly.	

Component 16		Balcony Floor Finish
		
Component Description	Balcony floors are typically finished with a waterproof membrane system. In most construction environment, the waterproof membrane must meet specifications under Thermal and Moisture Protection. Materials are typically Bituminous waterproofing, EPDM robbery, Hypalonn or Polyvinyl Chloride.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	12 years
	Effective Age	14 years
	Remaining Lifespa	-2 years
Potential Deterioration	Includes exposure to the elements, such as wind, rain, snow, freeze-thaw cycles, and extreme temperature changes. UV light may deteriorate the chemical bonding agent, wearing the waterproof resistance down. Physical damage may occur from debris, vandalism, and impact damage. Membrane shrinkage can occur.	
Funding Analysis	Work	Surface preparation, potentially including scraping and lifting of damaged or worn materials. Depending on the subsurface, sanding or replacement of material may be required. Additional special conditions may include scaffolding where required, safety precautions, and safeguarding the work area perimeter.
	Budget	We have allowed for a full replacement of this component every 12 years.
	Quantity	6,000 SF
	Current Job Cost	$57,885.22
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for damage and subsequent spot repairs as required. Regular inspection of seams, wall junctions and flashing areas. Areas with hash weather exposure should be reviewed more regularly.	

Component 17		Underground Garage Markings
		
Component Description	Includes painting of concrete and asphalt surfaces such as concrete blocks, asphalt speed bumps, painted lines on concrete or asphalt for reserved / visitor parking stalls, and concrete safety columns.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	12 years
	Effective Age	14 years
	Remaining Lifespa	-2 years
Potential Deterioration	Subject to wear and tear and impact damage, as well as exposure from weathering.	
Funding Analysis	Work	Remove existing lines, prep surfaces, check for moisture in concrete, prime, paint and seal.
	Budget	We have allowed for a full replacement of this component every 12 years.
	Quantity	82 Stalls
	Current Job Cost	$1,137.15
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include power washing, regular staining removal and regular inspection for damage.	

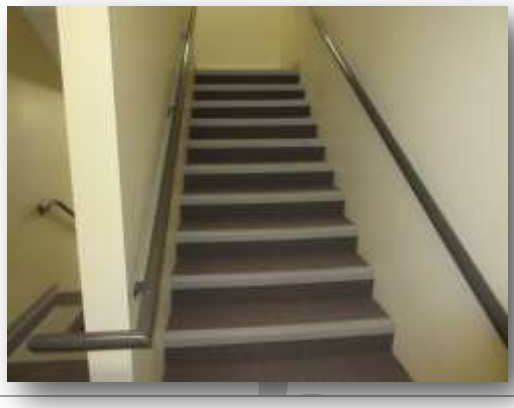
Component 18		Garage Insulation
		
Component Description	Spray Foam (or Polyurethane Foam Insulation) is a 2 part liquid system consisting of an isocyanate and a resin mixture. These chemicals are pumped through a specialized heating and pressurizing unit. The fluids are kept separate until just before leaving the gun, then mixed at a specific temperature and pressure. There are two types of spray foam based on the cell structure of the foam. One is a closed cell and the other is an open cell.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	50 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	36 years
Potential Deterioration	This material does not rot, however can be damaged physically.	
Funding Analysis	Work	Scrape and remove, cleaning surface prior to re-applying.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 50 years.
	Quantity	20,891 SF
	Current Job Cost	$60,803.81
Suggested Maintenance	The life of this component may be prolonged by effective maintenance and repairs as required.	

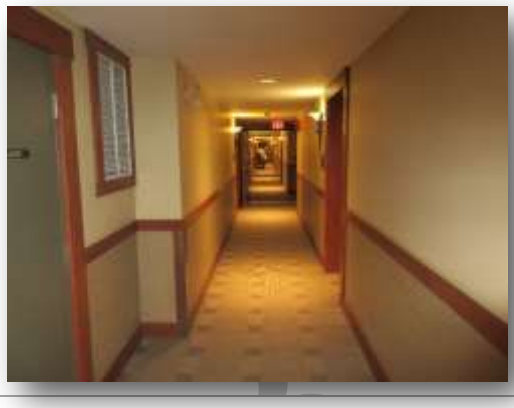
Component 19		Security Gate
		
Component Description	A typical overhead door consists of several panels hinged together that roll along a system of tracks guided by rollers. Security gates are used to control vehicle access to specific areas. Gates are typically operated electronically, either by remote control or through some type of secure access system such as an intercom or card / fob reader.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	15 years
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	The track and rolling mechanism is subject to wear and tear. Electronic failure of controls and access equipment. Mechanical failure of wheels or operator. Accidental collision or physical damage from shifts in building envelope. Exposure to the elements including corrosion. The bearings, hinges, and rollers should be lubricated for proper and safe operation. The torsion springs should also be lubricated with a light coat of penetrating oil to reduce the friction between the coils, eliminate any noise, and increase the life of the	
Funding Analysis	Work	Includes disposal and replacement of the existing gate, hardware, and electronic system.
	Budget	We have allowed for a full replacement of this component every 15 years.
	Quantity	3 Doors
	Current Job Cost	$26,697.08
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include new springs, rollers and tracks. Repairs as required.	

Component 20		Parkade Lighting
		
Component Description	Parkade lighting typically comprises ceiling mounted fluorescent fixtures. These range from 2to 8 light formations. Many parkade structures have been updated with LED lighting, which is more efficient and long lasting. Component includes ballasts, electrical connection and light tubes.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Lighting is being upgraded to LED.
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	12 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	-2 years
Potential Deterioration	The ballast system will typically last 50,000 hours in nominal temperature (+ 10o C). Ballasts are susceptible to power spikes or extreme temperatures. The tubes have a typical life of 8,000 hours. These are susceptible to impact damage, power surges and extreme temperatures. LED lights have a life of 40,000 and have similar deterioration issues.	
Funding Analysis	Work	Tubes can be replaced as needed. Ballasts will require a certified electrician de-energize the unit, remove and replace the unit. Conversion to LED lights requires modification or replacement of ballasts.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 12 years.
	Quantity	14 Lights
	Current Job Cost	$8,460.38
Suggested Maintenance	The component life can be extended by maintaining a constant temperature, reducing moisture and limiting on/off cycles.	

Component 21		Interior Common Corridor Painting
		
Component Description	This component refers to the common corridors inside the building. Component includes paint on walls and trim, and includes preparation for masking and finish. Interior latex paint is applied on common area walls and ceilings over a seal coat. Interior wood trim is painted with lacquer or gloss paint. Includes common side of doors. Excludes integrated construction unless noted. Excludes damage from repair work. Includes doors, casings, and trims as	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building. Some touch up work in 2014/2015
	Dollars Spent	Undisclosed expenditures to date.
Life Cycle Analysis	Expected Lifespan	16 years
	Effective Age	14 years
	Remaining Lifespa	2 years
Potential Deterioration	Interior paint can deteriorate from UV sources, physical damage or water / moisture ingress. Repainting can also be done for aesthetic reasons.	
Funding Analysis	Work	Preparation of painted surface is required. Typically includes washing, sanding and priming surface. Two coats are applied on the surface. Masking of fixtures and painting of trim.
	Budget	We have allowed for a full replacement of this component every 16 years.
	Quantity	6,800 SF
	Current Job Cost	$12,567.09
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include cleaning and maintaining a controlled environment.	

Component 22		Interior Common Corridor Wallpaper
		
Component Description	Wallpaper is a decorative material applied to an interior corridor wall. Wallpaper is made in long rolls, which are hung vertically on a wall. These are attached via adhesive material bonded on the non-pattern side.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building. Some quotes for repairs to worn/damaged areas.
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	15 years
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	Wallpaper has a longer lifespan than paint, however has the same potential deterioration. Adhesive material can lose its bond over time. Moisture can quicken the deterioration. Physical damage can occur causing tears, dirt build up or fading from UV light.	
Funding Analysis	Work	Physically remove the paper material, but steam heating, scrapping or removal of portions of the wall substructure. Wall surface must be prepared which requires removal of any remnants of bonding material.
	Budget	We have allowed for a full replacement of this component every 15 years.
	Quantity	6,800 SF
	Current Job Cost	$26,452.15
Suggested Maintenance	Light cleaning of build up material on a regular basis. Using a bonding agent to re-attach any material losing adhesion. Replacement of torn materials.	

Component 23		Interior Stairwell Painting
		
Component Description	Interior stairwell painting is comprised of painting the stair lines, railings, and markings in the interior stairwells of the building.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	22 years
	Effective Age	14 years
	Remaining Lifespa	8 years
Potential Deterioration	Includes fading from wear and tear and vandalism. Contributing factors include physical damage and deterioration over time.	
Funding Analysis	Work	Removal of any vandalism markings and re-painting the stair lines / markings as needed.
	Budget	We have allowed for a full replacement of this component every 22 years.
	Quantity	5,940 SF
	Current Job Cost	$6,517.99
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for paint fading due to wear and tear and repaint as required.	

Component 24	Interior Common Area Flooring - Carpet	
		
Component Description	This component is the flooring finish in the enclosed hallway area inside the building. This area is subject to high traffic volume. The life of the flooring differs with the type of material used. The material used could include carpet, linoleum, tile, or wood.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building, carpet repairs in 2013 and cleaning in 2014.
	Dollars Spent	$2,343 spent on cleaning and $4,900 on repairs.
Life Cycle Analysis	Expected Lifespan	18 years
	Effective Age	12 years
	Remaining Lifespa	6 years
Potential Deterioration	Due to high traffic volume, the material used as flooring would be subject to cracking, breakage, fading of colour, and deterioration.	
Funding Analysis	Work	Replacing the damaged area or replacement of the entire area depending on the scope of the deterioration.
	Budget	We have allowed for a full replacement of this component every 18 years.
	Quantity	4,600 SF
	Current Job Cost	$68,829.88
Suggested Maintenance	The life of this component may be prolonged by effective maintenance including carpet cleaning and repairs as required.	

Component 25	Interior Common Area Flooring - Ceramic Tile	
		
Component Description	This component is the flooring finish in the enclosed hallway area inside the building. This area is subject to high traffic volume. The life of the flooring differs with the type of material used. The material used could include carpet, linoleum, tile, or wood.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building. 4th floor was tiled in 2015.
	Dollars Spent	An undisclosed amount was spent on the 4th floor tiling.
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	10 years
	Remaining Lifespa	25 years
Potential Deterioration	Due to high traffic volume, the material used as flooring would be subject to cracking, breakage, fading of colour, and deterioration.	
Funding Analysis	Work	Replacing the damaged area or replacement of the entire area depending on the scope of the deterioration.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	1,510 SF
	Current Job Cost	$13,349.93
Suggested Maintenance	The life of this component may be prolonged by effective maintenance including carpet cleaning and repairs as required.	

Component 26		Interior Common Area Lighting
		
Component Description	Interior lighting fixtures are typically fluorescent, incandescent, and halogen. Incandescent fixtures can accommodate compact fluorescent replacement lamps. Fixtures are mounted on walls or ceilings. Fixtures are frequently continually on or controlled by sensors in public areas and controlled with switches in non-public common areas. They include housings and ballasts. Bulbs are replaced as part of regular maintenance, as well as switched and sensors.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	LED lighting replacement underway in hallways.
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	20 years (Budget Provision)
	Effective Age	10 years
	Remaining Lifespa	10 years
Potential Deterioration	The interior lighting is primarily susceptible to impact damage and vandalism. Over time the lighting may be changed due to redecorating of the common areas or functional obsolescence as replacement bulbs and parts become difficult to find and more efficient methods become available.	
Funding Analysis	Work	Removal and disposal of existing assembly, repairs or replacement as required to the drywall and installation of the new assembly. Upon replacement, it may be advisable to switch to LED lighting depending on cost, repayment time, and availability.
	Budget	A budget equal to 75% of the estimated cost of the component is provided for periodic major repairs every 20 years.
	Quantity	146 Lights
	Current Job Cost	$24,664.31
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspections and repairs as required.	

Component 27		Lobby Renovation
		
Component Description	This component comprises all of the reserve items and materials of the common lobby area(s), including flooring, wall finish, ceiling finish, fixtures, furnishings, and decorations.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building. Lobby doors were refurbished in 2014
	Dollars Spent	$6,000 spent on lobby doors in 2014.
Life Cycle Analysis	Expected Lifespan	15 years
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	This component will typically experience wear and tear from owner and visitor use, which could include marking / damage to the wall surfaces including impact damage, damage to the flooring due to use, obsolescence of fixtures and furnishings due to diminished utility or dated design / aesthetics.	
Funding Analysis	Work	Includes renovations which can include re-painting/wallpapering, re-flooring, and replacement of fixtures and furnishings. Special conditions may include staged project completion due to access limitations.
	Budget	We have allowed for a full replacement of this component every 15 years.
	Quantity	775 SF
	Current Job Cost	$56,195.73
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for damage and subsequent repairs as required.	

Component 28	Elevator Cab Renovation	
		
Component Description	This component covers the repair and replacement of the interior of the elevator cabs, including the flooring, wall panels, ceiling panels, ventilation fan, paint, light fixtures, and railings. This component does not include safety features, mechanical or electrical components within the elevator enclosure.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	22 years
	Effective Age	14 years
	Remaining Lifespa	8 years
Potential Deterioration	The elevator cabs are most prone to impact damage caused by moving items in and out. Further damage is caused by wear and tear and vandalism. Most cab interiors are constructed of materials to allow for a certain resistance to deterioration of this type.	
Funding Analysis	Work	Removal and disposal of existing assembly, repairs or replacement as required, and installation of the new assembly.
	Budget	We have allowed for a full replacement of this component every 22 years.
	Quantity	1 Cab
	Current Job Cost	$6,262.70
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspections and repairs as required.	

Component 29		Sump Pumps / Drains and Controls
		
Component Description	Commercial/industrial sump pump systems are necessary for any commercial building with a basement. Submersible pumps are especially selected if the floor-space above the wet-well is required for other purposes such as a walkways and hallways. These pumps are submerged within the wet-well; however, they are installed with guide-rail systems which allow the personnel to remove the pumps using a chain or cable to lift them from the wet-	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	15 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	Gaskets and seals can fail after extended use. Motor assemblies can fail or become clogged.	
Funding Analysis	Work	Remove sump pump and replace as required. Sumps can be blown out and cleaned to extend life of pumps.
	Budget	A budget equal to 20% of the estimated cost of the component is provided for periodic major repairs every 15 years.
	Quantity	2 Pumps
	Current Job Cost	$1,185.03
Suggested Maintenance	The life of this component may be prolonged by effective maintenance and repairs as required.	

Component 30		Domestic Water Supply
		
Component Description	Supply system to provide hot and cold water to the building via a main distribution system. Typically includes risers, branch lines, valves and backflow preventers. Backflow preventers are required on the main service and where irrigation and fire sprinkler systems connect to the water supply. These services should last the life of the property, provided adequate maintenance and no physical damages.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	30 years (Budget Provision)
	Effective Age	12 years
	Remaining Lifespa	18 years
Potential Deterioration	Pinhole leaks at elbows. Contact between dissimilar metals can cause deleterious electrochemical reactions. Turbulence caused by improper bends and soldering can create leaks. Connections to fixtures can wear and break. Plastic resins can chemically change over time and become brittle. Vibration and stress can weaken joints. Valves can seize.	
Funding Analysis	Work	Full-scale replacement of plumbing systems is not typical.
	Budget	A budget equal to 15% of the estimated cost of the component is provided for periodic major repairs every 30 years.
	Quantity	1 System
	Current Job Cost	$55,944.34
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include replacing worn or corroded pipes as required.	

Component 31		Sprinkler System
		
Component Description	A fire sprinkler system is an active fire protection measure, consisting of a water supply system that provides adequate pressure and flow rate to a water distribution piping system, onto which fire sprinklers are connected. The most common types of fire sprinkler systems are Wet and Dry pipe systems. They are used for different environments.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	Sprinkler leak repair in 2013 @ $1,500
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	12 years
	Remaining Lifespa	23 years
Potential Deterioration	Fire sprinkler systems are composed of various components such as valves, pumps, and gauges. These components are susceptible to mechanical failure.	
Funding Analysis	Work	A fire sprinkler system needs to be maintained regularly to comply with numerous regulations. The System is inspected and tested for operational readiness, and parts failure.
	Budget	A budget equal to 15% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	1 System
	Current Job Cost	$96,628.00
Suggested Maintenance	The life of this component may be prolonged by effective maintenance.	

Component 32		Heating System - Boiler
		
Component Description	Commercial boilers comprise a steel housing with natural gas burners which heat tubes filled with liquid. This liquid circulates though radiators in the structure radiating heat. The size of the boiler is measured in BTU's (British Thermal Units) depending on the size of the structure requiring heat.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building. 2014 budget for boiler replacement @ $25,000, work not done yet.
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	18 years
	Effective Age	14 years
	Remaining Lifespa	4 years
Potential Deterioration	Metal tubing and fasteners are subject to fatigue from heating and cooling process. Water lines can corrode and rust. Burners can overheat and cause failure.	
Funding Analysis	Work	Typically parts are replaced as they wear out. Full replacement requires shut down of service, removal of component and installation of new device.
	Budget	We have allowed for a full replacement of this component every 18 years.
	Quantity	3 Boilers
	Current Job Cost	$27,175.93
Suggested Maintenance	Water feed hoses, and output lines should be inspected for damage, pinhole leaks or metal fatigue. Burner assemblies should be clear of debris and corrosion. Regular visual inspection and testing by certified gas fitter should be done annually.	

Component 33	Heating System - Hot Water Storage Tank	
		
Component Description	This refers to a water tank that is used for storing hot water for space heating or domestic use. A heavily insulated tank can retain heat for days. Hot water storage tanks may have a built-in gas or oil burner system, or electric immersion heaters, or may use an external heat exchanger to heat water from another energy source such as a wood-burning stove or a district heating system.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	18 years
	Effective Age	14 years
	Remaining Lifespa	4 years
Potential Deterioration	In direct heat units, the heating coils can burn out. Seams on the tank are susceptible to corrosion, rust and leakage.	
Funding Analysis	Work	Individual tanks can be removed and replaced. Repair of damaged tanks is atypical. Water and/or gas lines must be shut off, tank must be emptied and replaced.
	Budget	We have allowed for a full replacement of this component every 18 years.
	Quantity	3 Tanks
	Current Job Cost	$10,991.94
Suggested Maintenance	Annual inspection of the tank should be undertaken. Evidence of rust marks, water stains or drips are signs the tank may fail imminently.	

Component 34		Make-up Air Handling Unit
		
Component Description	An air handler, or air handling unit is used to regulate and circulate air as part of an HVAC system. An air handler is usually a large metal box containing a blower, heating or cooling elements, filter racks or chambers, sound attenuators, and dampers. Air handlers connect to a ductwork ventilation system that distributes the conditioned air through the building and returns it to the AHU.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	15 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	Heating elements can suffer from electrical failure, or corrosion. The cooling condenser can suffer failure of refrigerant. The filters can become plugged and cause the system to overheat and suffer failure.	
Funding Analysis	Work	Maintenance on the heating and cooling units. Fan mechanism can be replaced or maintained. Full replacement is not typical.
	Budget	A budget equal to 60% of the estimated cost of the component is provided for periodic major repairs every 15 years.
	Quantity	1 System
	Current Job Cost	$14,491.54
Suggested Maintenance	Annual maintenance by a certified technician is recommended to extend the life of the component.	

Component 35		Terminal Air Handling Unit
		
Component Description	Small air handlers, for local use, are called terminal units, and may only include an air filter, coil, and blower. The air handler is normally constructed around a framing system with metal infill panels as required to suit the configuration of the components.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	15 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	Heating elements can suffer from electrical failure, or corrosion. The cooling condenser can suffer failure of refrigerant. The filters can become plugged and cause the system to overheat and suffer failure.	
Funding Analysis	Work	Maintenance on the heating and cooling units. Fan mechanism can be replaced or maintained. Full replacement is not typical.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 15 years.
	Quantity	3 Systems
	Current Job Cost	$7,947.68
Suggested Maintenance	Annual maintenance by a certified technician is recommended to extend the life of the component.	

Component 36		Special and Exhaust Equipment
		
Component Description	Exhaust equipment provides ventilation for underground parkades. Typically includes a metal housing enclosing a fan and electrical junction.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	12 years
	Effective Age	14 years
	Remaining Lifespa	-2 years
Potential Deterioration	Environmental elements, physical damage, wear and tear, metal fatigue or failure of equipment and parts.	
Funding Analysis	Work	Removal and disposal of failed equipment or parts and replacement of such parts as required.
	Budget	We have allowed for a full replacement of this component every 12 years.
	Quantity	2 Systems
	Current Job Cost	$7,420.68
Suggested Maintenance	Regular review of the fan mechanism should be undertaken.	

Component 37	Elevator Modernization - Hydraulic	
		
Component Description	Hydraulic elevators use a hydraulic ram system comprising a tank, pump, valve, and a cylinder. Upward movement is created by the electric motor pumping oil into the cylinder causing the piston to lift the elevator cab. To descend, the valve releases the oil from the cylinder back into the oil tank.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	25 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	11 years
Potential Deterioration	Deterioration could include wear and tear of mechanical components including bearings, gears, valves, and pump. Electrical failures of relays, contactors, motor windings, and processors may occur over time. Leaks from hydraulic connections may also occur, as may door operator failures. Single-bottom cylinders built prior to 1977 risk failure due to cylinder corrosion or electrolytic action. Systems of this type will require retrofit or replacement (B44-2007 safety code).	
Funding Analysis	Work	You'll need to write your own funding work here.
	Budget	A budget equal to 65% of the estimated cost of the component is provided for periodic major repairs every 25 years.
	Quantity	1 Elevator
	Current Job Cost	$100,959.60
Suggested Maintenance	Maintenance routines and preventive maintenance are required. Regular cleaning and removal of debris is recommended.	

Component 38	Electrical Distribution System and Fixtures	
		
Component Description	The building is served by a transformer that is the property of BC Hydro. The power is stepped down in a main electrical room through various breaker panels. There are individual breaker panels for each strata unit, which are not included in this component. The wiring consists of shielded cable and copper wire inside metal conduit. The electrical system should last life of the property provided corrosion and exposure is limited.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	21 years
Potential Deterioration	Includes potential loosening of connections, component failure, degrading of wire. Collection of dust can result in premature failure.	
Funding Analysis	Work	Removal and replacement of components as required.
	Budget	A budget equal to 15% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	1 System
	Current Job Cost	$26,115.51
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection and subsequent repairs as required. In large electrical vaults, the vault should be DE energized and blown out every 5 to 8 years.	

Component 39		Entry System - Intercom
		
Component Description	Entry phone systems are located at the entry point to the common area of the building, typically in the front lobby. There are several different types of systems. These typically include a terminal with alpha numeric display and a key pad. These systems are usually tied into the main entry door via a mag lock or electrical lock release system.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	15 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	This component can suffer electrical failure from wear and tear or exposure to elements. In addition, vandalism or physical damage can occur. Typically these units are replaced when they become functionally obsolete or when parts become unavailable or superior equipment becomes available. Exterior terminals will tend to have a shorter service life.	
Funding Analysis	Work	Removal of old system installation and setup of replacement system. Integration with connected components where required.
	Budget	A budget equal to 75% of the estimated cost of the component is provided for periodic major repairs every 15 years.
	Quantity	1 System
	Current Job Cost	$4,659.67
Suggested Maintenance	The life of this component may be prolonged by effective maintenance and adequate protection from the elements.	

Component 40		Fire Alarm System
		
Component Description	An automatic fire alarm system is designed to detect fire by monitoring environmental changes associated with combustion. In general, a fire alarm system is classified as either automated, manual, or both. Automatic fire alarm systems are intended to notify the building occupants and emergency service responders in the event of a fire or other emergency. The system may include pull stations, enunciators, a fire panel, heat and smoke	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	15 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	Includes electrical failure, vandalism, and functional obsolescence. Exterior terminals will tend to have a shorter service life.	
Funding Analysis	Work	Repair and / or replacement of system after results of regular testing periods.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 15 years.
	Quantity	1 System
	Current Job Cost	$5,255.72
Suggested Maintenance	Periodic fire alarm testing is required.	

Component 41		Amenity Room
		
Component Description	This component comprises all of the reserve items and materials of the common amenity room, including flooring, wall finish, ceiling finish, fixtures, furnishings, and decorations.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	25 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	11 years
Potential Deterioration	This component will typically experience wear and tear from owner and visitor use, which could include marking / damage to the wall surfaces including impact damage, damage to the flooring due to use, obsolescence of fixtures and furnishings due to diminished utility or dated design / aesthetics.	
Funding Analysis	Work	Removal and disposal of old furnishings and fixtures, potentially re-painting / wallpapering, re-flooring, and replacement of fixtures and furnishings. Special conditions may include staged project completion due to access limitations.
	Budget	A budget equal to 75% of the estimated cost of the component is provided for periodic major repairs every 25 years.
	Quantity	1,634 SF
	Current Job Cost	$47,233.95
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for damage and subsequent repairs as required. Regular cleaning can extend life.	

Component 42		Exercise Room
		
Component Description	This component encompasses the exercise room and the interior finish, not including the exercise equipment.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	20 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	6 years
Potential Deterioration	Paint and flooring can be damaged as a result of foot traffic. Repainting is typically done for aesthetic reasons. The interior finish can deteriorate with physical damage.	
Funding Analysis	Work	Removal and disposal of old furnishings and fixtures, potentially re-painting / wallpapering, re-flooring, and replacement of fixtures and furnishings. Special conditions may include staged project completion due to access limitations.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 20 years.
	Quantity	960 SF
	Current Job Cost	$17,395.56
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for damage and subsequent repairs as required.	

Component 43		Exercise Equipment
		
Component Description	This component includes the various machines, dumbbells, benches, mats and associated exercise equipment. This excludes any specialized building components to the room. The amount of exercise equipment is dependent on the size of the room and the strata owners desire. Exercise equipment has a short life span, and must be maintained regularly to extend the life span. Typical equipment includes stationary bikes, treadmill, stair climbers and	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	8 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	-6 years
Potential Deterioration	Machinery and equipment can fail due to amount of use and lack of proper maintenance. Most exercise equipment is not well-maintained, resulting in shortened life spans. Misuse or unfamiliarity with equipment function can result in physical damage as well.	
Funding Analysis	Work	Remove and replace equipment as required. Bulk purchasing can result in favorable pricing.
	Budget	A budget equal to 75% of the estimated cost of the component is provided for periodic major repairs every 8 years.
	Quantity	8 Pieces
	Current Job Cost	$13,386.15
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular cleaning and lubrication of moving parts.	

Component 44		Pool - Mechanical
		
Component Description	These include a boiler used to heat the pool, sand filters, chlorinators or water treatment facilities. Pump systems to circulate the water. Depending on the size of the pool, multiple systems may be required.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2014
	Work Completed	Pool and Hot Tub boilers replaced in 2015
	Dollars Spent	$12,265 combined cost (pool/hot tub)
Life Cycle Analysis	Expected Lifespan	18 years
	Effective Age	1 year
	Remaining Lifespa	17 years
Potential Deterioration	Sand filters require replacement of sand every 7-10 years. The boiler can suffer from heating element failure or gas line leakage. Pumps can fail or become clogged.	
Funding Analysis	Work	Repair and replace at component failure. Full replacement is not always required. Chemical imbalance can quicken deterioration of pumps, filters and plumbing.
	Budget	We have allowed for a full replacement of this component every 18 years.
	Quantity	1 Pool
	Current Job Cost	$6,950.66
Suggested Maintenance	Regular inspection and testing of chemicals can extend the life of the components.	

Component 45		Pool - Structure
		
Component Description	An in ground swimming pool may be gunite, poured concrete, or vinyl-lined. The construction, installation and durability of the pools vary. This component may include the chlorination and filtration system, pump, heating system, life-saving equipment, and ancillary equipment.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	12 years
	Effective Age	14 years
	Remaining Lifespa	-2 years
Potential Deterioration	Deterioration can include cracks and leaks due to seismic or hydraulic pressure, failure of pumps and equipment due to wear and tear, pinhole leaks in piping, and physical damage to vinyl pool-liner.	
Funding Analysis	Work	Repair and replace at component failure.
	Budget	We have allowed for a full replacement of this component every 12 years.
	Quantity	1 Pool
	Current Job Cost	$4,539.79
Suggested Maintenance	The life of this component may be prolonged by effective maintenance and repairs as required.	

Component 46		Pool - Furnishings
		
Component Description	The poolside furnishings typically include lounge chairs, tables, cushions and chairs. These are typically made from high density resin plastic or wood.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	10 years
	Effective Age	14 years
	Remaining Lifespa	-4 years
Potential Deterioration	As these are sitting open in the elements, they are susceptible to UV light deterioration, weathering and physical damage.	
Funding Analysis	Work	Broken, worn or damaged pieces should be replaced as needed.
	Budget	We have allowed for a full replacement of this component every 10 years.
	Quantity	9 Pieces
	Current Job Cost	$2,350.12
Suggested Maintenance	Regular annual inspection of furnishings should be undertaken to identify weaknesses or damage.	

Component 47		Hot Tub - Mechanical
		
Component Description	This component includes ventilation equipment, heat, chemical and filtration system for the hot tub / spa. Built-in hot tubs / spas typically are comprised of either a ceramic tiled deck, sides and bottom surface, or a fiberglass shell. Equipment for this component includes an air circulation unit and a heating and pumping system for the hot tub / spa. A sauna is typically an enclosed cedar structure with benches and a gas or electric heater with a temperature	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2014
	Work Completed	Pool and Hot Tub boilers replaced in 2015
	Dollars Spent	$12,265 combined cost (pool/hot tub)
Life Cycle Analysis	Expected Lifespan	18 years
	Effective Age	1 year
	Remaining Lifespa	17 years
Potential Deterioration	Mechanical and electrical failure, water treatment problems, humidity, and equipment wear and tear are the deteriorating factors to consider when reviewing this component. Damage to ceramic tile spa / hot tub and deck, leaks in plumbing system, wear to air circulation unit, and wear to heating and pumping system must be monitored on a regular basis.	
Funding Analysis	Work	Remove and replace worn equipment and fixtures. Close hot tub/spa/sauna room during refurbishment.
	Budget	We have allowed for a full replacement of this component every 18 years.
	Quantity	1 Facility
	Current Job Cost	$6,950.66
Suggested Maintenance	The life of this component may be prolonged by effective continuous maintenance. Regular annual inspection is recommended.	

Component 48	Hot Tub - Structure	
		
Component Description	A Hot Tub is a resin enclosure housing a pump system, heaters and circulation tubes. The enclosure is typical a resin material (fiberglass) with insulation of various R levels. In ground or built in hot tubs can be of gunite or concrete material with a liner.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	12 years
	Effective Age	14 years
	Remaining Lifespa	-2 years
Potential Deterioration	The hot tub shell or enclosure is susceptible to chemical deterioration, physical damage and seismic movement.	
Funding Analysis	Work	Typical full replacement is not needed, however repairs to the enclosure can extend the life until full replacement is needed.
	Budget	We have allowed for a full replacement of this component every 12 years.
	Quantity	1 Facility
	Current Job Cost	$2,973.06
Suggested Maintenance	The enclosure should be cleaned and checked for physical damages regularly. Chemicals should be maintained daily to prevent increases in chemical breakdown of the resin.	

Component 49	Common Area Washrooms	
		
Component Description	This component considers the renovation of all bathrooms / change rooms located in the common areas of the building. This includes fixtures, hardware, paint and finishes, as well as flooring where necessary.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	22 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	8 years
Potential Deterioration	Deterioration from wear and tear, abuse, or vandalism. Replacement due to modernization.	
Funding Analysis	Work	Removal and disposal of old fixtures and finishes, renovation and new installations.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 22 years.
	Quantity	115 SF
	Current Job Cost	$12,606.44
Suggested Maintenance	The life of this component may be prolonged by periodic upkeep and updating. Annual inspection of the component should be done.	

Component 50	Common Area Changerooms	
		
Component Description	This component considers the renovation of all bathrooms / change rooms located in the common areas of the building. This includes fixtures, hardware, paint and finishes, as well as flooring where necessary.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	22 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	8 years
Potential Deterioration	Deterioration from wear and tear, abuse, or vandalism. Replacement due to modernization.	
Funding Analysis	Work	Removal and disposal of old fixtures and finishes, renovation and new installations.
	Budget	A budget equal to 66% of the estimated cost of the component is provided for periodic major repairs every 22 years.
	Quantity	550 SF
	Current Job Cost	$28,281.11
Suggested Maintenance	The life of this component may be prolonged by periodic upkeep and updating. Annual inspection of the component should be done.	

Component 51		Bicycle Storage
		
Component Description	Bicycle storage typically includes a secure room, with various guards and racks. Racks are typically made of tubular metal and are bolted to the ground or walls.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	20 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	6 years
Potential Deterioration	The metal is subject to physical damage and corrosion. Fasteners can become loose over time from use.	
Funding Analysis	Work	Individual racks can be replaced as needed. Bolts and fasteners can be tightened or realigned.
	Budget	A budget equal to 20% of the estimated cost of the component is provided for periodic major repairs every 20 years.
	Quantity	3 Racks
	Current Job Cost	$743.37
Suggested Maintenance	Corroded metal should be filed and repainted. Fasteners should be tightened. Annual inspection of the racks and locks should be made.	

Component 52		Ski Lockers
		
Component Description	Ski lockers are typically located in common areas of the building. They are typically built of metal box frame. This component includes hinges, floor fasteners, and latch / hardware.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	40 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	26 years
Potential Deterioration	Includes wear and tear on latches / hinges / floor fasteners, impact damage, vandalism, wear and tear, moisture, and corrosion or rot if humidity is high.	
Funding Analysis	Work	Repairs or replacement as required to the lockers, latches, hinges, and floor fasteners.
	Budget	A budget equal to 25% of the estimated cost of the component is provided for periodic major repairs every 40 years.
	Quantity	206 Lockers
	Current Job Cost	$6,537.61
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspection for damaged lockers / latches / hinges / floor fasteners and repair / replace as required.	

Component 53		Site Services - Sewer and Water
		
Component Description	This component refers to sub-surface piping such as sewer system and drainage, and water supply system from roadway to building main. Storm sewer system includes storm sewer lines, catch basins, man holes, and connections to the individual units. Sanitary sewer system includes lines and service connections. Also includes any ancillary equipment such as sump pumps and sewage pumps and tanks.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	21 years
Potential Deterioration	This component can be affected by erosion, freeze / thaw cycles, corrosion, and in some cases physical damage from excavation.	
Funding Analysis	Work	Excavation and replacement of damaged component on an item by item basis. Will require shut down of building service for the duration.
	Budget	A budget equal to 10% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	550 LF
	Current Job Cost	$39,627.57
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include repairs as required. Regular flushing of system and/or scoping can determine whether there are blockages or breaks in the lines.	

Component 54		Asphalt Paving
		
Component Description	Includes asphalt driveways, roadways and parking areas. Asphalt is a semi-solid bituminous material, refined from crude petroleum. Bitumen is mixed with aggregate particles to create asphalt. The expected life span of Asphalt paving is varied. Under ideal conditions, the life expectancy can be 25-30 years.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	25 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	11 years
Potential Deterioration	Paving is subject to wear and tear from traffic. Additional damage from substrate erosion, oxidization, UV damage, freeze / thaw cycles, and salt damage may occur. Asphalt is soft and can suffer damages from heat and impact.	
Funding Analysis	Work	Remove damaged asphalt, replace and repair. May have to be done in stages to allow access to continue.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 25 years.
	Quantity	6,275 SF
	Current Job Cost	$17,508.83
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include application of sealant and regular inspection for damage.	

Component 55	Concrete Paving and Curbs	
		
Component Description	This component is for additional concrete paving and curbing, not allocated for in walkways or parkade. Concrete is a composite construction material composed primarily of aggregate, cement, and water. Concrete is poured using Slip-form paving or Fixed-form paving. Slip-form is used when large amounts of concrete must be placed efficiently. Fixed-form paving, where stationary forms are placed to hold the concrete mixture. Concrete is	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	35 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	21 years
Potential Deterioration	The concrete is subject to physical damage from traffic. Additional damage from substrate erosion, freeze / thaw cycles and salt damage. The majority of concrete pavement failures are not caused by failure of the concrete slab but by problems with the materials beneath the slab.	
Funding Analysis	Work	Remove and replace damaged concrete. May have to be done in stages to allow access to continue.
	Budget	A budget equal to 33% of the estimated cost of the component is provided for periodic major repairs every 35 years.
	Quantity	24,592 SF
	Current Job Cost	$93,251.13
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include applying sealant at regular intervals, and repairs as required.	

Component 56		Parking Paint and Markings
		
Component Description	Surface markings specify locations of parking stalls as well as direction of travel in parking lots and special parking stall markings for loading and accessibility. Typically these markings are made with a durable yellow paint.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	10 years
	Effective Age	14 years
	Remaining Lifespa	-4 years
Potential Deterioration	Surface markings become obscured due to tire markings. Exterior markings fade due to exposure to weathering. Physical damage or vandalism can also cause deterioration of the component.	
Funding Analysis	Work	Removal and disposal of existing assembly, repairs or replacement as required and installation of the new assembly.
	Budget	We have allowed for a full replacement of this component every 10 years.
	Quantity	82 Stalls
	Current Job Cost	$1,045.30
Suggested Maintenance	The life of this component may be prolonged by effective maintenance which could include regular inspections and repairs as required.	

Component 57		Exterior Landscaping
		
Component Description	Exterior landscaping may be comprised of grass, trees, shrubbery, associated gardens, walkways, irrigation system, and various plants. Landscape is a long lived item and naturally replenishes. It is assumed that changes to the component have to do with disease or changes in preference.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	15 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	1 year
Potential Deterioration	Includes exposure to the elements, such as wind, rain, snow, freeze-thaw cycles, and extreme temperature / humidity changes. Some plants are subject to fungus and disease. Additional deterioration can be caused by lack of water and nutrients. Physical damage can occur to the plants.	
Funding Analysis	Work	Replace / repair walkways, irrigation system, diseased or damaged trees, or change landscaping for aesthetic purposes.
	Budget	A budget equal to 10% of the estimated cost of the component is provided for periodic major repairs every 15 years.
	Quantity	20,000 SF
	Current Job Cost	$12,348.69
Suggested Maintenance	The life of this component may be prolonged by effective maintenance, including regular landscaping. Pruning and application of herbicides or fertilizers can assist with extending life of the component.	

Component 58	Retaining Walls - Concrete	
		
Component Description	Includes concrete or wood retaining walls for the complex. Retaining walls over four feet high must be approved by a qualified engineer.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	40 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	26 years
Potential Deterioration	Retaining walls are susceptible to hydraulic pressures, seismic movement, and physical damage from impact. Additional damage from substrate erosion, freeze / thaw cycles and salt damage. Wood is subject to weathering from the elements, rotting and insect damage.	
Funding Analysis	Work	Patch and replace as needed. An allowance equal to 10% of estimated cost of construction is provided for periodic major repairs.
	Budget	A budget equal to 20% of the estimated cost of the component is provided for periodic major repairs every 40 years.
	Quantity	75 LF
	Current Job Cost	$10,676.36
Suggested Maintenance	The life of this component may be prolonged by effective maintenance. Regular inspection for physical damage, concrete spalling, water seepage or wall movement should be made.	

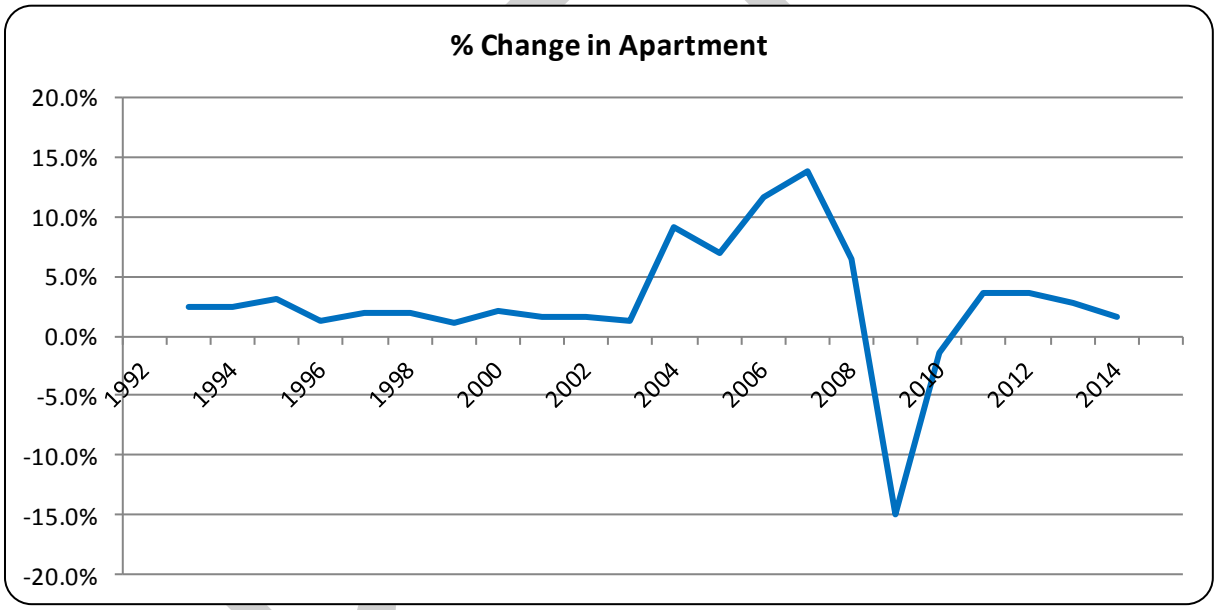
Component 59		Exterior Lighting
		
Component Description	This component considers all exterior lighting in the complex, including front entry, landscaping, and lamp posts. The wiring system will typically outlive the fixtures. An allowance for the electrical service is given. Fixtures are replaced due to breakage and upgraded for aesthetic or modernization.	
Condition Analysis	Based upon a partial visual-inspection, this component appears to be in average condition for its age. No major deficiencies were noted at the time of visual inspection.	
Reserve History	Year of Acquisition	2000
	Work Completed	Original to building
	Dollars Spent	We assume no expenditure to date.
Life Cycle Analysis	Expected Lifespan	18 years (Budget Provision)
	Effective Age	14 years
	Remaining Lifespa	4 years
Potential Deterioration	Deterioration primarily results from exposure to elements, corrosion and physical damage.	
Funding Analysis	Work	Remove and replace as required. An allowance is allocated for minor electrical work.
	Budget	A budget equal to 50% of the estimated cost of the component is provided for periodic major repairs every 18 years.
	Quantity	25 Lights
	Current Job Cost	$3,518.08
Suggested Maintenance	The life of this component may be prolonged by effective continuous maintenance.	

Appendix F—Construction Cost Inflation

We use a Construction Cost Inflation rate to forecast future replacement costs for the subject property. This rate is developed using a blended rate from Statistics Canada and Marshall & Swift / Boeckh (MSB). The Statistics Canada rate predicts a localized apartment rate, while the MSB rate predicts a localized specific building type rate. We use the average of the two in our funding models.

Statistics Canada

These data come from the Price Indexes of Apartment and Non-Residential Building Construction Table, a quarterly series measuring the changes in contractors' selling prices of building construction. The indices relate to both general and trade contractors' work and exclude the cost of land, land assembly, design, development, and real estate fees. We obtained data on the price indices of Apartment construction in Vancouver, BC since 1992. Previous years' data were not used due to the significant change in inflation policy in 1992, as outlined in Appendix H. The following graph illustrates how the Apartment Construction Cost Index changed from year to year.



We computed an exponentially increasing index line using a mathematical technique known as Least Squares Regression on the indices since 1992. This minimizes the regression line's total distance from each point, giving an exponential line-of-best-fit. This exponential trendline was forecasted 31 years into the future.

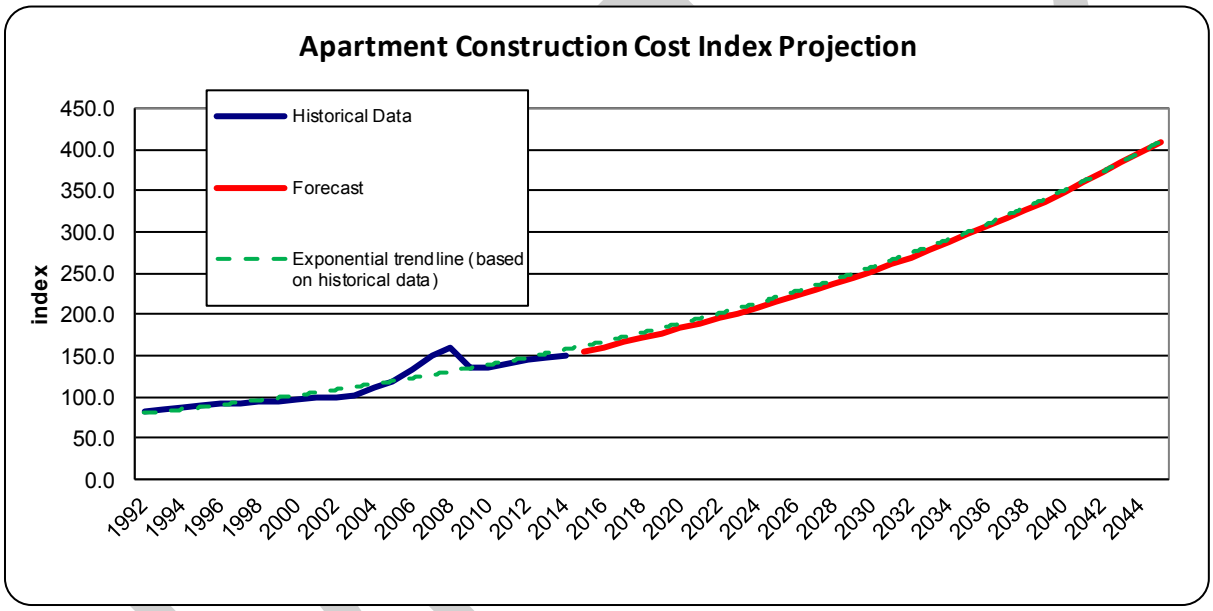
While the exponential trendline uses a constant rate of increase, we cannot simply use that rate as our expected annual rate of CPI increase, nor can we simply use the calculated indices as our projections. Doing so would place too much or too little emphasis, respectively, on the previous year's index.

Instead, we calculated an average annual increase over the next 31 years based on last year's CPI index and the forecasted index in 31 years. When the current year's index is higher than expected this has a tendency to skew the next 30 years' indices slightly above the exponential trendline, and slightly below for the years after that. The reverse is true for years when the previous year's index is lower than expected. This discrepancy is usually very minor, and the technique can often be more accurate, given that annual inflation rates are not independent of one another.

The average expected annual rate of Apartment Construction Cost Inflation in Vancouver, BC for the next 31 years is 3.28%.

This is based on a year-one increase of 7.72% with subsequent increases of 3.14%.

The following graph illustrates this forecast. The dotted green line represents the mathematical forecast, while the solid red line represents our adjusted forecast.



Marshall & Swift / Boeckh (MSB)

These data come from quarterly Time-Location Multipliers for principal Canadian cities. These multipliers express how the construction costs of specific types of buildings have changed over time in specific cities.

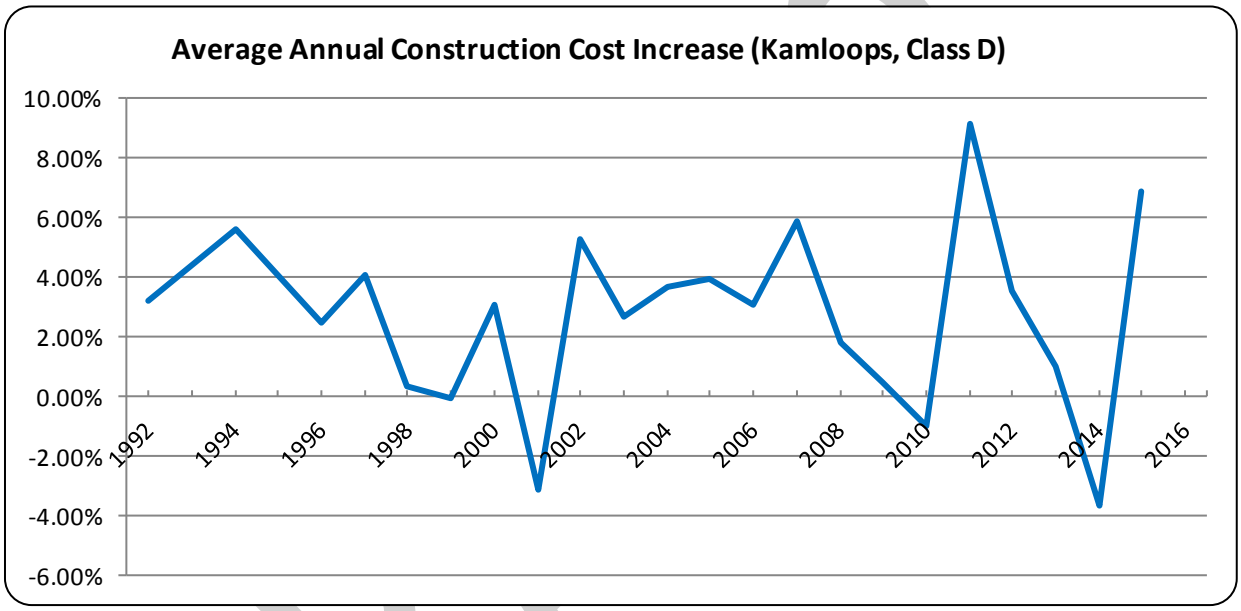
Each building has its own unique combination of basic costs. MSB uses 83 basic types of costs necessary to build workable weighted schedules, comprising 19 building trades and 64 material types.

The subject property is classified as a Class D building. We obtained comparative cost multipliers for those buildings in Kamloops since 1966. The following table describes Class D buildings.

Class	Frame	Floor	Roof	Walls
D	Wood or steel studs in bearing wall, full or partial open wood or steel frame, primarily combustible construction.	Wood or steel floor joists or concrete slab on grade.	Wood or steel joists with wood or steel deck. Concrete plank.	Almost any material except bearing or curtain walls of solid masonry or concrete. Generally combustible construction.

Only data since 1992 were used, to properly compare them to the Statistics Canada data.

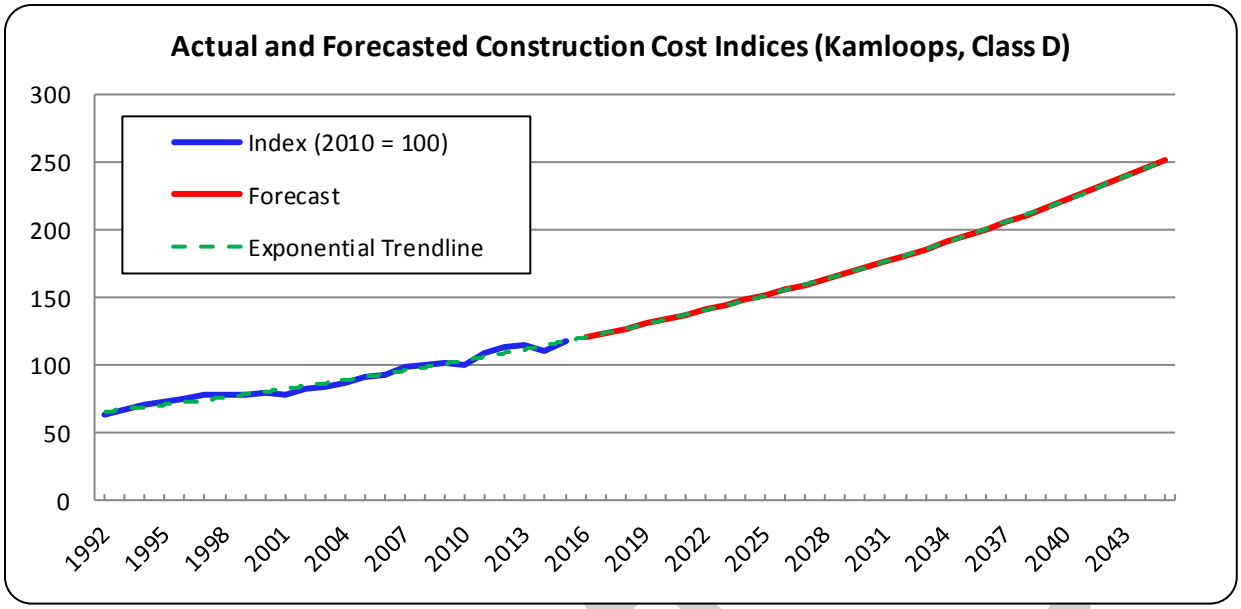
The multipliers were converted to indices. The following graph illustrates how the indices changed from year to year.



The average expected annual rate of Construction Cost Inflation for Class D buildings in Kamloops, BC for the next 31 years is 2.57%.

This is based on the same method we used to forecast Statistics Canada data, with a year-one increase of 2.46% with subsequent increases of 2.58%.

The following graph illustrates this forecast. The dotted green line represents the mathematical forecast, while the solid red line represents our adjusted forecast.



Conclusion

The following table summarizes our adjusted values for average annual construction cost increases for the next 31 years.

Data Source	Calculated Rate
Statistics Canada	3.28%
MSB	2.57%
Average	**2.9%**

We have rounded this average to the nearest 0.1% to highlight the uncertainty in long-term economic forecasting. We have adopted a rate of 2.9% for annual construction inflation in calculating the future replacement costs.

Appendix G—Interest Rates

We are not financial planners and cannot advise you how to best invest your money; it is strongly recommended that you consult an investment professional. Long-term economic forecasting is imprecise at best.

Reserve fund investments must be directly or indirectly guaranteed by governments; strata corporations must invest in qualified low-risk investments. They often invest in cashable Guaranteed Investment Certificates (GICs), so that is where we focus our study. Cashable GICs are GICs that allow the investor to withdraw some or all of their funds before the maturity date at no penalty. They typically offer very good returns for their flexibility. We have conducted a historical study of a sample of cashable GICs with the goal of projecting their average expected return over the next 30 years.

Our goal is to forecast achievable annual interest rates that strata corporations can expect to earn on their investments over the next 30 years. The ideal method of determining a likely rate of return on a strata corporation's investments is to review at least thirty years of performance of the corporation's investments, provided that the investments have been prudently invested. In the absence of such data, the reserve fund planner must select a rate which can take into consideration factors such as management policies, historical investment returns, current market trends, and long-term expected rates.

We obtained historical Bank of Canada GIC interest rates with 1, 3, and 5 year terms since 1983. These GICs are presumably "fixed-rate," meaning that you cannot withdraw your money until the end of the investment term, without the loss of the accrued interest.

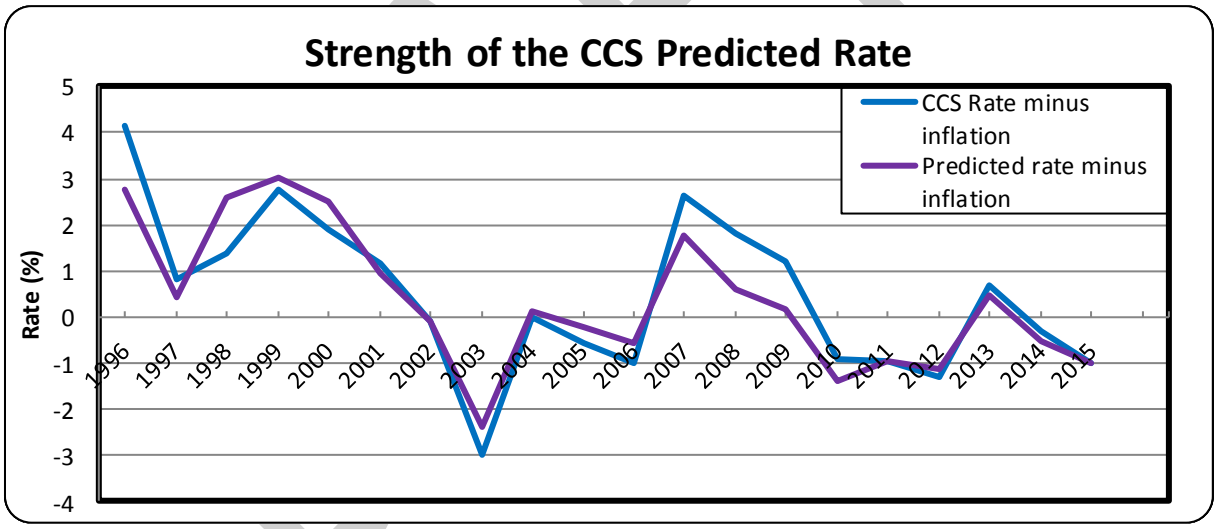
We also obtained historical interest rates on three various one-year "cashable" GICs, where you can withdraw your money whenever you want and still earn interest up to that point:

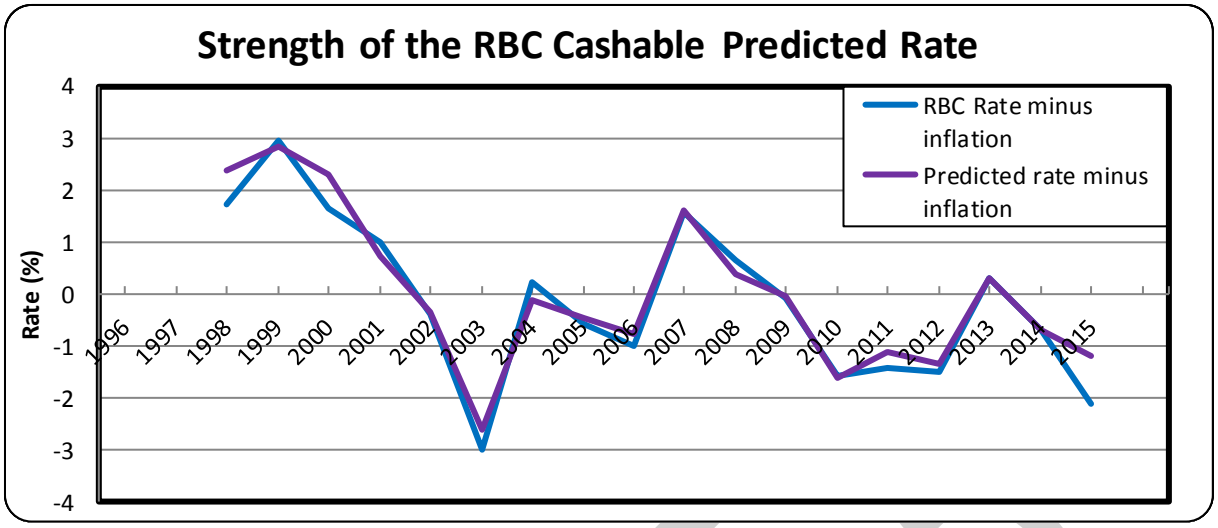
- Coast Capital Savings (CCS) 1 year redeemable GIC
  - Redeemable any time with full accrued interest after 30 days
  - $1000 minimum investment
  - Data available from 1996 to 2015
- Royal Bank of Canada (RBC) 1 year cashable GIC
  - Redeemable anytime with full interest after 30 days
  - $1000 minimum investment
  - Data available from 1998 to 2015
- RBC 1 year redeemable GIC, interest paid semi-annually or annually
  - Reduced rate if redeemed before maturity
  - $1000 minimum investment
  - Data available from 1997 to 2015

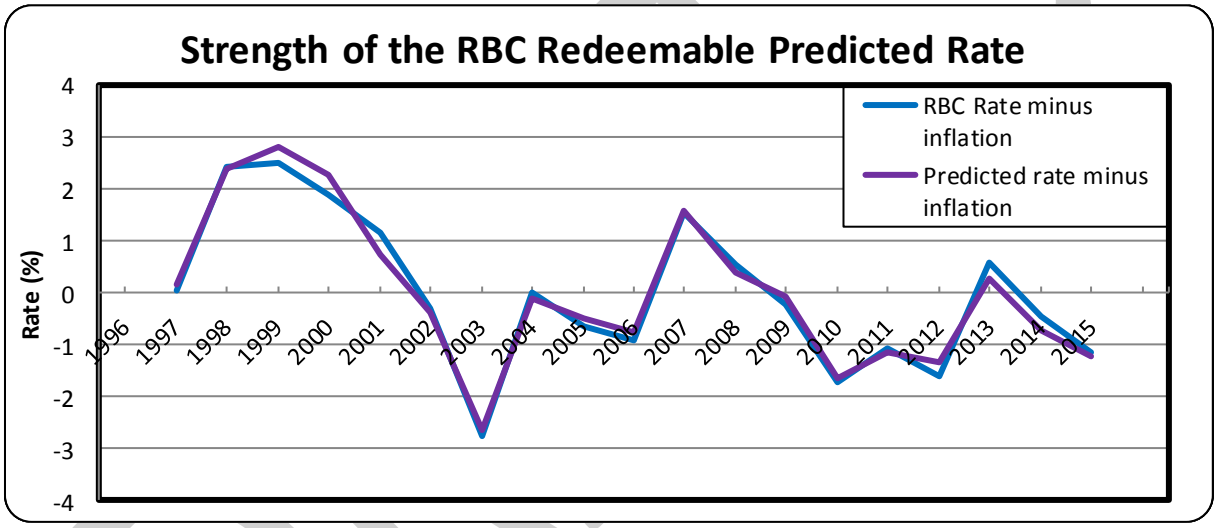
We would ideally like to start our dataset from 1992 when predicting future interest rates. While data on the Bank of Canada's fixed-rate GICs are available that far back, data on the cashable GICs are not. Both data sets were compared in order to assess how the Bank of Canada's posted rates match personal banks' cashable rates, and a predicted rate was generated for each rate in order to project an interest rate backwards in time to fill in the missing data.

The formula for each predicted rate is determined as follows. For all years with cashable GIC data, the spread above that year's national inflation for the Bank of Canada's 1, 3, and 5 year GICs are weighted such that the sum of their weights equals one. The sum of the weighted rates is added to a constant value. The weights and the constant value are determined such that the sum of the absolute values of the difference between this predicted spread above inflation and the cashable GIC's spread above inflation is minimized. Note that while this predictive formula uses multi-year GIC rates, it is only predictive of one-year GICs.

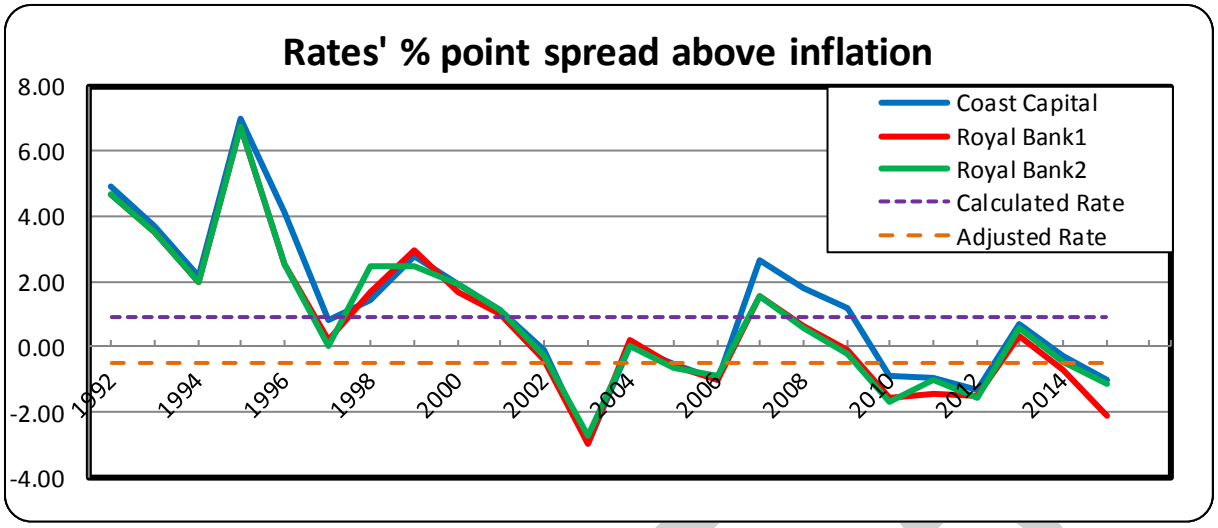
The following charts illustrate the strength of the predicted rate for each cashable GIC. The predicted rate uses the Bank of Canada's 1, 3, and 5 year GIC rates to predict the spread of each cashable GIC rate above inflation; this predictive formula is later applied to the Bank of Canada's posted rates since 1992 in order to fill in any missing data.







The following graph illustrates each cashable GIC rate's spread above inflation. Predictive data are used where there are no actual data. The chart also shows two forecasting rates: the Calculated Rate averages each rate's average spread above inflation, and is the mathematical forecast of long-term cashable GIC rates; the Adjusted Rate is based on our analysis of the current market.



These rates are very volatile. While any predicted rate will almost certainly be wrong from year to year, both our Calculated Rate and our Adjusted Rate have value. The Calculated Rate represents our best-guess at long-term cashable GIC rates; in other words, we find it as likely that the actual average flexible GIC rate over the next 30 years will be lower than the Calculated Rate as it will be higher. The Adjusted Rate is a subjective short-term rate that more closely represents our analysis of current interest rate trends and our expectations for strata's interest earnings. In our projections, we use the Adjusted Rate to calculate this year's interest earned, and gradually increase that rate until it equals the Calculated Rate. This provides both a more accurate short-term and long-term forecast.

The following chart numerically illustrates our Calculated Rate. "pp" stands for percentage points.

Avg Cashable GICs' Spread Above Inflation	
CCS	1.13 pp
RBC Cash.	0.71 pp
RBC Red.	0.81 pp
Average	**0.89 pp**

We use spread above inflation rather than straight interest rates because there is not enough data available since 1992 to be confident that our rates accurately reflect a long-term business cycle. We are basing our prediction of the average national inflation rate for the next 30 years on the government's target rather than on historical data.

The Calculated Rate is 0.89 percentage points above inflation. With average national inflation expected to average 2% per year, this represents a long-term predicted interest rate of 2.89%. Our adjusted Rate is 0.50 percentage points below expected inflation, representing a predicted rate of ADJUSTED RATE. It gradually moves to the Calculated Rate over a period of 6 years.

We have selected a **conservative 2.9%** interest rate in calculating the future investment performance of the strata corporation's reserve fund. This rate has been rounded, and is intentionally nonspecific to highlight the uncertainty in long-term economic forecasting. It is conservative because it assumes that strata councils need extremely high levels of flexibility in their investments, and because it averages the rates from available banks rather than choosing the highest.

The entire balance of the reserve fund does not need to always be available. Therefore it is likely that the interest rates the reserve fund planner can obtain will be higher than the one-year cashable GIC rates. Prudent reserve fund investing requires that investments are reasonably matched with anticipated reserve fund expenditures, ensuring reserve fund liquidity. Therefore, funds should be invested in a laddered portfolio, which ensures that reserve funds are available when needed.

Some management firms direct business to a particular financial institution to negotiate favourable interest rates for all their clients. This approach may benefit smaller corporations and is an important consideration when selecting an appropriate interest rate.

The benchmark calculations and the reserve fund projections are based on the assumption that reserve fund contributions are constantly and continuously invested. However, all expenditures are assumed to occur at the beginning of the year, while reserve fund deposits are assumed to occur at the end of the year.

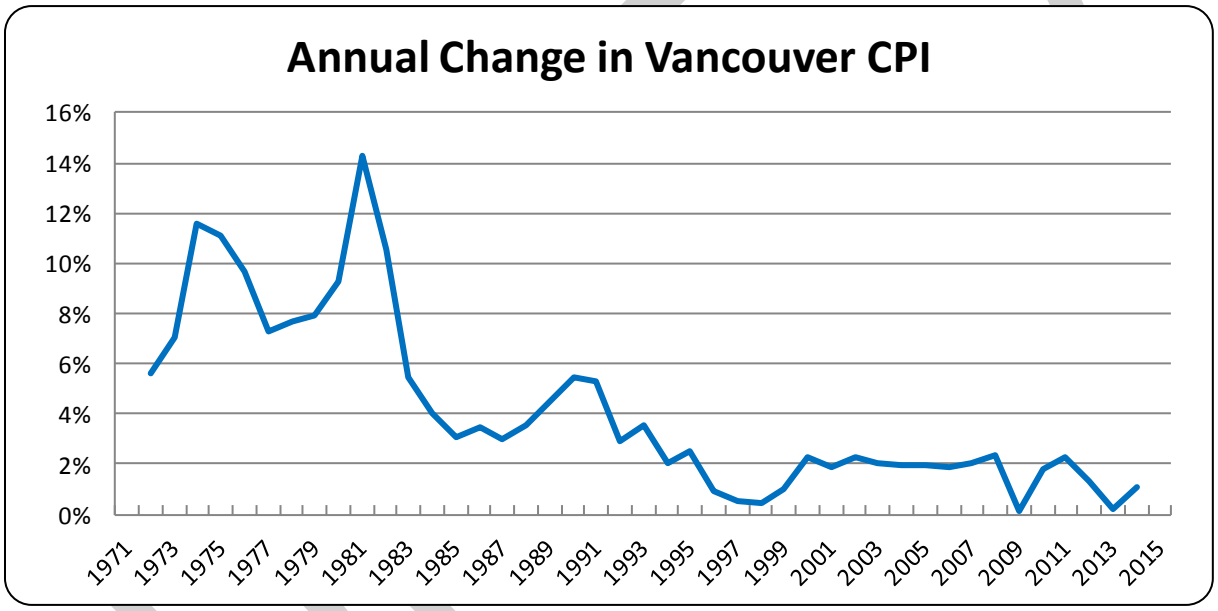
NOTE: We suggest a review of both the Calculated and Adjusted Rates on every update.

Appendix H—Consumer Price Index (CPI) Inflation

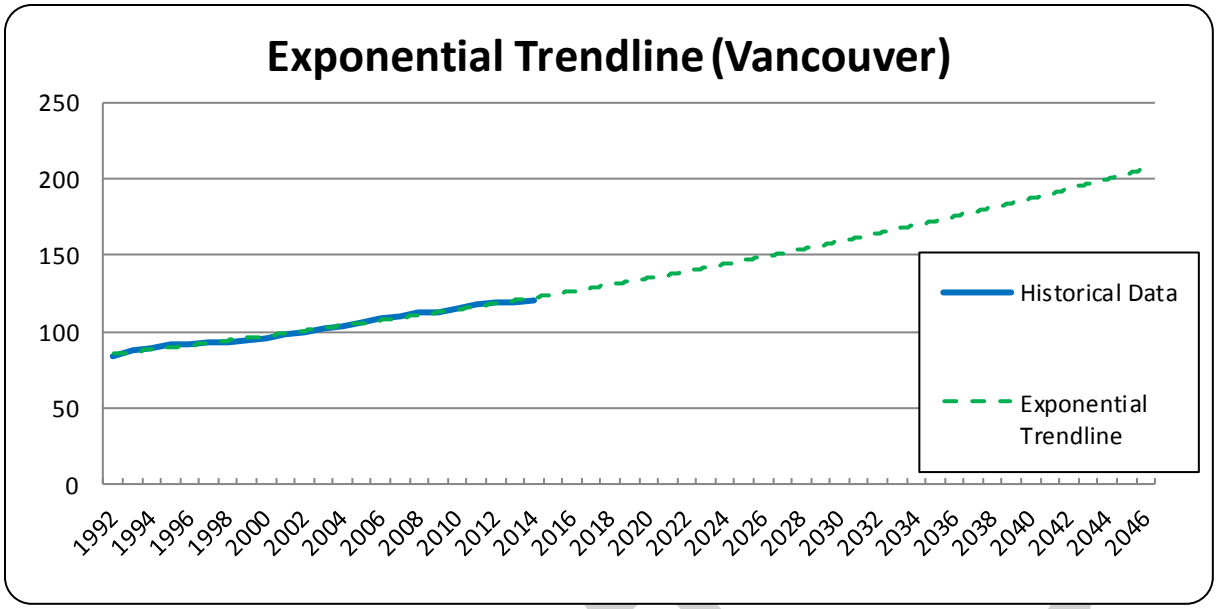
We use a Consumer Price Index (CPI) Inflation rate to aid in recommending fair contributions. For a detailed explanation of its use in this report please refer to Appendix I.

Annual data for Kamloops CPI are not available. We have used data for Vancouver, which are available from 1971 to 2014; however, inflation data collected prior to 1992 are likely poor predictors of future inflation. In 1991 the Government of Canada and the Bank of Canada set a goal to reduce national inflation from about 5% to 2% by 1995. Although national inflation climbed close to 7% in 1991, it dropped to 1.6% in 1992 as a result of government intervention. Since then, the goal has been to keep national inflation between 1% and 3% with an average of 2%. To reflect this important change in inflation policy, we have elected to only use CPI data since 1992.

The following graph illustrates how Vancouver CPI has changed since 1971.



We computed an exponentially increasing index line using a mathematical technique known as Least Squares Regression on the CPI indices since 1992. This minimizes the regression line's total distance from each point, giving an exponential line-of-best-fit. This exponential trendline was forecasted 31 years into the future. The following graph illustrates this line compared to the CPI indices.



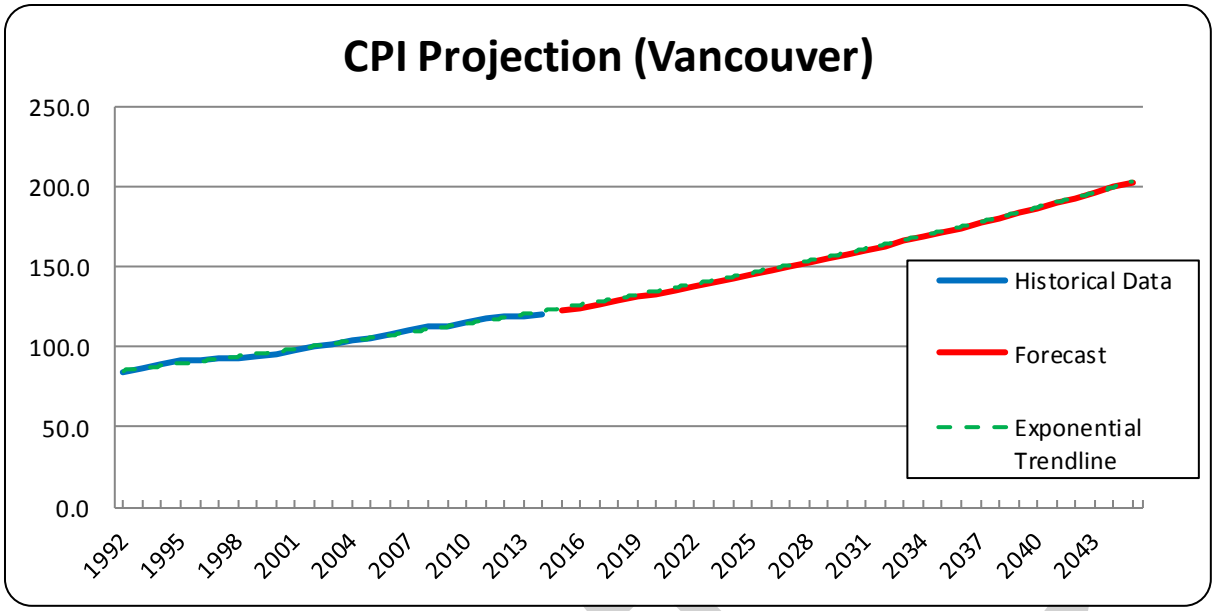
While the exponential trendline uses a constant rate of increase, we cannot simply use that rate as our expected annual rate of CPI increase, nor can we simply use the calculated indices as our projections. Doing so would place too much or too little emphasis, respectively, on the previous year's index.

Instead, we calculated an average annual increase over the next 31 years based on last year's CPI index and the forecasted index in 31 years. When the current year's index is higher than expected this has a tendency to skew the next 30 years' indices slightly above the exponential trendline, and slightly below for the years after that. The reverse is true for years when the previous year's index is lower than expected. This discrepancy is usually very minor, and the technique can often be more accurate, given that annual inflation rates are not independent of one another.

The average expected annual rate of CPI increase in Vancouver, BC for the next 31 years is 1.7%.

This is based on a year-one increase of 3.21% with subsequent increases of 1.65%. The rate is rounded to highlight the imprecise nature of economic forecasting.

The following graph illustrates how our forecasted rate matches the exponential trendline. The dotted green line represents the mathematical forecast, while the solid red line represents our adjusted forecast.


CPI Projection (Vancouver)
250.0
200.0
150.0
100.0
50.0
0.0
1992
1995
1998
2001
2004
2007
2010
2013
2016
2019
2022
2025
2028
2031
2034
2037
2040
2043
Historical Data
Forecast
Exponential Trendline

Appendix I—Funding Future Components

Funding Principles

An appropriate funding model requires a payment schedule that is both equitable and practical. Ideally, everyone would pay for each component as they use it: when you buy into a strata you would pay your share of the cost of the land and the non-reserve components, and then you would constantly pay small amounts towards reserve components every day as you enjoy their benefits. This would lower the price of the property both upon purchase and upon sale. While this is arguably the most equitable solution for strata owners, the developer is not going to accept a lower price, and it is obviously impractical.

Another equitable solution is to pay for the current value of the reserve components while funding repairs and replacements as they occur: when you buy into a strata you pay your share of the cost of the land and all reserve components, and when you sell you get a price that includes the new value of the components. Over time the components' value decreases, although it increases every time you fund a new repair or replacement. This is, in its simplest form, what tends to occur without government legislation. It is also impractical because every time a component needs even the most minor repair or replacement it causes a special assessment.

We have conducted this report on the funding principal that current owners must save for future repairs and replacements because component expenditures must be reserved for before they occur. This means that even though buyers pay for existing components while also saving for future components, they are returned the value of the future components as they use them or when they sell the property.

Owners do not save for component repairs or replacements that occur after a building's End of Life date; this reduces the strata's annual reserve fund contributions and eventually eliminates the reserve fund balance entirely. While owners are not compensated for the value of future components at the end of a building's life, neither have they paid for those components. This funding model fosters equitable sale prices, incentivizes owners to properly maintain the property, and creates a stable payment schedule.

Given the level of uncertainty in economic forecasting, even fully-funded models are not perfectly equitable. Earlier owners bear too much of the cost when repairs are cheaper or later than expected, and when interest rates or CPI inflation is higher than expected. Our benchmark model features rates, timelines, and costs that we feel distribute equal risk of overpaying to earlier owners and later owners.

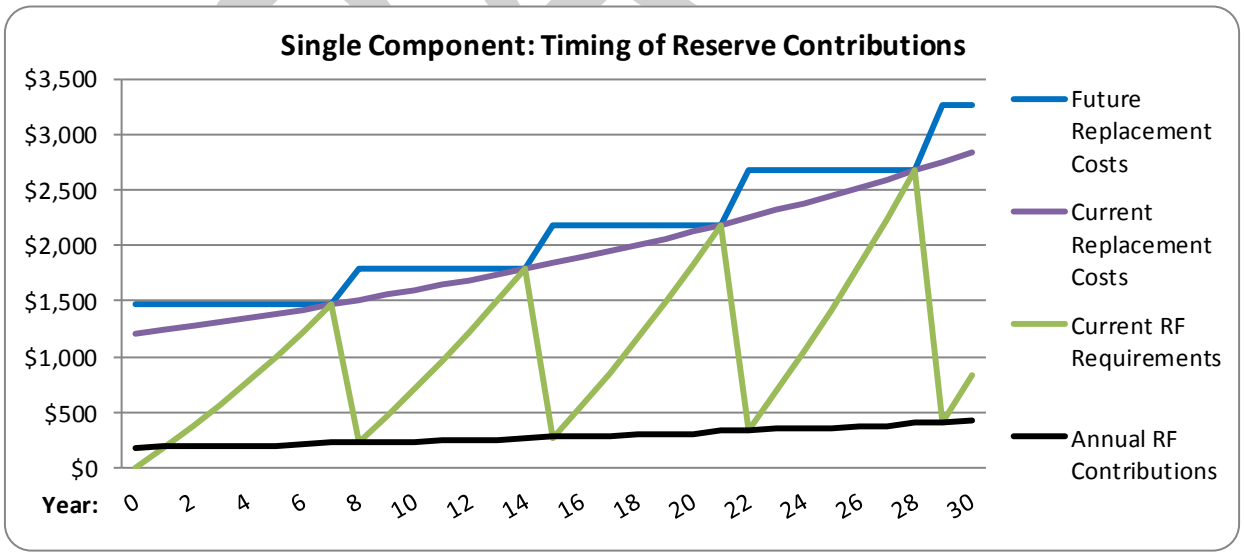
At any given time, current owners should be saving towards each component's next replacement rather than towards all of its replacements during the life of the building, or worse, towards those expenditures that happen to fall in an arbitrary 30 year period. This protects against price fluctuations and, in the likely case where construction inflation differs from CPI inflation, ensures a more equitable payment schedule. Also, component quality tends to upgrade over time; it is

not equitable for current owners to pay for higher quality future components that they will never use and never be compensated for when they sell.

Funding With No Reserve Fund Deficiency (Benchmark Model)

Creating a funding plan for buildings with no existing deficiency is relatively straight-forward. We determine the average lifespan of each component, its observed age, and its estimated current replacement cost—how much it would cost to replace the component were it done today. We create a replacement schedule, increasing the current replacement cost by the construction inflation rate every year to determine how much it will cost in future years to replace each component. To ensure that we have this amount in the Reserve Fund when we need it, we suggest saving an amount that, when increased each year by forecasted inflation, and when combined with interest exactly equals the estimated future cost of the replacement.

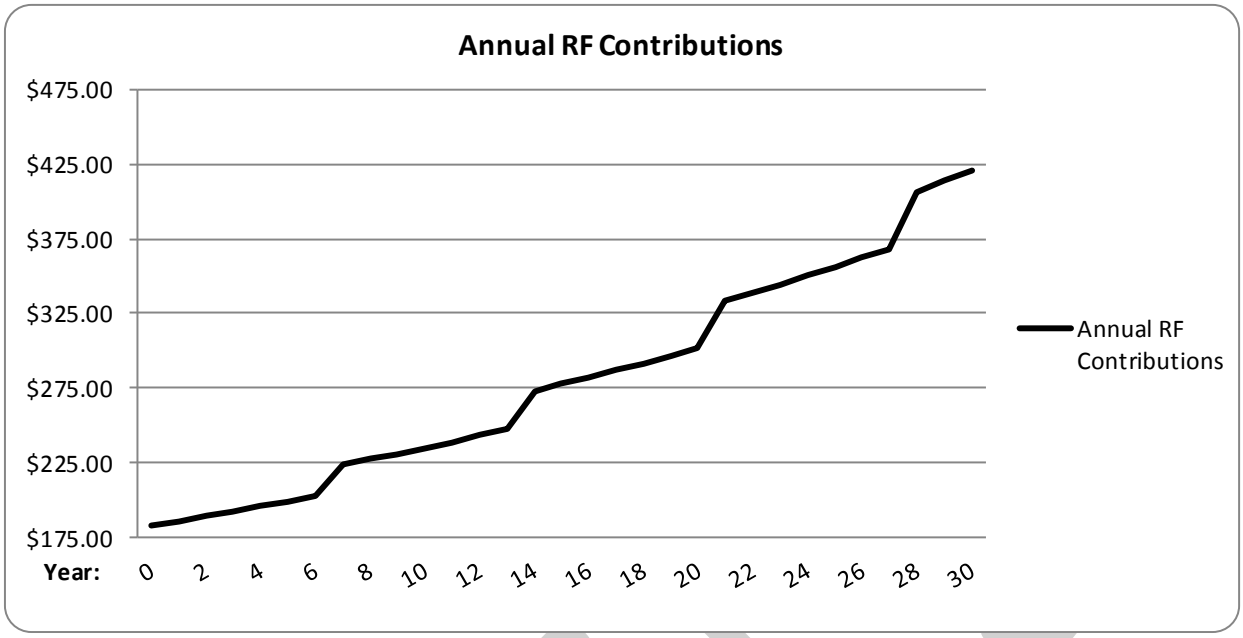
The graph below illustrates this with a hypothetical component that has an expected lifespan of seven years, an observed condition of zero years, and a Current Replacement Cost of $1,200. The Current Replacement Cost increases by construction inflation (2.9%) every year. The Future Replacement Cost is equal to the Current Replacement Cost every seven years, during the years of replacement. The Current RF Requirements is a running total of the Annual RF Contributions plus interest on the previous year's Current RF Requirements. The Annual RF Contributions are determined such that they increase with inflation every year, and when saved over the life of the component and combined with interest exactly equal the replacement cost in the years that the component is replaced.



This graph is explained numerically in the table on the following page. Note that interest (2.9%) is calculated conservatively: annual contributions are assumed to occur at the end of the year, earning no interest in the year that they are made, and all replacements are assumed to occur at the beginning of the year, eliminating interest income in replacement years.

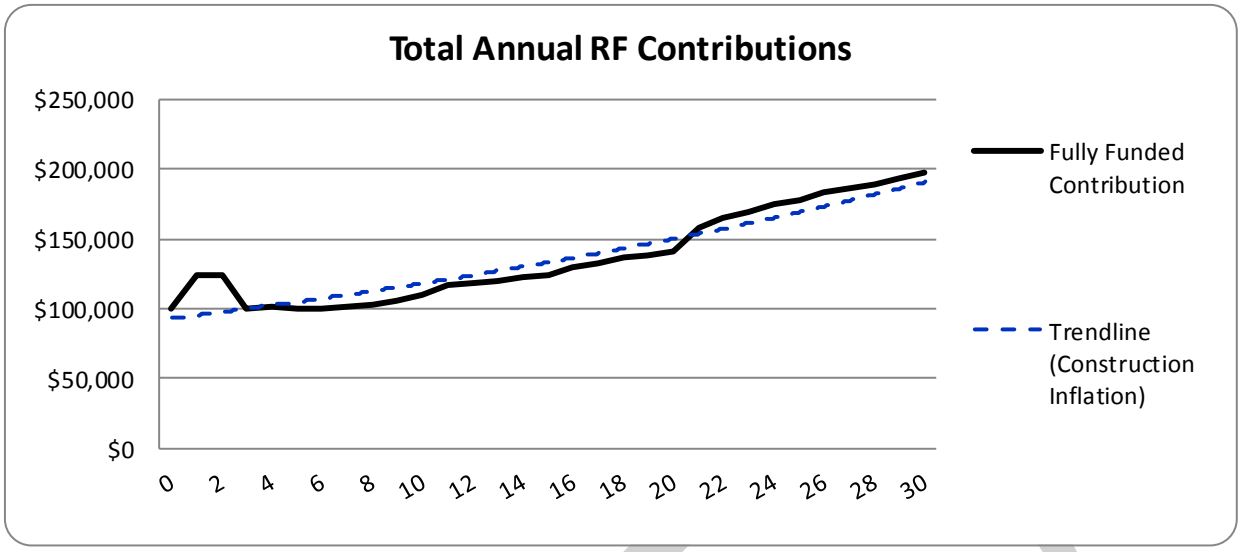
Year	Current Replacement Costs	Future Replacement Costs	Current RF Requirements (Opening Bal.)	Annual RF Contributions	Interest	Closing Balance
0	$1,200	$1,466	$0	$182.67	$0.00	$183
1	$1,235	$1,466	$183	$185.77	$5.30	$374
2	$1,271	$1,466	$374	$188.93	$10.84	$574
3	$1,307	$1,466	$574	$192.14	$16.63	$782
4	$1,345	$1,466	$782	$195.41	$22.69	$1,000
5	$1,384	$1,466	$1,000	$198.73	$29.01	$1,228
6	$1,425	$1,466	$1,228	$202.11	$35.62	$1,466
7	$1,466	$1,466	$1,466	$223.14	$0.00	$223
8	$1,508	$1,791	$223	$226.93	$6.47	$457
9	$1,552	$1,791	$457	$230.79	$13.24	$701
10	$1,597	$1,791	$701	$234.71	$20.32	$956
11	$1,643	$1,791	$956	$238.70	$27.71	$1,222
12	$1,691	$1,791	$1,222	$242.76	$35.44	$1,500
13	$1,740	$1,791	$1,500	$246.89	$43.51	$1,791
14	$1,791	$1,791	$1,791	$272.57	$0.00	$273
15	$1,843	$2,187	$273	$277.20	$7.90	$558
16	$1,896	$2,187	$558	$281.92	$16.17	$856
17	$1,951	$2,187	$856	$286.71	$24.82	$1,167
18	$2,008	$2,187	$1,167	$291.58	$33.85	$1,493
19	$2,066	$2,187	$1,493	$296.54	$43.29	$1,833
20	$2,126	$2,187	$1,833	$301.58	$53.14	$2,187
21	$2,187	$2,187	$2,187	$332.95	$0.00	$333
22	$2,251	$2,672	$333	$338.61	$9.66	$681
23	$2,316	$2,672	$681	$344.37	$19.76	$1,045
24	$2,383	$2,672	$1,045	$350.23	$30.32	$1,426
25	$2,452	$2,672	$1,426	$356.18	$41.35	$1,823
26	$2,523	$2,672	$1,823	$362.23	$52.88	$2,239
27	$2,597	$2,672	$2,239	$368.39	$64.92	$2,672
28	$2,672	$2,672	$2,672	$406.72	$0.00	$407
29	$2,749	$3,264	$407	$413.63	$11.79	$832
30	$2,829	$3,264	$832	$420.66	$24.13	$1,277

The graph on the following page shows a closer look at the Annual RF Contributions. Note that each year's payment increases by CPI's inflation rate (1.7%), though there is a larger increase after each component replacement. Taken on average, the annual payments increase with construction inflation. Each year's owners equitably save for the component's next replacement cost in this model.



Adding the Annual RF Contributions from every component gives us the total amount that should be saved each year. Saving less than this amount causes or increases a reserve fund deficiency; saving more than this amount reduces an existing deficiency or causes a reserve fund surplus (ignoring extra or forgone interest).

The graph below illustrates how the summed total of all components' Annual RF Contributions can change every year, using your building as an example. The payments change sporadically from year to year when construction inflation differs from total inflation, though the payments increase with construction inflation on average when the strata is saving for the replacement of all components in any given year. In a year where a component's next replacement date is after the end of the building's life, that component requires no funding and the total required annual contribution may be less than the previous year's required contribution.



Funding an Existing Reserve Fund Deficiency

When a strata corporation has historically under-contributed to their Reserve Fund, they are left with a Reserve Fund Deficiency that can even be in the millions of dollars. This deficiency must always be funded by the end of the building's economic life. Common ways to make up the deficiency include special assessments, reserve fund contributions that exceed regularly required amounts, above-average maintenance (which increases components' lives), below-average quality standards, and shrewd contracting (which lowers replacement costs). This study focuses specifically on special assessments and reserve fund contributions; management practices will dictate the success of other deficiency-funding options.

Funding models must be both equitable and practical; equity refers to how much of the deficiency is funded in each future year, while practicality refers to the likelihood that the funding plan is followed. As mentioned earlier, the reserve fund deficiency only decreases in years where more money is contributed than what is required under a model with no deficiency, plus the additional interest that a fully funded model would have earned due to its higher closing balance. This can come from both regular annual contributions and special assessments.

Our Minimum Funding Model (Appendix J) illustrates what will happen if the strata corporation makes no funding changes other than increasing the contributions by CPI inflation while meeting legislative requirements. Adequate Funding (Recommended model, Section 5) balances equity and practicality by providing a funding model with few or no special assessments, depending on the property's upcoming expenditures. Full Funding (Appendix J) puts more emphasis on eliminating the existing reserve fund deficiency within 30 years while incurring no special assessments, if feasible, with less concern for the practicality of the funding model.

We take several factors into consideration when creating financial plans to fund a historical deficiency. While it may seem equitable to make next year's contributions at least as high as they

would be under a no-deficiency model, this can often necessitate increasing the Reserve Fund Budget by a prohibitively large factor. Our models propose funding options that balance the need for large initial payments with the need for advanced notice about large payment increases. We also attempt to reduce the annual payments by spreading the deficiency's repayment over as many years as possible, given the life of the building; however, this strategy can lead to a greater risk of special assessments. We balance the need for lower annual payments with the need for stable payment schedules.

We recommend updating this report either after a significant change to the component information and funding schedule or after three years, whichever comes first. We recommend following the Funding Model proposed in the body of this report for the next three years, provided there are no significant unexpected expenditures or contributions.

Appendix J—Alternate Funding Models

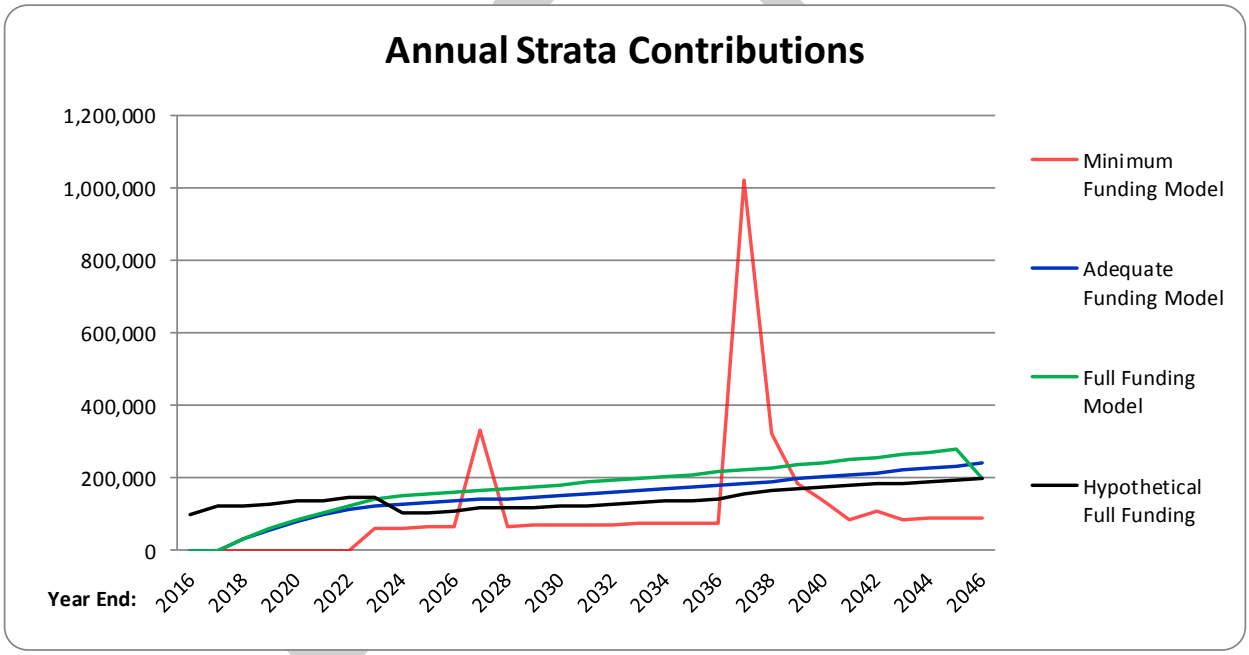
Three Funding models are proposed in this report and have been named as follows: Minimum Funding, Adequate Funding, and Full Funding. Adequate Funding is our recommended model and can be found in Section 5 of this report; Minimum and Full Funding are in this appendix. Each model outlines a different way of funding the upcoming reserve expenditures.

The Minimum Funding Model follows the greater of either the minimum legislated requirements or the current funding contributions with increases following CPI inflation projections, and relies heavily on special assessments.

The Adequate Funding Model balances equity and practicality, but may still result in a risk of special assessments.

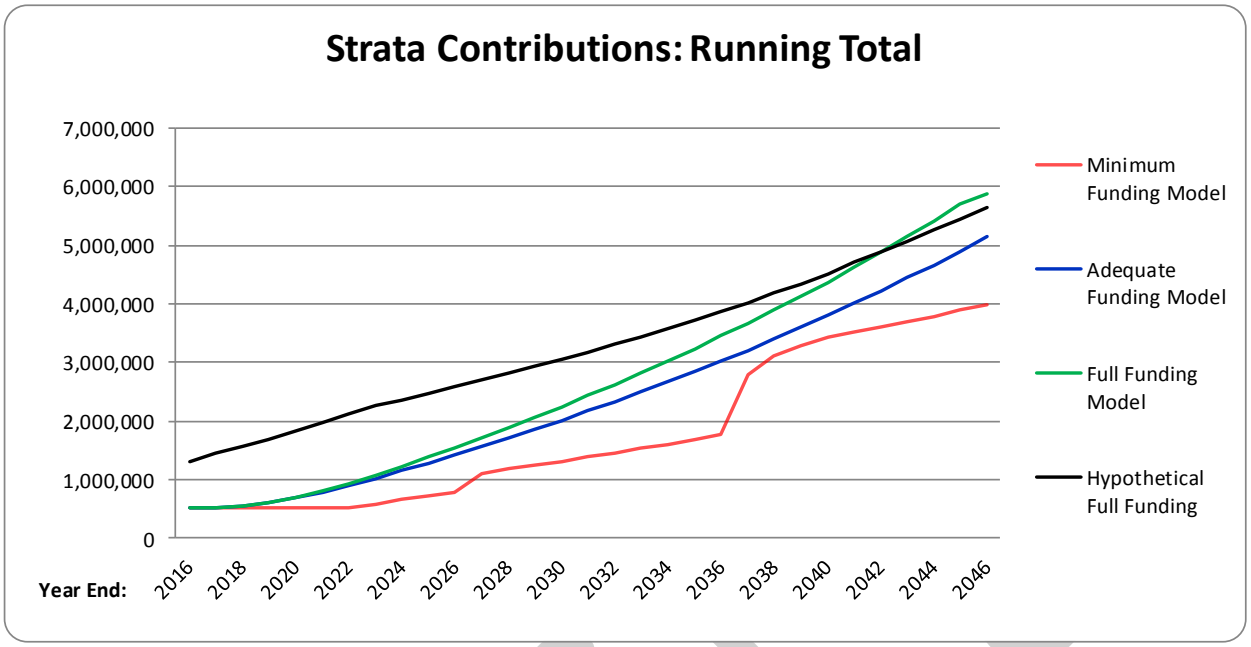
The Full Funding Model favours equitable payments in a risk-averse manner, with the goal of attaining eventual full funding and minimizing the risk of special assessments.

The following graph shows the annual payments of all three funding models (regular contributions and special assessments combined) over the 30 year projection period:



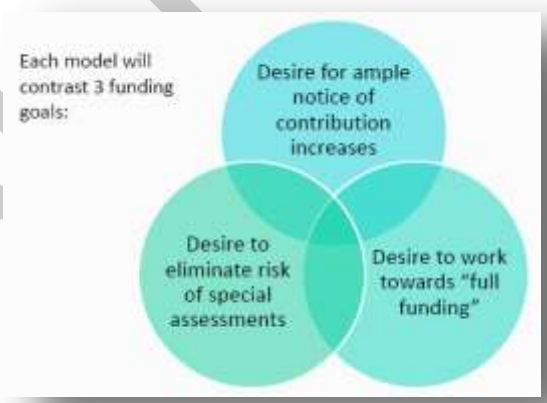
Ignoring interest, each funding model contributes the exact same amount over the life of the building. Due to foregone interest, however, the model that has the greatest deficiency for the longest time (the Minimum Funding Model) will pay the most by the end of the building's life.

The following graph shows a running total of strata reserve contributions in nominal dollars. Note that although the Minimum Funding Model can show the lowest total expenditure in a given year, it will pay the most by the end of the building's life.



Each of the funding model options address the requirement to fund future reserve component repairs/replacements, with the emphasis balanced between the following 3 factors:

1. The desire to provide ample notice to owners with regards to annual reserve fund contribution increases;
2. The desire to provide funding that avoids or eliminates the likelihood of future special assessments;
3. The desire to equitably balance the burden of future funding, including any accrued deficiency which must eventually be eliminated, between future owners in the short, medium, and long term.



The **"Minimum Funding Model"** meets the bare minimum requirements of the Strata Property Amendment Act, which requires annual contributions to be at least the lesser of: 10% of the annual operating budget, or those dollars required to bring the reserve fund balance to a minimum of 25% of the annual operating budget. Where the current funding exceeds these bare minimum requirements, this model will follow the current reserve funding contributions, increasing with CPI inflation. Minimum legislated funding has often been the approach adopted by many corporations in BC prior to the depreciation report requirements. Following this model places all of the emphasis on factor 1 (desire for ample notice of contribution increases), with no

consideration for factor 2 or 3 (desire to eliminate risk of special assessments and to work towards full funding). Further, this model typically has a very high risk of special assessments in the future—this is a common symptom of minimum funding. Additionally, the increasing reserve fund deficiency will need to be paid back (typically through special assessments). It is important to remember that there can be no reserve fund deficiency by the end of building life, therefore steps towards reducing the deficiency should occur far in advance of end of life.

The **"Adequate Funding Model"** attempts to balance all 3 factors, giving consideration for advance notice of significant contribution increases, limiting the risk of substantial special assessments where possible, and addressing the reserve fund deficiency in an equitable manner so as not to unfairly burden the near term future owners with an inordinate share of the accrued deficiency repayment. Over time, as actual replacements occur sooner or later than proposed and costs are greater or less than proposed, the adequate funding model will need updating (at the legislated 3 year intervals). As the intent of this model is to provide for adequate funds in any given year to meet the financial obligations of that particular year, this updated information will require the adequate funding contributions to be adjusted from time to time.

The **"Full Funding Model"** focuses primarily on factors 2 and 3, which minimizes the likelihood of special assessments and reaches full funding by the end of the 30 year projection, but usually does not address factor 1 (desire for ample notice of contribution increases) effectively. It can often recommend prohibitively-high strata fees. This funding model will typically see the most drastic short-term increases in annual reserve contributions in order to avoid significant special assessments and eliminate the built-up reserve fund deficiency over time. One drawback of this model is that it risks over-funding if the projections are found to overstate the actual replacement costs, if the actual replacement dates occur later than the proposed dates in the 30 year projection, or both. This can place an unfair financial burden on future owners in certain years, although this is only likely to become apparent once the projection period has run its course.

The following pages contain a 30-Year Reserve Fund Projection and both a nominal and real dollar Cash Flow Table for both the Minimum and the Full Funding Models. For a breakdown of expenditures by component, please refer to Section 5.2.

30-Year Reserve Fund Projection—Minimum Funding Model

RESERVE FUND PROJECTION - 30 YEAR - MIMINUM FUNDING

Study Year:	2016
Construction:	2000
Number of Years in Study:	30

Construction Inflation	2.90%
Default Interest Rate	2.90%
Inflation (CPI)	1.70%
Strata Year End	May 31

R-3666

Minimum Balance (2016) $ -

	Jun 2015-May 2016	Jun 2016-May 2017	Jun 2017-May 2018	Jun 2018-May 2019	Jun 2019-May 2020	Jun 2020-May 2021	Jun 2021-May 2022	Jun 2022-May 2023	Jun 2023-May 2024	Jun 2024-May 2025	Jun 2025-May 2026	Jun 2026-May 2027	Jun 2027-May 2028	Jun 2028-May 2029	Jun 2029-May 2030	Jun 2030-May 2031
OPENING BALANCE	**519,400**	**527,200**	**367,400**	**340,000**	**340,000**	**225,700**	**225,700**	**92,400**	**154,200**	**152,100**	**220,400**	**50,800**	**0**	**67,200**	**137,600**	**211,100**
Recommended Annual Contribution Increase	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%
Recommended Annual Contribution	**0**	0	0	0	0	0	0	61,800	62,800	63,900	65,000	66,100	67,200	68,400	69,500	70,700
Loan Draws																
Special Assessment												**265,700**				
Transfer From Operating																
Other Income																
Interest Rate	1.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Interest Income	7,800	0	0	0	0	0	0	0	2,500	4,400	0	0	0	1,900	4,000	6,100
Total Cash Resources	**527,200**	**527,200**	**367,400**	**340,000**	**340,000**	**225,700**	**225,700**	**154,200**	**219,500**	**220,400**	**285,400**	**382,700**	**67,200**	**137,600**	**211,100**	**287,900**
Total Expenditures	**0**	**159,700**	**27,500**	**0**	**114,300**	**0**	**133,300**	**0**	**67,500**	**0**	**234,600**	**382,700**	**0**	**0**	**0**	**0**
Closing Balance	**527,200**	**367,400**	**340,000**	**340,000**	**225,700**	**225,700**	**92,400**	**154,200**	**152,100**	**220,400**	**50,800**	**0**	**67,200**	**137,600**	**211,100**	**287,900**
DEFICIENCY ANALYSIS																
Hypothetical Annual Contribution if Fully Funded From Day 1	100,300	123,500	124,200	128,500	135,100	137,300	144,500	146,400	103,500	105,300	109,900	116,400	118,300	120,400	122,400	124,500
Fully Funded Closing Balance	1,218,100	1,177,200	1,273,100	1,401,600	1,419,200	1,556,400	1,563,700	1,710,100	1,793,800	1,951,100	1,876,200	1,653,300	1,819,500	1,992,700	2,172,900	2,360,400
Reserve Fund Deficiency	**-690,900**	**-809,800**	**-933,200**	**-1,061,700**	**-1,193,500**	**-1,330,700**	**-1,471,300**	**-1,555,900**	**-1,641,700**	**-1,730,700**	**-1,825,400**	**-1,653,300**	**-1,752,300**	**-1,855,100**	**-1,961,800**	**-2,072,500**
Deficiency/Contribution Quotient (DCQ)	**88.7**	**999.9**	**999.9**	**999.9**	**999.9**	**999.9**	**999.9**	**25.2**	**25.1**	**25.3**	**28.1**	**25.0**	**26.1**	**26.4**	**26.7**	**27.0**

30-Year Reserve Fund Projection—Minimum Funding Model

RESERVE FUND PROJECTION - 30 YEAR - MIMINUM FUNDING (CONTINUED)

Study Year: 2016
Construction: 2000
Number of Years in Study: 30

	Jun 2031-May 2032	Jun 2032-May 2033	Jun 2033-May 2034	Jun 2034-May 2035	Jun 2035-May 2036	Jun 2036-May 2037	Jun 2037-May 2038	Jun 2038-May 2039	Jun 2039-May 2040	Jun 2040-May 2041	Jun 2041-May 2042	Jun 2042-May 2043	Jun 2043-May 2044	Jun 2044-May 2045	Jun 2045-May 2046
OPENING BALANCE	**287,900**	**85,600**	**137,900**	**75,300**	**153,200**	**226,200**	**0**	**0**	**0**	**0**	**56,400**	**0**	**86,600**	**148,300**	**242,200**
Recommended Annual Contribution Increase	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%	1.70%
Recommended Annual Contribution	71,900	73,100	74,400	75,600	76,900	78,200	79,600	80,900	82,300	83,700	85,100	86,600	88,000	89,500	91,100
Loan Draws															
Special Assessment						943,700	242,600	105,600	54,400		25,200				
Transfer From Operating															
Other Income															
Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest Income	400	1,800	0	2,200	4,200	0	0	0	0	0	0	0	1,700	4,300	1,700
Total Cash Resources	**360,200**	**160,500**	**212,300**	**153,200**	**234,300**	**1,248,100**	**322,100**	**186,500**	**136,700**	**83,700**	**166,700**	**86,600**	**176,300**	**242,200**	**334,900**
Total Expenditures	**274,600**	**22,600**	**137,000**	**0**	**8,100**	**1,248,100**	**322,100**	**186,500**	**136,700**	**27,300**	**166,700**	**0**	**28,000**	**0**	**184,700**
Closing Balance	**85,600**	**137,900**	**75,300**	**153,200**	**226,200**	**0**	**0**	**0**	**0**	**56,400**	**0**	**86,600**	**148,300**	**242,200**	**150,200**
DEFICIENCY ANALYSIS															
Hypothetical Annual Contribution if Fully Funded From Day 1	129,900	132,400	136,300	138,600	141,000	158,400	165,000	170,000	174,600	177,800	182,900	186,000	189,500	192,700	198,200
Fully Funded Closing Balance	2,276,100	2,451,200	2,517,600	2,729,200	2,941,000	1,900,400	1,789,000	1,819,000	1,905,700	2,110,700	2,183,300	2,432,600	2,663,800	2,933,700	3,027,000
Reserve Fund Deficiency	-2,190,500	-2,313,300	-2,442,300	-2,576,100	-2,714,900	-1,900,400	-1,789,000	-1,819,000	-1,905,700	-2,054,300	-2,183,300	-2,346,000	-2,515,500	-2,691,600	-2,876,800
Deficiency/Contribution Quotient (DCQ)	**30.3**	**30.9**	**32.8**	**33.1**	**33.5**	**24.3**	**22.5**	**22.5**	**23.2**	**24.5**	**25.6**	**27.1**	**28.0**	**28.7**	**31.0**

Nominal Cash Flow Table and Graph—Minimum Funding Model

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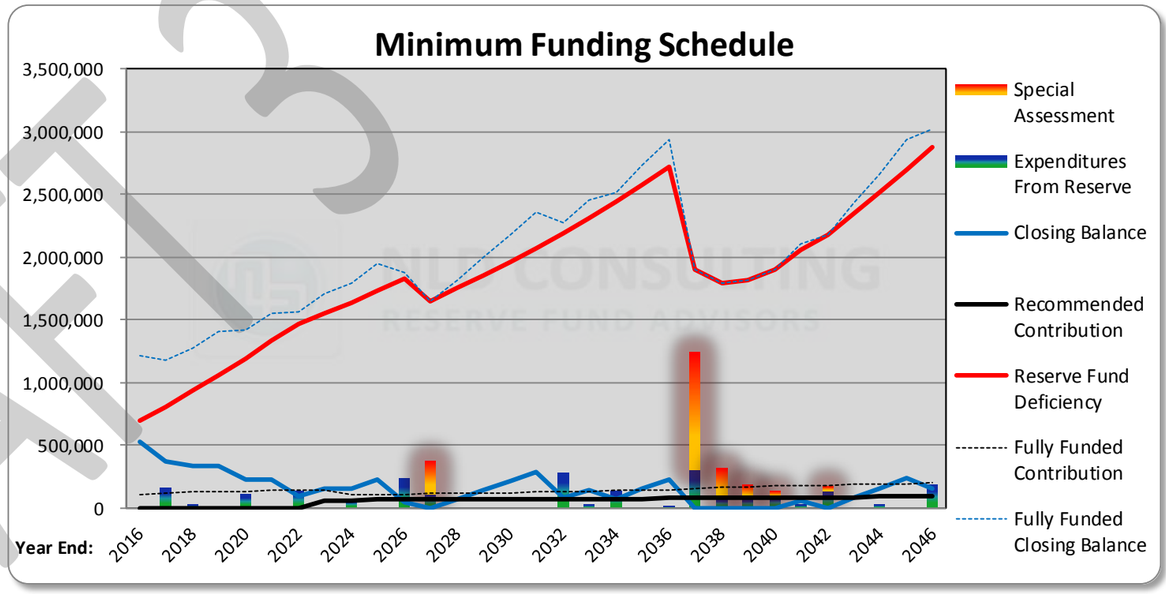
Nominal Cash Flow Table—Minimum Funding

Year End	Opening Balance	Recommended Annual Contribution	Percentage Increase in Annual Contribution	Average Monthly Contribution per Strata Lot	Special Assessments	Estimated Interest Earned	Estimated Future Expenditures	Closing Balance
2016	519,392	-	N/A	-	-	7,791	-	527,183
2017	527,183	-	N/A	-	-	-	159,735	367,448
2018	367,448	-	N/A	-	-	-	27,480	339,968
2019	339,968	-	N/A	-	-	-	-	339,968
2020	339,968	-	N/A	-	-	-	114,256	225,712
2021	225,712	-	N/A	-	-	-	-	225,712
2022	225,712	-	N/A	-	-	-	133,346	92,366
2023	92,366	61,795	N/A	99	-	-	-	154,160
2024	154,160	62,845	1.70%	101	-	2,514	67,459	152,061
2025	152,061	63,914	1.70%	102	-	4,410	-	220,384
2026	220,384	65,000	1.70%	104	-	-	234,566	50,818
2027	50,818	66,105	1.70%	106	265,743	-	382,666	-
2028	-	67,229	1.70%	108	-	-	-	67,229
2029	67,229	68,372	1.70%	110	-	1,950	-	137,551
2030	137,551	69,534	1.70%	111	-	3,989	-	211,074
2031	211,074	70,716	1.70%	113	-	6,121	-	287,911
2032	287,911	71,918	1.70%	115	-	385	274,646	85,568
2033	85,568	73,141	1.70%	117	-	1,826	22,600	137,935
2034	137,935	74,384	1.70%	119	-	27	137,009	75,337
2035	75,337	75,649	1.70%	121	-	2,185	-	153,171
2036	153,171	76,935	1.70%	123	-	4,206	8,144	226,168
2037	226,168	78,243	1.70%	125	943,715	-	1,248,126	-
2038	-	79,573	1.70%	128	242,568	-	322,141	-
2039	-	80,926	1.70%	130	105,565	-	186,490	-
2040	-	82,302	1.70%	132	54,391	-	136,693	-
2041	-	83,701	1.70%	134	-	-	27,281	56,420
2042	56,420	85,124	1.70%	136	25,162	-	166,705	-
2043	-	86,571	1.70%	139	-	-	-	86,571
2044	86,571	88,042	1.70%	141	-	1,699	27,991	148,320
2045	148,320	89,539	1.70%	143	-	4,301	-	242,161
2046	242,161	91,061	1.70%	146	-	1,667	184,673	150,216



Real Dollar Cash Flow Table and Graph—Minimum Funding Model

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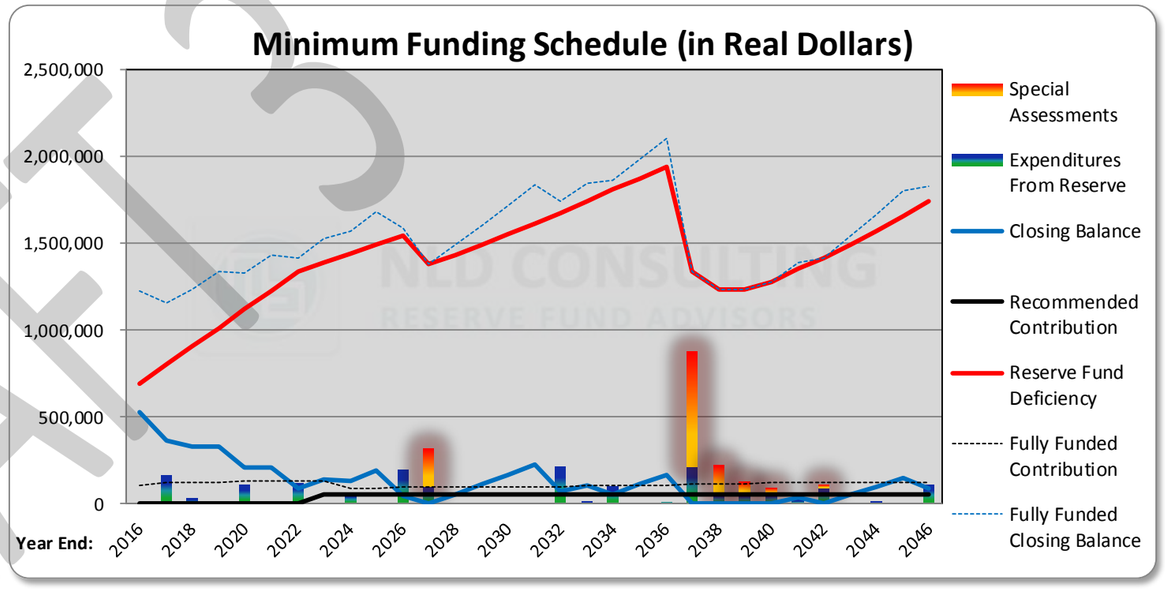
Real Dollar Cash Flow Table (Adjusted for CPI Inflation)—Minimum Funding

Year End	Opening Balance	Recommended Annual Contribution	Percentage Increase in Annual Contribution	Average Monthly Contribution per Strata Lot	Special Assessments	Estimated Interest Earned	Estimated Future Expenditures	Closing Balance
2016	519,392	-	N/A	-	-	7,791	-	527,183
2017	518,371	-	N/A	-	-	-	157,065	361,306
2018	355,266	-	N/A	-	-	-	26,569	328,697
2019	323,202	-	N/A	-	-	-	-	323,202
2020	317,800	-	N/A	-	-	-	106,806	210,994
2021	207,467	-	N/A	-	-	-	-	207,467
2022	203,999	-	N/A	-	-	-	120,519	83,480
2023	82,085	54,917	N/A	88	-	-	-	137,002
2024	134,712	54,917	0.00%	88	-	2,197	58,949	132,877
2025	130,656	54,917	0.00%	88	-	3,789	-	189,362
2026	186,196	54,917	0.00%	88	-	-	198,178	42,935
2027	42,217	54,917	0.00%	88	220,766	-	317,900	-
2028	-	54,917	0.00%	88	-	-	-	54,917
2029	53,999	54,917	0.00%	88	-	1,566	-	110,482
2030	108,635	54,917	0.00%	88	-	3,150	-	166,702
2031	163,915	54,917	0.00%	88	-	4,754	-	223,586
2032	219,848	54,917	0.00%	88	-	294	209,719	65,340
2033	64,247	54,917	0.00%	88	-	1,371	16,969	103,566
2034	101,835	54,917	0.00%	88	-	20	101,151	55,620
2035	54,691	54,917	0.00%	88	-	1,586	-	111,193
2036	109,335	54,917	0.00%	88	-	3,002	5,813	161,440
2037	158,742	54,917	0.00%	88	662,370	-	876,029	-
2038	-	54,917	0.00%	88	167,407	-	222,324	-
2039	-	54,917	0.00%	88	71,637	-	126,554	-
2040	-	54,917	0.00%	88	36,293	-	91,210	-
2041	-	54,917	0.00%	88	-	-	17,899	37,017
2042	36,399	54,917	0.00%	88	16,233	-	107,548	-
2043	-	54,917	0.00%	88	-	-	-	54,917
2044	53,999	54,917	0.00%	88	-	1,060	17,460	92,515
2045	90,969	54,917	0.00%	88	-	2,638	-	148,524
2046	146,041	54,917	0.00%	88	-	1,005	111,372	90,592



30-Year Reserve Fund Projection—Full Funding Model

RESERVE FUND PROJECTION - 30 YEAR - FULL FUNDING

Study Year:	2016
Construction:	2000
Number of Years in Study:	30

Construction Inflation	2.90%
Default Interest Rate	2.90%
Inflation (CPI)	1.70%
Strata Year End	May 31

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Minimum Balance (2016) $ -

	Jun 2015-May 2016	Jun 2016-May 2017	Jun 2017-May 2018	Jun 2018-May 2019	Jun 2019-May 2020	Jun 2020-May 2021	Jun 2021-May 2022	Jun 2022-May 2023	Jun 2023-May 2024	Jun 2024-May 2025	Jun 2025-May 2026	Jun 2026-May 2027	Jun 2027-May 2028	Jun 2028-May 2029	Jun 2029-May 2030	Jun 2030-May 2031
OPENING BALANCE	**519,400**	**527,200**	**367,400**	**371,200**	**438,600**	**416,500**	**533,700**	**536,700**	**692,700**	**796,500**	**977,100**	**926,200**	**726,100**	**918,800**	**1,122,000**	**1,336,300**
Recommended Annual Contribution Increase	N/A	N/A	N/A	90.00%	42.11%	25.93%	17.65%	12.50%	9.04%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Recommended Annual Contribution	0	0	31,200	59,300	84,200	106,100	124,800	140,400	153,100	157,500	162,100	166,800	171,600	176,600	181,700	187,000
Loan Draws																
Special Assessment																
Transfer From Operating																
Other Income																
Interest Rate	1.50%	0.00%	0.00%	2.20%	2.43%	2.67%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Interest Income	7,800	0	0	8,200	7,900	11,100	11,600	15,600	18,100	23,100	21,500	15,800	21,100	26,600	32,500	38,800
Total Cash Resources	**527,200**	**527,200**	**398,600**	**438,600**	**530,700**	**533,700**	**670,100**	**692,700**	**863,900**	**977,100**	**1,160,700**	**1,108,700**	**918,800**	**1,122,000**	**1,336,300**	**1,562,100**
Total Expenditures	**0**	**159,700**	**27,500**	**0**	**114,300**	**0**	**133,300**	**0**	**67,500**	**0**	**234,600**	**382,700**	**0**	**0**	**0**	**0**
Closing Balance	**527,200**	**367,400**	**371,200**	**438,600**	**416,500**	**533,700**	**536,700**	**692,700**	**796,500**	**977,100**	**926,200**	**726,100**	**918,800**	**1,122,000**	**1,336,300**	**1,562,100**
DEFICIENCY ANALYSIS																
Hypothetical Annual Contribution if Fully Funded From Day 1	100,300	123,500	124,200	100,500	101,000	99,400	99,300	101,000	103,500	105,300	109,900	116,400	118,300	120,400	122,400	124,500
Fully Funded Closing Balance	1,218,100	1,177,200	1,273,100	1,401,600	1,419,200	1,556,400	1,563,700	1,710,100	1,793,800	1,951,100	1,876,200	1,653,300	1,819,500	1,992,700	2,172,900	2,360,400
Reserve Fund Deficiency	**-690,900**	**-809,800**	**-902,000**	**-963,000**	**-1,002,700**	**-1,022,800**	**-1,027,000**	**-1,017,400**	**-997,300**	**-974,000**	**-950,100**	**-927,200**	**-900,800**	**-870,600**	**-836,500**	**-798,300**
Deficiency/Contribution Quotient (DCQ)	**88.7**	**999.9**	**28.9**	**14.3**	**10.9**	**8.7**	**7.5**	**6.5**	**5.8**	**5.4**	**5.2**	**5.1**	**4.7**	**4.3**	**3.9**	**3.5**

30-Year Reserve Fund Projection—Full Funding Model

RESERVE FUND PROJECTION - 30 YEAR - FULL FUNDING (CONTINUED)

Study Year: 2016
Construction: 2000
Number of Years in Study: 30

	Jun 2031-May 2032	Jun 2032-May 2033	Jun 2033-May 2034	Jun 2034-May 2035	Jun 2035-May 2036	Jun 2036-May 2037	Jun 2037-May 2038	Jun 2038-May 2039	Jun 2039-May 2040	Jun 2040-May 2041	Jun 2041-May 2042	Jun 2042-May 2043	Jun 2043-May 2044	Jun 2044-May 2045	Jun 2045-May 2046
OPENING BALANCE	**1,562,100**	**1,517,200**	**1,736,000**	**1,849,100**	**2,112,400**	**2,381,000**	**1,387,700**	**1,324,900**	**1,406,500**	**1,548,600**	**1,814,300**	**1,951,500**	**2,271,600**	**2,579,900**	**2,933,700**
Recommended Annual Contribution Increase	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.89%	-28.97%
Recommended Annual Contribution	192,400	198,000	203,800	209,700	215,700	222,000	228,400	235,100	241,900	248,900	256,100	263,500	271,200	279,000	198,200
Loan Draws															
Special Assessment															
Transfer From Operating															
Other Income															
Interest Rate	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Interest Income	37,300	43,300	46,400	53,600	61,000	32,900	30,900	33,000	36,800	44,100	47,800	56,600	65,100	74,800	79,700
Total Cash Resources	**1,791,900**	**1,758,600**	**1,986,100**	**2,112,400**	**2,389,200**	**2,635,900**	**1,647,100**	**1,593,000**	**1,685,300**	**1,841,600**	**2,118,200**	**2,271,600**	**2,607,900**	**2,933,700**	**3,211,600**
Total Expenditures	**274,600**	**22,600**	**137,000**	**0**	**8,100**	**1,248,100**	**322,100**	**186,500**	**136,700**	**27,300**	**166,700**	**0**	**28,000**	**0**	**184,700**
Closing Balance	**1,517,200**	**1,736,000**	**1,849,100**	**2,112,400**	**2,381,000**	**1,387,700**	**1,324,900**	**1,406,500**	**1,548,600**	**1,814,300**	**1,951,500**	**2,271,600**	**2,579,900**	**2,933,700**	**3,027,000**
DEFICIENCY ANALYSIS															
Hypothetical Annual Contribution if Fully Funded From Day 1	129,900	132,400	136,300	138,600	141,000	158,400	165,000	170,000	174,600	177,800	182,900	186,000	189,500	192,700	198,200
Fully Funded Closing Balance	2,276,100	2,451,200	2,517,600	2,729,200	2,941,000	1,900,400	1,789,000	1,819,000	1,905,700	2,110,700	2,183,300	2,432,600	2,663,800	2,933,700	3,027,000
Reserve Fund Deficiency	**-758,900**	**-715,300**	**-668,500**	**-616,800**	**-560,000**	**-512,700**	**-464,100**	**-412,500**	**-357,100**	**-296,400**	**-231,800**	**-160,900**	**-83,900**	**0**	**0**
Deficiency/Contribution Quotient (DCQ)	3.3	3.0	2.7	2.3	2.0	2.0	1.8	1.5	1.3	1.0	0.8	0.5	0.2	0.0	0.0

Nominal Cash Flow Table and Graph—Full Funding Model

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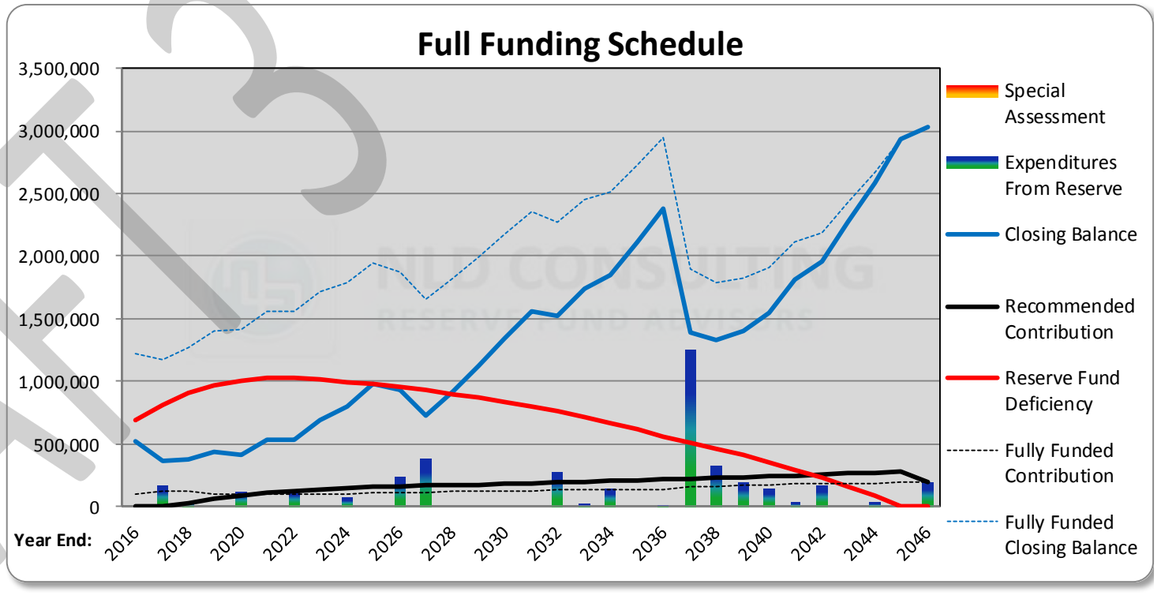
Nominal Cash Flow Table—Full Funding

Year End	Opening Balance	Recommended Annual Contribution	Percentage Increase in Annual Contribution	Average Monthly Contribution per Strata Lot	Special Assessments	Estimated Interest Earned	Estimated Future Expenditures	Closing Balance
2016	519,392	-	N/A	-	-	-	-	519,392
2017	527,183	-	N/A	-	-	-	159,735	367,448
2018	367,448	31,200	N/A	50	-	-	27,480	371,168
2019	371,168	59,280	90.00%	95	-	8,166	-	438,613
2020	438,613	84,240	42.11%	135	-	-	114,256	408,598
2021	416,490	106,080	25.93%	170	-	11,106	-	533,677
2022	533,677	124,800	17.65%	200	-	11,610	133,346	536,740
2023	536,740	140,400	12.50%	225	-	15,565	-	692,705
2024	692,705	153,096	9.04%	245	-	18,132	67,459	796,474
2025	796,474	157,535	2.90%	252	-	23,098	-	977,107
2026	977,107	162,104	2.90%	260	-	21,534	234,566	926,178
2027	926,178	166,805	2.90%	267	-	15,762	382,666	726,079
2028	726,079	171,642	2.90%	275	-	21,056	-	918,777
2029	918,777	176,620	2.90%	283	-	26,645	-	1,122,042
2030	1,122,042	181,742	2.90%	291	-	32,539	-	1,336,323
2031	1,336,323	187,012	2.90%	300	-	38,753	-	1,562,088
2032	1,562,088	192,436	2.90%	308	-	37,336	274,646	1,517,214
2033	1,517,214	198,016	2.90%	317	-	43,344	22,600	1,735,973
2034	1,735,973	203,759	2.90%	327	-	46,370	137,009	1,849,093
2035	1,849,093	209,668	2.90%	336	-	53,624	-	2,112,385
2036	2,112,385	215,748	2.90%	346	-	61,023	8,144	2,381,012
2037	2,381,012	222,005	2.90%	356	-	32,854	1,248,126	1,387,745
2038	1,387,745	228,443	2.90%	366	-	30,903	322,141	1,324,950
2039	1,324,950	235,068	2.90%	377	-	33,015	186,490	1,406,542
2040	1,406,542	241,885	2.90%	388	-	36,826	136,693	1,548,560
2041	1,548,560	248,900	2.90%	399	-	44,117	27,281	1,814,295
2042	1,814,295	256,118	2.90%	410	-	47,780	166,705	1,951,488
2043	1,951,488	263,545	2.90%	422	-	56,593	-	2,271,626
2044	2,271,626	271,188	2.90%	435	-	65,065	27,991	2,579,888
2045	2,579,888	279,025	2.89%	447	-	74,817	-	2,933,730
2046	2,933,730	198,191	-28.97%	318	-	79,723	184,673	3,026,970

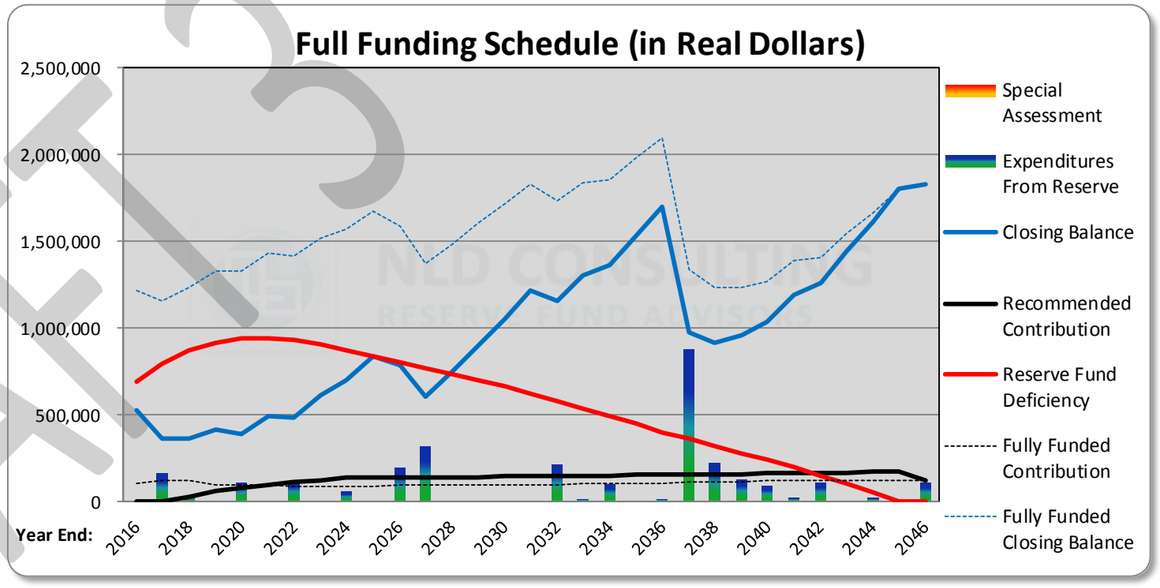


Real Dollar Cash Flow Table and Graph—Full Funding Model

R-3666

Real Dollar Cash Flow Table (Adjusted for CPI Inflation)—Full Funding

Year End	Opening Balance	Recommended Annual Contribution	Percentage Increase in Annual Contribution	Average Monthly Contribution per Strata Lot	Special Assessments	Estimated Interest Earned	Estimated Future Expenditures	Closing Balance
2016	519,392	-	N/A	-	-	7,791	-	527,183
2017	518,371	-	N/A	-	-	-	157,065	361,306
2018	355,266	30,166	N/A	48	-	-	26,569	358,863
2019	352,864	56,357	86.82%	90	-	7,763	-	416,984
2020	410,013	78,747	39.73%	126	-	7,378	106,806	389,333
2021	382,825	97,505	23.82%	156	-	10,209	-	490,539
2022	482,339	112,795	15.68%	181	-	10,493	120,519	485,108
2023	476,999	124,773	10.62%	200	-	13,833	-	615,605
2024	605,314	133,781	7.22%	214	-	15,845	58,949	695,992
2025	684,358	135,360	1.18%	217	-	19,846	-	839,564
2026	825,530	136,957	1.18%	219	-	18,193	198,178	782,501
2027	769,421	138,573	1.18%	222	-	13,094	317,900	603,189
2028	593,106	140,208	1.18%	225	-	17,200	-	750,514
2029	737,969	141,862	1.18%	227	-	21,401	-	901,232
2030	886,167	143,536	1.18%	230	-	25,699	-	1,055,402
2031	1,037,760	145,230	1.18%	233	-	30,095	-	1,213,085
2032	1,192,807	146,944	1.18%	235	-	28,510	209,719	1,158,541
2033	1,139,175	148,677	1.18%	238	-	32,544	16,969	1,303,427
2034	1,281,639	150,432	1.18%	241	-	34,234	101,151	1,365,154
2035	1,342,334	152,207	1.18%	244	-	38,928	-	1,533,469
2036	1,507,836	154,003	1.18%	247	-	43,559	5,813	1,699,584
2037	1,671,174	155,820	1.18%	250	-	23,059	876,029	974,024
2038	957,743	157,658	1.18%	253	-	21,327	222,324	914,405
2039	899,120	159,519	1.18%	256	-	22,404	126,554	954,489
2040	938,534	161,401	1.18%	259	-	24,572	91,210	1,033,297
2041	1,016,025	163,305	1.18%	262	-	28,946	17,899	1,190,376
2042	1,170,478	165,232	1.18%	265	-	30,825	107,548	1,258,987
2043	1,237,942	167,182	1.18%	268	-	35,900	-	1,441,024
2044	1,416,936	169,154	1.18%	271	-	40,585	17,460	1,609,216
2045	1,582,316	171,134	1.17%	274	-	45,887	-	1,799,337
2046	1,769,260	119,524	-30.16%	192	-	48,079	111,372	1,825,490



Appendix K—Glossary

Adequate Funding Model

One of the three (or more) proprietary Funding Models included in a depreciation report conducted by NLD Consulting – Reserve Fund Advisors. Typically the recommended model, this is the funding strategy that endeavors to balance the needs of the strata by giving adequate notice of contribution increases, limiting the risk of special assessments, and addressing any reserve deficiency in an equitable manner.

Annual Contribution

The amount of money that is contributed to the CRF in a given fiscal year, excluding interest earned, transfers, and special assessments.

Benchmark Analysis

A "moment-in-time" funding analysis based on a hypothetical fully funded CRF. It shows how much money should be in the CRF at that point in time, as well as how much should be contributed that year if the CRF were fully funded. The fully funded contributions under this analysis represent equitable annual contributions in nominal dollars.

Certified Reserve Planner (CRP)

The professional designation awarded by the Real Estate Institute of Canada (REIC), for the preparation of Reserve Fund Studies, including Depreciation Reports.

Closing Balance

The reserve fund position at the end of a fiscal year, carried forward to the next year as an Opening Balance.

Component

A physical improvement to the development.

Construction Cost Inflation

Inflation measured by changes in construction cost indexes. The inflation rate is localized and pertains to a specific building type.

Contingency Reserve Fund (CRF)

A concept defined by the legislation of the British Columbia Strata Property Act. It represents the financial assets of a strata corporation (or section as defined in the Act), held for the purposes of funding long term repairs and replacements of the common assets of the strata corporation that occur less often than once per year.

Contribution

See Annual Contribution.

CPI Inflation

Inflation measured by increases in the Consumer Price Index, which is a statistical representation of the change in purchasing power between two years.

Deficiency

The difference between a given year's Benchmark Closing Balance and its actual Closing Balance.

Deficiency/Contribution Quotient (DCQ)

A stable measure of the health of a CRF. This formula is defined as a given year's Deficiency plus Outstanding Loan Balance, if any (D), divided by the same year's contributions plus interest (C), or D/C.

Depreciation Report

A Reserve Fund Study conducted to the BC legislated standards of the Strata Property Act.

Effective Age

A subjective, observed age for each Reserve Component. It may differ from the component's actual age when it is performing better or worse than expected.

End of Life

The point in time where the Reserve Component(s) have collectively reached the point of physical failure, and/or the current improvements do not provide for maximum utility of the subject site as improved. This is the point where no further reserve fund savings are required, as no further reserve component replacements are anticipated to occur.

Expenditure

See Reserve Expenditure.

Full Funding Model

A proprietary Funding Model used by NLD Consulting which focusses on minimizing the risk of special assessments, as well as being Fully Funded prior to the end of the 30 year projection period.

Fully Funded

The CRF is Fully Funded when its Closing Balance equals the Benchmark Closing Balance, resulting in a Deficiency equal to zero. At this point the CRF contains an equitable amount of money saved towards each component, given their expected costs and estimated replacement years.

Functional Obsolescence

A concept where the utility of a component is compromised due to outdated design and/or features, which cannot effectively be remedied.

Funding Model

A 30-year forecast of money moving in and out of the CRF. This will include estimated costs and replacement dates for each component, as well as a recommended schedule of CRF Contributions to fund those expenditures.

Interest

Money earned on all CRF investments.

Lifespan

The average life expectancy of a Reserve Component.

Minimum Balance

A proprietary concept used by NLD Consulting. It is a funding model's lowest allowable closing balance for each fiscal year, and it increases with CPI inflation. The Minimum Balance can never be a negative number. This concept is a form of Threshold Funding.

Minimum Funding Model

A proprietary Funding Model used by NLD Consulting which recommends contributions that follow the greater of either: the minimum legislated funding requirement or the current annual contribution, increasing with CPI inflation projections.

Nominal Dollars

An actual dollar amount that has not been adjusted for inflation. This is the actual amount that is spent, saved, or earned. All dollar amounts are assumed to be in nominal terms unless otherwise specified. This is in contrast to a Real Dollar, which is adjusted for inflation.

Non-Reserve Component

A component found on shared property that has been specifically excluded from the reserve fund, as per the bylaws.

Opening Balance

The reserve fund position at the beginning of each fiscal year, carried forward from the prior year end as a Closing Balance.

Operating Fund

The fund a strata corporation contributes to, and draws expenditures from, related to the operating expenses of the corporation. This fund does not include contributions and expenditures related to reserve expenditures, which are funded separately – see Reserve Fund.

Qualified Person

Described under Section 94(1) of the Strata Property Act as: "any person who has the knowledge and expertise to understand the individual components, scope and complexity of the strata corporation's common property, common assets and those parts of a strata lot or limited common property, or both, that the strata corporation is responsible to maintain or repair under the Act, the strata corporation's bylaws or an agreement with an owner and to prepare a depreciation report that complies with subsections (1) to (4)"

Real Dollars

A dollar amount which is has been adjusted for inflation. It takes into account the actual buying power changes over time, relative to a reference/base year (typically the year in which the study was conducted). This is in contrast to a nominal dollar, which is expressed without regard for the effects of inflation.

Remaining Life

The difference between Effective Age and Lifespan.

Reserve Component

A physical element of a strata corporation which is to be included in the inventory of reserve components for analysis in a BC legislated Depreciation Report.

Reserve Expenditure

An amount removed from the CRF to pay for repairs or replacements to Reserve Components.

Reserve Fund

See Contingency Reserve Fund (CRF).

Reserve Fund Deficiency

The difference between the Closing Balance and the Benchmark Closing Balance. The Benchmark Closing Balance is based upon a funding analysis with a hypothetical fully funded CRF. The fully funded contributions under this analysis represent equitable annual contributions in real dollars.

Reserve Fund Study

A budget planning tool comprising a physical and financial analysis, which identifies a long term funding plan(s) for repair and replacement of major common elements of a structure. Ideally, this tool will aid the owners in a long term funding plan.

Special Assessment/Levy

A unique, non-regular contribution from owners towards their Reserve Fund. This type of contribution is most often employed when the CRF balance is not sufficient to undertake the project as required. Although Special Assessments may be employed as part of a long term funding strategy or due to an unexpected expenditure, they are also indicative of a lack of long term strategy.

Strata Property Act

The legislation related to strata property in British Columbia, and as amended to date. This act includes the definition of a Depreciation Report and related concepts.

Strata Property Regulation

Details the requirements laid out in the Strata Property Act. Many sections of the Act must be read in conjunction with the Regulations in order to have a full understanding of the legal requirements.

Threshold Funding

A method of determining future Contributions. It ignores the Benchmark Analysis and focuses solely on keeping the CRF balance above a threshold amount. We sometimes include a threshold balance in our forecasts, but relying solely on Threshold Funding leads to inequitable contributions.

Appendix L—Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP)

CUSPAP comprises five standards, each containing rules, comments, practice notes and definitions. These Standards are the Ethics Standard, Appraisal Standard, Review Standard, Consulting Standard, and Reserve Fund Planning Standard. A Reserve Fund Study / Depreciation Report falls under the Reserve Fund Planning Standard of the Appraisal Institute of Canada (AIC) CUSPAP rules.

More specifically, **CUSPAP Section 12 - Reserve Fund Planning Rules** deals with the procedures for the development and communication of a Reserve Fund Study / Depreciation Report and incorporates the minimum content necessary to produce a credible result.

In the Completion of the Reserve Fund Study / Depreciation Report, the consultant must:

Identify the client and other intended users by name

LMS 4214—"Horstman House", c/o Whistler Premier

Identify the intended use of the opinions and conclusions

To enable the property owners to implement a long range reserve fund strategy.

Identify the purpose of the study

To provide the property owners with a 30 year funding plan for the reserve fund.

Identify the characteristics of the property

Refer to Section 2.

Identify the effective date of the study

December 18, 2015

Identify the date of completion of the study

March 9, 2016

Identify the legislation that applies to the assignment

Section 6.2 BC Strata Property Regulation – Depreciation Report as amended to date.

Identify the scope of work and the extent of the data collection process

The scope of work included an inspection of the subject building, particularly the common area components, which have been considered reserve components within this report. Research as to the actual/effective age of each component was undertaken, as well as an estimate as to the remaining life expectancy and quantity of each. Where available, relevant plans such as architectural, structural and/or mechanical, plumbing, electrical drawings have been reviewed, as well as the subject strata plan (if applicable). Current cost estimates are based on either costs obtained from costing manuals such as RS Means or Marshall & Swift, or discussions with industry professionals. Interest rates and inflation rates have been estimated using the methodology described in the related sections of this report. Further information on the scope of work is described through the report.

Identify all assumptions and limiting conditions

See Appendix B.

Identify any hypothetical conditions (including proposed improvements)

No hypothetical conditions are invoked, unless otherwise indicated.

Describe and analyze all relevant data to complete the study

This rule has been adhered to throughout the pertinent sections of the report.

Delineate the pertinent components the study is to cover

This rule has been adhered to throughout the pertinent sections of the report.

Provide a Benchmark Analysis

See Section 5.1 of the report.

Provide a Cash Flow projection

See Section 5.3 of the report.

Provide an opinion on the adequacy of the reserve fund contributions

See Sections 5.4 of the report.

Provide a reserve fund model

See Section 5.2 of the report.

Detail the reasoning that supports the analysis, opinions, and conclusions

This rule has been adhered to throughout the pertinent sections of the report.

Report the consultant's final conclusions/recommendations

Please refer to section 6 of the report.

Include a signed certification

See signed certification, page 6.

Additionally, **CUSPAP Section 13 - Reserve Fund Standard - Comments** provides additional details in order to clarify, interpret, explain and elaborate on the rules, and form an integral part of the Standards. Their action is compulsory.

The Practice Notes offer advice, examples and resolution; their application is not mandatory. The particular **Practice Notes Section of CUSPAP** related to Reserve Fund Studies states:

14.47.1 "Since Reserve Fund Studies are completed to provide financial planning advice, the reserve fund planning service should consider the stated policies defining those components to be covered by the study and incorporate a comprehensive benchmark analysis including life cycle analysis, current and future replacement costs and future reserve fund accumulations. The Study should provide comments on any apparent

deficiency in the reserve fund account or in future reserve fund accumulation, along with a cash flow model covering an appropriate time frame."

14.50.2 Due to the number of technical issues, the reserve fund planner should consider including a section of defined terms, as they are applied in the study. For example, terms common to Reserve Fund Studies such as Future Reserve Requirement, Future Reserve Fund Accumulation, and Remaining Life are not familiar to many clients who will be relying on the report. The terminology may also vary between provinces or be determined by legislation. The definition of these terms could vary somewhat between one reserve planner and another. A definitions section in the report would aid the client and the intended user in understanding how the conclusions in the report were reached.

14.51.1 Various models are available for the reserve fund planner to consider, which can affect the basis of calculation in the benchmark analysis as well as the cash flow projections. Reasoning should be included in the report to understand the basis of calculations and how they relate to the recommendations.

Additionally, a signed certification must be included, and this certification must clearly specify which individual(s) did or did not make a personal inspection of the subject property. Additionally, the report must be signed or co-signed by an accredited member of the AIC holding the designation AACI, P. App., and/or a designated member of the AIC holding the designation CRA (see CUSPAP 5.5.5.i).

END OF DOCUMENT

Horstman Owners Association Bylaws
Updated July 28, 2022

1. **INTERPRETATION**

1.1 In these Bylaws, unless the context otherwise requires:

(a) "director" means a director of the Association for the time being;

(b) "Lobby Lot" means Strata Lot 52 in the Development and all limited common property designated for its use, as well as all rights appurtenant thereto pursuant to any easement, covenant or similar instrument;

(c) "Management Agreement" means any agreement entered into by or on behalf of the Association for the purpose of managing, controlling and administering the Residential Units;

(d) "Manager" means the manager appointed under the Management Agreement.

(e) "Member" has the meaning set out in section 2.1;

(f) "Operating Costs" means those costs, fees, expenses taxes and charges in respect to management, maintenance and operation of the Residential Units designated as such by the Quarter Use Lease;

(g) "Owners Association" and "Association", means the Society incorporated under the *Society Act* (British Columbia) under incorporation #S-40895, the name of which is Horstman Owners' Association;

(h) "Quarter Owner" means, collectively, all persons who are a registered owner of an undivided one-quarter fee simple interest in a Residential Unit and a lessee under a Quarter Use Lease of that Residential Unit (who, together, comprise one Quarter Owner for the purposes of these Bylaws);

(i) "Quarter use Lease" means a sublease granted by the Association to each Quarter Owner the right to occupy the applicable Residential Unit for a minimum of 12 non-consecutive weeks each year;

(k) "Residential Unit" mans any strata lot in the Development other than the Lobby Lot;

(l) "Strata Corporation" means the strata corporation created upon the deposition in the New Westminster/Vancouver Land Title Office of the strata plan for the Development;

(m) "Strata Council" means the strata council of the Strata Corporation;

(n) "*Society Act*" means the *Society Act* (British Columbia) from time to time in force and all amendments to it, and includes any successor legislation.

1.2 The definitions of the *Society Act* and the Quarter Use Lease, on the date these Bylaws become effective, apply to these Bylaws.

1.3 Words importing the singular include the plural and vice versa; and words importing a male person include a female person and a corporation.

2 MEMBERSHIP

2.1 The Membership of the Owners' Association are the applicants for incorporation of the Owners' Association, and those persons who subsequently have become Members, in accordance with these Bylaws and, in either case, have not ceased to be members. The applicants for incorporation of the Owners' Association will cease to be Members automatically without any further act on their behalf or by the Owners' Association when there are 20 or more Members who are Quarter Owners.

2.2 A person automatically and without further action shall be a Member upon becoming a Quarter Owner and shall cease to be a Member upon ceasing to be a Quarter Owner.

2.3 A Member will cease to be in good standing if the Member is in default or breach of any of his or her obligations under his or her Quarter Use Lease including, without limitation, the obligation to pay his or her share of Operating Costs, strata fees, fines, taxes, and delinquent obligations, or if the member is in breach of these Bylaws, and will continue to be not in good standing until each such default or breach is cured.

2.4 Every Member shall observe and uphold the constitution and comply with these Bylaws.

3 THE OWNERS' ASSOCIATION

3.1 The powers and duties of the Owners' Association are defined and stated by these Bylaws, the Quarter Use Lease, the Management Agreement and the *Society Act*. These powers and duties may, subject to any restriction imposed or direction given at a general meeting, be exercised and performed by the directors.

3.2 The Owners' Association may, in particular, by resolution:

(a) approve the budget of estimated operating costs as prepared and submitted by the manger;

(b) approve amendments to the interest rate charged by the Manger on overdue assessed Operating Costs;

(c) issue regulations governing the use of the Residential Units and ratify regulations for the same purpose issued by the Manager with the prior written approval of a majority of the directors; and

(d) approve all such other actions by the Owners' Association or the Manager or other persons as may be considered beneficial to the Members.

3.3 The Owners' Association may, subject to these Bylaws and the provisions of the Management Agreement, by special resolution, terminate the services of the Manager under the Management Agreement.

3.4 The Owners' Association shall maintain, repair as necessary the furnishings, appliances and equipment in each Strata lot and within any common areas of Horstman House and within any common areas of Horstman House which are the property of the Owners' Association.

4. MEETINGS OF MEMBERS

4.1 General meetings of the Owners' Association shall be held at the time and place, in accordance with the *Society Act*, that the directors decide. The directors may, for convenience, hold a general meeting of the Association immediately before or after a general meeting of the Strata Corporation.

4.2 Every general meeting, other than an annual general meeting, is an extraordinary general meeting.

4.3 The directors may, whenever they think fit, and shall upon a requisition in writing of 10% of the Members' call an extraordinary general meeting without delay.

4.4 At least 20 days' notice of a general meeting specifying the place, day and hour of meeting, and, in the case of special business or a special resolution, the general nature of that business, shall be given to all Members.

4.5 The accidental omission to give notice of a meeting to, or the non-receipt of a notice by, any of the Members entitled to receive notice does not invalidate proceedings at that meeting.

4.6 The first annual general meeting of the Owners' Association shall be held not more than 15 months after the date of incorporation and after that an annual general meeting shall be held at least once in ever calendar year, and not more than 15 months after the holding of the last preceding annual general meeting.

4.7 The annual general or special general meeting may occur as an in-person event, by telephone or any other electronic method as per *The Strata Property Act* s.49.

5 PROCEEDINGS AT GENERAL MEETING

5.1 Special business is:

(a) all business at any extraordinary general meeting except the adoption of rules of order; and

(b) all business transacted at an annual general meeting, except:

(i) the adoption of rules of order;

(ii) the consideration of financial statements;

(iii) the report of the directors;

(iv) the report of the auditor, if any;

(v) the election of directors;

(vi) the appointment of the auditor, if required and

(vii) the other business that, under these Bylaws, ought to be transacted at an annual general meeting or business which is brought under consideration by the report of the directors, issued with a notice convening the meeting.

5.2 Save as in these Bylaws otherwise provided, no business shall be transacted at any general meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business.

5.3 The quorum at general meetings shall be 10% of the persons entitled to vote being present in person or by proxy but no less than three such persons.

5.4 If, within 1/2 hour from the time appointed for a general meeting, a quorum is not present, the meeting shall stand adjourned in the same place and time, and if, at the adjourned meeting, quorum is not present within 1/2 hour from the time appointed for the meeting, the persons present who are entitled to vote shall be a quorum.

5.5 The president of the Owners' Association shall be the chairperson of all general meetings, or in his/her absence from the meeting or in case he/she shall vacate the chair, the vice-president of the Owners' Association shall act as chairperson , provided always that, if the president and vice- president be absent or shall vacate the chair or refuse to act, the meeting shall appoint a chairperson . The president, while present, may also ask the vice-president of the Owners' Association to act as chairperson.

5.6 A general meeting may be adjourned from time to time and from place to place but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

5.7 When a meeting is adjourned for 10 days or more, notice of the adjourned meeting shall be given, as in the case of the original meeting but otherwise it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

5.8 The order of business at general meetings, and as far as appropriate at all extraordinary general meetings shall be:

(a) if the president or the vice-president of the Society is absent, electing the chairperson of the meeting;

(b) calling the roll, certifying the proxies and issues a voting card for each Member present or represented by proxy at the meeting;

(c) filing proof of notice or meeting or waiver of notice;

(d) reading and disposing of any unapproved minutes;

(e) receiving reports of committees;

(f) considering the accounts;

(g) electing directors, if necessary;

(h) unfinished business;

(i) new business; and

(j) adjournment.

5.9 At any general meeting a resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is demanded by any Member present in person or by proxy.

5.10 Unless a poll be so demanded, a declaration by the chairperson that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution.

5.11 A demand for a poll may be withdrawn.

5.12 A poll, if demanded, shall be taken in whatever manner the chairperson thinks is fit and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

5.13 No resolution proposed at a meeting need be seconded and a chairperson of a meeting may move or propose a resolution.

5.14 In case of equality of votes, the chairperson shall have a casting or second vote in addition to the vote to which he may be entitled as a Member.

5.15 A member present in person or by proxy is entitled to one vote, provided however that a member is not entitled to vote, whether in person, by proxy, by mail-in-vote pursuant to Bylaw 5.21 or by consent resolution if that Member is not in good standing.

5.16 On a show of hands, votes shall be indicated by the Members of their proxies showing their voting cards.

5.17 On a show of hands or on a poll, votes may be given either personally or by proxy.

5.18 An instrument appointing a proxy shall be in writing under the under of the appointer or his lawfully appointed attorney and may be either general, for a particular meeting or for a particular resolution at a particular meeting.

5.19 A proxy need not be a Member.

5.20 A corporate Member may vote by its authorized representative, who is entitled to speak and vote and, in all other respects, exercise the rights of a Member, and that representative shall be deemed to be a Member for all purposes with respect to a meeting of the Owners' Association.

5.21 The directors of the Owners' Association may, in their discretion, decide that a special resolution shall be voted upon exclusively by mail-in ballot, electronic means, or by combination of mail-in ballot, electronic means, and voting in person or by proxy at a general meeting. The directors will establish the procedure and be responsible for preparation and circulation of materials for mail-in or electronic means voting. If the special resolution is to be voted on by a combination of mail-in ballot, electronic means, and voting in person or by proxy at a general meeting, the mail-in voting, or electronic means voting material shall accompany the notice and other material for the meeting. A mail-in or electronic means vote may be made by a Member's duly appointed proxy or, in the case of a corporate Member, the corporation's authorized representative referred to in Bylaw 5.20. A mail in or electronic means, vote shall, for purposes of these Bylaws, be as effective as a vote cast in person at a general meeting.

6 DIRECTORS AND OFFICERS

6.1 The directors may exercise all the powers and do all the acts and things that the Owners' Association may exercise and do, and which are not by these Bylaws or statute or otherwise lawfully directed or required to be exercised or done by the Owners' Association in general meeting but subject nevertheless, to;

(a) all laws affecting the Owners' Association;

(b) these Bylaws; and

(c) rules, not being inconsistent with these Bylaws, which are made from time to time by the Owners' Association in general meeting.

(d) the provisions of the quarter use sub-lease and management agreement.

6.2 No rule made by the Owners' Association in general meeting invalidates a prior act of the directors that would have been valid if that rule had not been made.

6.3 The directors shall be elected by and from amongst the members and shall consist of not less than three nor more than seven members and may be comprised of members of the Strata Corporation.

6.4 The Owners' Association shall have a president, vice-president, , treasurer and such other officers of the Owners' Association as the directors shall appoint, all of whom must be directors and who shall be appointed by the directors and who may also hold the same office in the Strata Corporation.

6.5 The terms of office for a director are as follows:

(a) the term of office of a director is two years and ends at the end of the annual general meeting at which that seat is elected;

(b) a person who's term as a director is ending is eligible for re-election;

(c) Immediately after election, the directors will meet in executive session to elect officers;

(d) At the first election following adoption of these bylaws the directors will also draw lots to determine half of the seats that will serve one year initial terms, and the half to serve two year terms;

(e) The seats serving initial one-year terms will be elected to two-year terms at the next annual general meeting, and thereafter all seats will have two-year terms.

6.6 the directors may at any time and from time to time appoint a Member as director to fill a vacancy in the directors, and a director so appointed holds office only until the conclusion of the next following annual general meeting of the Owners' Association but is eligible for re-election at the meeting to fill out the remaining time on the seat to which they were appointed.

6.7 If a director resigns his office or otherwise ceases to hold office, the remaining directors shall appoint a Member to take the place of the former director.

6.8 No act or proceeding of the directors is invalid only by reason of there being less than the prescribed number of directors in office.

6.9 The members may by special resolution remove a director before the expiration of his term of office, and may elect a successor to complete the terms of the office.

6.10 No director shall be remunerated for being or acting as a director, but a director shall be reimbursed for all expenses necessarily and reasonably incurred by him while engaged in the affairs of the Society.

7 DUTIES OF DIRECTORS

7.1 The directors shall:

(a) employ or enter into contracts on behalf of the Owners' Association with such agents and employees as the directors think fit in connection with the proper control, management, and administration of the Strata Lots;

(b) make such rules and regulations other directors consider necessary or desirable from time to time in relating to the enjoyment, safety and cleanliness of the Strata Lots; and

(c) cause the Owners' Association to exercise its rights, remedies and discretion and perform its obligations under the Head Leases and Quarter Use Leases.

7.2 Subject to these Bylaws and the provisions of the Management Agreement, the directors may terminate the services of the Manager upon a special resolution.

7.3 The directors shall keep in one location or in the possession of one person and shall upon request make available to a Member or person authorized in writing by a Member:

(a) a copy of the Bylaws and any changes thereto;

(b) a copy of any resolutions passed by the Owners' Association and the directors;

(c) copies of all legal agreements to which the Owners' Association is a party;

(d) a list of Members and of the directors and officers;

(e) minutes of all general meetings;

(f) minutes of all directors meetings; and

(g) the annual budget for each year.

(h) As per the *Strata Property Act* s.36(4) the strata corporation may charge a fee of $45.00/hour to obtain the requested information and, as per s.36(4), may refuse to provide the details until the fee is paid.

7.4 The directors shall:

(a) keep minutes of its proceedings;

(b) cause minutes to be kept of general meetings;

(c) cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure take place;

(d) prepare proper accounts relating to all monies of the Owners' Association and the income and expenditure thereof, for ach annual general meeting; and

(e) on application of a Member or any person authorized in writing by him, make the books of account available for inspection at all reasonable times.

7.5 All acts done in good faith by the directors, are, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of the directors, as valid as if the directors have been duly appointed or had duly continued in office.

7.6 No director shall be personally liable for any act done in good faith in carrying out his duties as a director.

8 PROCEEDINGS OF DIRECTORS

8.1 The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit.

8.2 The directors may from time to time fix the quorum necessary to transact business and , unless so fixed, the quorum shall be a majority of the directors then in office.

8.3 The president shall be chairperson of all meetings of the directors, but if at a meeting the president is not present within 30 minutes after the time appointed for holding the meeting, the vice-president shall act as chairperson; but if neither is resent the directors may choose one of their number to be chairperson at the meeting.

8.4 A director may at any time, and the secretary on request of a director shall, convene a meeting of the directors.

8.5 The directors may delegate any, but not all, of their powers to committees consisting of the director or directors as they think fit, subject to any restriction imposed or direction given at a general meeting.

8.6 A committee so formed in the exercise of the powers so delegated shall conform to any rules imposed on it by the directors and shall report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held next after it has been done.

8.7 A committee shall elect a chairperson of its meetings, but if no chairperson is elected or if at a meeting the chairperson is not present within 30 minutes after the time appointed for holding the meeting, the directors present who are members of the committee shall chose one of their number to be chairperson of the meeting.

8.8 the members of a committee may meet and adjourn as they think proper.

8.9 For a first meeting of directors held immediately following the appointment or election of a director or directors at an annual or other general meeting of Members, or for a meeting of the directors which a director is appointed to fill a vacancy in the directors, it is not necessary to give notice of the meeting to the newly elected or appointed director or directors for the meeting to be constituted, if a quorum of the directors is present.

8.10 Questions arising at a meeting of the directors and any committee of directors shall be decided by a majority of votes.

8.11 In case of equality of votes the chairperson of a meeting of the directors or a committee of directors shall have a second or casting vote.

8.12 no resolution proposed at a meeting of directors or committee of directors need be seconded and the chairperson of a meeting may move or propose a resolution.

8.13 A resolution in writing, signed by all the directors personally or by their duly appointed alternate and placed with the minutes of the directors is as valid and effective as if regularly passed at a meeting of directors.

8.14 A director, may participate in a meeting of the directors or of any committee of the directors by means of a conference telephone or other communications facility by means of which all persons participating in the meeting can hear each other and provided that all such persons agree to such participation, and any director, participating in a meeting in accordance with this Bylaw 8.14 shall be deemed to be present at the meeting and shall be counted in the quorum therefore and shall be entitled to speak and vote there at.

9 DUTIES OF OFFICERS

9.1 The president shall preside at all meetings of the Owners' Association and of the directors and is the chief executive of the Owners' Association and shall supervise the other officers in the execution of their duties.

9.2 The vice-president shall carry out the duties of the president during his absence.

9.3 The secretary shall:

(a) conduct the correspondence of the Owners' Association;

(b) issue notices of meetings of the Owners' Association and directors;

(c) keep minutes of all meetings of the Owners' Association and directors;

(d) have custody of al records and documents of the Owners' Association except those required to be kept by the treasurer;

(e) have custody of the common seal of the Owners' Association; and

(f) maintain the register of Members.

9.4 The treasurer shall:

(a) keep the financial records, including books of account, necessary to comply with the *Society Act*; and

(b) render financial statements to the directors, members and others when required.

9.5 The office of secretary and treasurer may be held by one person who shall be known as the secretary-treasurer.

9.6 In the absence of the secretary from a meeting, the directors shall appoint another person to act as secretary at the meeting.

9.7 In lieu of a designated secretary, the directors may appoint the property manager to take minutes and perform the duties of the secretary as supervised by the President.

10 OPERATING COSTS

10.1 The Owners' Association will cause the Manager to prepare and submit to the directors for review and comment a budget of estimated operating expenses for the next operating year of the Association including, without limitation the amount of the Contingency Reserve contribution and any operating reserves deemed necessary or prudent. The budget, revised in accordance with the comments of the directors, will be submitted to the annual general meeting of the Owners' Association for that year. If the annual general meeting does not approve the budget, a new budget shall be submitted within 10 days after the date of the annual general meeting. In the event that approval is not given upon submission of the second budget, the budget shall be submitted to arbitration for determination by a single arbitrator under the *Commercial Arbitration Act* (British Columbia). In the event of arbitration, the Manager and the Members shall continue to be governed by the budget for the previous lease year, and within 30 days of the arbitration decision shall make all necessary adjustments pursuant to the budget established by the arbitration proceedings.

10.2 Each Member's share of the Operating Costs shall be calculated by the Manager in accordance with the provisions of the Quarter Use Lease and the Management Agreement. For greater certainty, each Member's share of the Operating Costs will include one quarter of the portion of the annual operating expenses of the Owners' Association allocated to their Residential Unit (which will be allocated on the same basis as the operating expenses of the Strata Corporation area allocated to the residential Units), as well as one quarter of the Strata Corporation assessments, property taxes, municipal utilities, Whistler Resort Association fees, Capital Reserve Contributions for such Residential Unit and other reasonable costs and outlays (including legal and accounting costs) both specific to the particular Strata Lot owned by the member as well as all costs that the Directors allocate to the building as a whole that are not included as part of the Strata Corporation budget.

10.3 The Owners' Association will cause the Manager, during the first quarter of each operating year send to each Member a Notice of Assessment, setting forth each Member's share of the Operating Costs for that year, including the share of the Owners' Association expenses established by paragraph 10.1 , as well as a calculation of each Member's monthly payment to the Owners' Association for that operating year. The Owners' Association may cause the manager to send each Member a revised Notice of Assessment if any of the

components of the Operating Costs which were initially estimated for the purposes of the budget are actually billed by the applicable authority at a different amount than estimated.

10.4 At the same time as sending the Notice of Assessment or earlier, the Owners' Association will cause the manager to provide to the member as statement prepared in accordance with forms customarily used showing, among other things, the receipts and expenditures in the immediately preceding operating year, the Member's share of Operating Costs for that operating year, and an accounting of all monies held. If the budgeted expenses, as established by paragraph 10.1, are greater or less than actual expenses for the year, the difference, if greater, shall be credited to the current year's budget, or, if less, shall be paid by the Members to the manger forthwith, as the directors may direct.

11 EXTRAORDINARY GENERAL MEETING ON CONTINUANCE

11.1 An extraordinary general meeting of the Owners' Association shall be called by the directors to follow the annual general meeting of the Owners' Association during the last year of the term of the Quarter Leases for the purposes of determining whether or not to renew the term of the Association Lease or, if not, to assess what other future use should be made of the Residential Units. If by special resolution, the Owners' Association elects not to renew the term of the association Lease, the directors shall prepare, give proper notice and submit at least two options for future use for consideration at an extraordinary general meeting. If the meeting is unable by special resolution to determine a future use, then the question of future use shall be submitted to arbitration under the *Commercial Arbitration Act* (British Columbia).

12 BORROWING

12.1 In order to carry out the purposes of the Owners' Association the directors may, on behalf of and in the name of the Owners' Association raise or secure the payment or repayment of money in the manner they decide, and, in particular but without limiting the foregoing, by the issue of debentures.

12.2 No debenture shall be issued without the sanction of a special resolution of the Members.

12.3 The members may by special resolution restrict the borrowing powers of the directors, but any restriction imposed expires at the next annual general meeting.

13 SEAL

13.1 The directors may provide a common seal for the Owners' Association and my destroy a seal and substitute a new seal in its place.

13.2 The common seal shall be affixed only when authorized by a resolution of the directors and then only in the presence of the persons prescribed in the resolution, or if no persons are prescribed, in the presence of the president and secretary or president and secretary-treasurer.

14 AUDITOR

14.1 This part applies only where the Owners' Association is required or has resolved to have an auditor.

14. 2 The first auditor shall be appointed by the directors who shall also fill all vacancies occurring in the office of auditor.

14.3 At each annual general meeting the Owners' Association shall appoint an auditor to hold office until he is re-elected or his successor is elected at the next annual general meeting.

14.4 An auditor may be removed by ordinary resolution.

14.5 An auditor shall be promptly informed in writing of appointment or removal.

14.6 No director and no employee of the Owners' Association shall be auditor.

14.7 The auditor may attend general meetings.

15 NOTICE

15.1 A notice may be given to a Member, either personally or by mail to him at his registered address, or if the member elects, by electronic means.

15.2 Any notice given by post or electronic means shall be deemed to have been given 48 hours after it is posted.

15.3 Notice of general meeting shall be given to every Member shown in the register of members on the day notice is given and the auditor, if an auditor has been appointed, and no other person is entitled to receive a notice of general meeting.

15.4 The word "notice" shall include any request, statement or other writing required or permitted to be given by the Owners' Association to the Members.

16 VIOLATION OF BYLAWS

16.1 Any infraction or violation of these Bylaws or any rules and regulations established pursuant to these Bylaws on a part of a Member, his employees, agents, invitees or subtenants may be corrected, remedied or incurred by the Owners' Association, and any costs or expenses expended or incurred by the Owners' Association in

correcting, remedying or curing such infraction or violation shall be charged to that Member and shall be added to, and become part of the next assessment of that member.

16.2 In addition to any remedies available at law or in equity under or in respect of the Quarter Use Lease, the Owners' Association may recover from a Member by an action of for debt in any court of competent jurisdiction any sum of money which the Owners' Association is required to expend as a result of any act or omission by the Member, Permitted Users of the Quarter Share Period, his employees, agents, or invitees or any infraction or violation of these Bylaws or any rules or regulations established pursuant to these Bylaws.

17 BYLAWS

17.1 On being admitted to membership, each Member is entitled to and the Owners' Association shall give him, without charge, a copy of the constitution and Bylaws of the Owners' Association.

17.2 These Bylaws shall not be altered or added to except by special resolution.

Dated this 28th day of July, 2022

/s/ Nolan Peters

Per: Authorized Signature

Nolan Peters, President
Horstman Owners Association

Bylaws of Horstman House Strata Corporation
As Amended July 28, 2022

Section 1 -- Duties of Owners, Tenants, Occupants and Visitors

1.1 Definitions

(A) The term "owner" applies to any person who owns one or more quarter share interests in one or more strata lots in Horstman House.

(B) The term "Horstman House Owners Association" refers to the corporation chartered under the British Columbia Society Act, and holds title to the common area strata lots, the furnishings in each unit, and which operates Horstman House as a hotel strata property.

(C) The term "Property Manager" or "Manager" refers to the corporation that acts as the agent for the owners association and strata council to maintain and operate Horstman House.

(D) The terms "Horstman House Quarter Use Sublease" or "Rental Management Arrangement" refer to the provisions included and incorporated as part of the title documents to a strata unit that sets forth the provisions and covenants governing owner use and the operation of Horstman House as a rental property, and are incorporated by reference herein.

(E) The term "Guest" refers to any person other than an owner who is occupying or using a strata lot or common areas.

1.2 Payment of strata fees

(A) An owner must pay strata fees on or before the first day of the month to which the strata fees relate. Late fees will be charged at a rate of 10% per annum.

(B) Payment of fees shall be via Electronic Bank Transfer or cheque payable to the property manager.

(C) Payments of fees cannot be made via credit cards.

(D) Owners are responsible for any fees charged to the strata property manager by a financial institution because of insufficient funds. Such fees will be added to the outstanding balance owed and may be deducted from any revenue generated by the rental management arrangement that are due the owner.

(E) If, when an owner pays strata fees, the owner owes money to the strata corporation for a fine or for the reasonable costs of remedying a contravention of the bylaws or rules, the strata corporation must apply that owner's payment to the amount outstanding in the following order:

(a) firstly, to the fine,
(b) secondly, to costs to remedy a contravention,
(c) thirdly, to the strata fees

(F) Delinquent strata fees, fines or remedy of a contravention may be deducted from any revenue generated by the rental management arrangement that are due the strata owner.

(G) As per the Quarter Use Sub-Lease, any owner who becomes delinquent in payment of Strata Fees shall have all owner use privileges suspended until payment is received on all delinquent fees, including interest and penalties. In addition, their strata unit will be last to be considered for rental purposes while all owner use privileges are suspended.

(H) Any owner who remains delinquent on its quarterly payment for a period in excess of 90 days may be subject to forced-sales proceedings in which their unit will be sold. The strata will recoup all amounts outstanding such as outstanding strata fees, interest charges applied to the account, assessed fines due to contravention of strata bylaws, legal fees and administration fees from the property management company. All remaining proceeds will be forwarded to the former owner of the unit.

1.3 Modification, Repair and maintenance of property by owner

(A) As provided by the owner's covenants included in the Horstman House Quarter Use Sublease and Rental Management Arrangement, when occupying their unit, an owner may not make modifications or repairs to the owner's strata lot, furnishings or common areas which are the responsibility of the strata corporation or the Horstman House Owner's Association under these bylaws.

B) As provided by the owner's covenants included in the Horstman House Quarter Use Sublease and Rental Management Arrangement an owner may not make any modifications to a strata lot, including the furnishings and inventory owned by the Horstman House Owners Association without prior authorization by the Strata Council except as provided as follows:

(1) The owner provides an application stating the nature of the proposed modification, along with a justification and cost estimate, appropriate municipal permits, and the signatures of all other owners who may have a share in the strata indicating their approval of the proposed modification and their obligation to pay for the modification, and

(2) The Strata Council at their next scheduled meeting also determines that the proposed modification would not interfere with the operation of the Rental Management Arrangement and would be covered by the appropriate liability insurance policies of the property manager, strata corporation and owners association.

(3) The owners of the strata lot agree to take responsibility for any expenses or damages to the common property or common assets that result from the modification, and to convey to any future owners that the strata corporation may not necessarily be responsible for the repair of the modification.

(C) An owner may not make any alterations or modifications that involves any of the following:

(1) the structure of a building;

(2) the exterior of a building;

(3) chimneys, stairs, balconies or other things attached to the exterior of a building;

(4) doors or windows on the exterior of a building, or that front on the common property;

(5) fences, railings or similar structures that enclose a patio, balcony or yard

(6) common property located within the boundaries of a strata lot;

(7) those parts of the strata lot which the strata corporation must insure under section 149 of the Act.

1.4 Use of property

(A) (Formerly Bylaw 135) The owners acknowledge and agree that each of the residential strata lots and certain rights of the owners of the residential strata lots to the common property and common facilities are the subject of lease in favour of the Horstman Owners' Association and a sublease back to each owner of an interest in the strata lots (collectively the "Rental Management Arrangement") for the mutual benefit of all owners. The Owners' Association, in turn, has entered into an agreement with a manager (the "Manager" who will be responsible for operating the Rental Management Arrangement. The Owners' Association, the Manager, the Manager's employees, agents, contractors, and permittees and all guests (the "Guests") of the development shall at all times have access to and use of all portions of the common property and common facilities as are reasonably required by the Owners' Association or the Manager for the operation and enjoyment of the development pursuant to the Rental Management Arrangement from time to time, as determined by the Owners' Association or the Manager, acting reasonably, including, without limitation, the parking garage and parking stalls, all common areas and common facilities within the building, (including, without limitation, the swimming pool, exercise room and all other recreational facilities, storage lockers, storage rooms, closets and ski storage areas), other than those areas which are designated as limited common property for one or more residential strata lots. The Owners' Association and the Manager shall be entitled to set up and maintain within the common property any works and facilities that reasonably required by the Owners' Association or the Manager in connection with the operation of the Rental Management Arrangement, including without limitation, a concierge desk and signage, if so desired by the Owners' Association or the Manager. The Owners' Association and the Manager shall comply with all governmental and other regulatory statutes, rules, regulations, codes, ordinances and licensing requirements and the Owners' Association and the Manager shall comply and shall use reasonable efforts to cause its employees, agents, contractors and permittees and the Guests to comply with all bylaws and rules and regulations of the strata corporation, so long as such bylaws and rules and regulations are of general application to all owners and occupiers of strata lots, do not provide for any fee or other charge whatsoever to be paid by the Owners' Association, the Manager or the Guests and are generally consistent with and do not conflict with the operation of the development in accordance with the Rental Management Arrangement. All future bylaws and rules and regulations of the strata corporation shall be consistent with the operation

of the development in accordance with the Rental Management Arrangement so that they will not impair, interfere with or adversely affect such operation. In addition, the owners will not do or permit to be done any act or thing and shall cause the strata corporation to refrain from doing any act or thing which may impair, interfere with or limit the ability of the Manager to operate the development in accordance with the Rental Management Arrangement. This Bylaw 1.4(A) is subject to the provisions of Bylaw 1.4(G). This Bylaw 1.4(A) may not be amended, modified, rescinded, repealed or replaced except by unanimous resolution of the strata corporation.

(B) (Formerly Bylaw 133) An owner, tenant, occupant or visitor must not use a strata lot, the common property or common assets in a way that:

(1) causes a nuisance or hazard to another person,

(2) causes unreasonable noise,

(3) unreasonably interferes with the rights of other persons to use and enjoy the common property, common assets or another strata lot,

(4) is illegal,

(5) is contrary to a purpose for which the strata lot or common property is intended as shown expressly or by necessary implication on or by the strata plan or,

(6) violates the Rules set forth by the strata corporation or the owners association.

(C) An owner, tenant, occupant or guest must not cause damage, other than reasonable wear and tear, to the common property, common assets or those parts of a strata lot which the strata corporation or owners association must repair and maintain under these bylaws or insure under section 149 of the Act.

(D) As provided by this bylaw and the Horstman House Quarter Use Sublease, an owner, tenant or occupant may not keep any pets in a strata lot.

(E) As provided by this bylaw and the Horstman House Quarter Use Sublease an owner, tenant or occupant may not smoke cigarettes, cannabis, e-cigarette, vaping cigars or pipes of any kind on or within any strata lot or common areas of the building at any time.

(F) Parking spaces in the garage is part of the limited common property. Each owner has an assigned parking space which is determined in their purchase agreement. Each owner must use their own space when staying at the Horstman House. The property manager (front desk), may at their discretion, temporarily and only for that specific stay or a portion thereof, permit the reassignment to use another parking space. Further:

(1) Owners and guests are not permitted to change their parking space without approval from the property manager (front desk). Owners are only permitted to occupy one parking space, unless they have a second parking space assigned to that unit (3 bedroom units only). In addition to fines, that can be levied as per section 4.2, violators may also have their vehicles towed and removed from the Horstman House

(2) Owners and guests are not permitted to park improperly by straddling parking lines, thus preventing the use of a separate second parking space that is not part of your assigned parking space for your stay. In addition to fines, that can be levied as per section 4.2, violators may also have their vehicles towed and removed from the Horstman House

(G) (Formerly Bylaw 136) Each owner of an interest in a residential strata lot will be entitled at any time, whether or not they are actually occupying their residential strata lot for personal use pursuant to the Rental Management Arrangement, to:

(1) use one of the parking stalls within the common property which are not designated on the strata plan as limited common property, without charge, for temporary day parking only;

(2) use a bicycle storage space within the areas designated for that purpose within the common property, without charge, for temporary bicycle storage purposes not to exceed 60 (sixty) consecutive days without specific approval of the Strata Council. Bicycles in the temporary storage exceeding 60 (sixty) consecutive days may be disposed of at the owner's expense. Further, bicycles are not permitted in the unit;

(3) use one ski storage locker within the ski storage room designated for that purpose within the common property of the development, without charge, for temporary or permanent skis, snowboards, ski equipment and ski clothing storage purposes. Skis, snowboards and ski equipment left in the ski room, and not in a ski storage locker, for more than 60 (sixty) consecutive days may be disposed of at the owner's expense. Further, skis, snowboards and ski equipment are not permitted in the unit; and

(4) use the recreational facilities within the common property, without charge, subject to any rules of the strata corporation imposed to regulate any of the foregoing uses based on demand, availability, usage patterns, and the like and the strata corporation's right to pass bylaws, rules and regulations concerning the use and operation of the facilities referred to herein (including rules regarding the use of the recreational facilities by guests of owners), so long as such bylaws, rules and regulations are of general application to all residential strata lots and do not provide for any fee or other charge to be paid by the owners. This Bylaw may not be amended, modified, rescinded, repealed or replaced except by unanimous resolution of the strata corporation.

(H) All garbage shall be plastic or paper bagged and tied before depositing. Any materials other than household refuse and garbage shall be removed from the strata plan by, or at the expense of, the individual owner or guest. Further each owner or guest must ensure:

(1) No items other than household refuse should be disposed of at any times in the garbage containers. Examples of unacceptable items are: batteries, USB cables, electrical cords etc. Such items shall be removed from the property by, or at the expense of, the individual owner or guest.

(2) Recycle bins must be properly used. All owners and guests should take the time to familiarize themselves with the materials acceptable for recycling in each designated bin, i.e., paper, glass/cans and organics.

(3) Separating organics (composting) is mandatory. Owners or guest must separate organics and deposit into the composting bins provided in each strata lot. This is to comply with Resort Municipality of Whistler bylaw 2139/2017.

(4) No combustible materials may be disposed of in the garbage or recycle bins.

1.5 Inform strata corporation

(1) Within 2 weeks of becoming an owner, or changing primary mailing address, an owner must inform the strata corporation of the owner's name, strata lot number and mailing address outside the strata plan, if any.

1.6 Permit entry to strata lot

(A) An owner, tenant, occupant or visitor must allow a person authorized by the strata corporation to enter the strata lot

(1) in an emergency, without notice, to ensure safety or prevent significant loss or damage, and

(2) at a reasonable time, on 48 hours' written notice,

(i) to inspect, repair or maintain common property, common assets and any portions of a strata lot that are the responsibility of the strata corporation to repair and maintain under these bylaws or insure under section 149 of the Act, or furnishings owned by the owners association or

(ii) to ensure compliance with the Act and the bylaws.

(B) The notice referred to in subsection (A) (1) must include the date and approximate time of entry, and the reason for entry.

Section 2 -- Powers and Duties of Strata Corporation

2.1 Repair and maintenance of property by strata corporation

(A) The strata corporation must repair and maintain all of the following:

(1) common assets of the strata corporation or owners association;

(2) common property of the strata corporation or owners association that has not been designated as limited common property;

(3) limited common property, but the duty to repair and maintain it is restricted to

(i) repair and maintenance that in the ordinary course of events occurs less often than once a year, and

(ii) the following, no matter how often the repair or maintenance ordinarily occurs:

(a) the structure of a building;

(b) the exterior of a building;

(c) chimneys, stairs, balconies and other things attached to the exterior of a building;

(d) doors and windows on the exterior of a building or that front on the common property;

(e) fences, railings and similar structures that enclose patios, balconies and yards;

Section 3 -- Council

3.1 Council size

The council must have at least 3 and not more than 7 members.

3.2 Council members' terms

(A) The term of office of a council member is two years and ends at the end of the annual general meeting at which that seat is elected.

(B) A person whose term as council member is ending is eligible for re-election.

(C) Immediately after election, the council will meet in executive session to elect officers.

(1) At the first election following adoption of these bylaws the council will also draw lots to determine the three seats which will serve one year initial terms, and the remaining seats will serve for two years.

(2) The three seats serving one-year terms will be elected to two-year terms at the next annual general meeting, and there after all seats will have two- year terms.

3.3 Removing council member

(A) The strata corporation may, by a resolution passed by a majority vote at an annual or special general meeting, remove one or more council members.

(B) After removing a council member, the strata corporation must hold an election at the same annual or special general meeting to replace the council member for the remainder of the term.

3.4 Replacing council member

(A) If a council member resigns or is unwilling or unable to act, or who is absent from two or more council meetings, the remaining members of the council may appoint a replacement council member for the remainder of the term.

(B) A replacement council member may be appointed from any person eligible to sit on the council.

(C) The council may appoint a council member under this section even if the absence of the member being replaced leaves the council without a quorum.

(D) If all the members of the council resign or are unwilling or unable to act for a period of 2 or more months, persons holding at least 25% of the strata corporation's votes may hold a special general meeting to elect a new council by complying with the provisions of the Act, the regulations and the bylaws respecting the calling and holding of meetings.

3.5 Officers

(A) At the first meeting of the council held after each annual general meeting of the strata corporation, the council must elect, from among its members, a president, a vice president, a secretary and a treasurer.

(B) A person may hold more than one office at a time, other than the offices of president and vice president.

(C) The vice president has the powers and duties of the president;

(1) while the president is absent or is unwilling or unable to act, or

(2) for the remainder of the president's term if the president ceases to hold office.

(D) If an officer other than the president is unwilling or unable to act for a period of 2 or more months, the council members may appoint a replacement officer from among themselves for the remainder of the term.

3.6 Calling council meetings

(A) The council will meet at least twice per year and at the call of the President.

(B) Any council member may call a council meeting by giving the other council members at least one week's notice in writing, via e-mail or telephone call of the meeting, specifying the reason for calling the meeting.

(C) A council meeting may be held on less than one week's notice if

(1) all council members consent in advance of the meeting, or

(2) the meeting is required to deal with an emergency situation, and all council members either

(i) consent in advance of the meeting, or

(ii) are unavailable to provide consent after reasonable attempts to contact them.

(D) The council must inform owners about a council meeting as soon as possible after the meeting has been called.

3.7 Requisition of council hearing

(A) By application in writing, stating the reason for the request, an owner may request a hearing at ~~a~~ the next scheduled council meeting.

(B) If the purpose of the hearing is to seek a decision of the council, the council must give the applicant a written decision within one week of the hearing.

3.8 Quorum of council

(A) A quorum of the council is;

(a) 1, if the council consists of one member,
(b) 2, if the council consists of 2, 3 or 4 members,
(c) 3, if the council consists of 5 or 6 members,

and

(d) 4, if the council consists of 7 members.

(B) Council members must be present in person, or via electronic means at the council meeting to be counted in establishing quorum. The council cannot vote by proxy.

3.9 Council meetings

(A) At the option of the council, council meetings may be conducted by electronic means, so long as all council members and other participants can communicate with each other.

(1) If called by the President, the Council may debate and vote on motions between scheduled council meetings other than the budget via electronic mail, provided all members of the council agree. Such votes shall be added to the official minutes as part of the next scheduled council meeting and noted therein as having been taken via electronic mail.

(B) Owners may attend council meetings as observers.

(C) Despite subsection (B), no observers may attend those portions of council meetings that deal with any of the following:

(1) bylaw contravention hearings under section 135 of the Act;

(2) rental restriction bylaw exemption hearings under section 144 of the Act;

(3) any other matters if the presence of observers would, in the council's opinion, unreasonably interfere with an individual's privacy.

3.10 Voting at council meetings

(A) At council meetings, decisions must be made by a majority of council members participating in the meeting.

(B) If there is a tie vote at a council meeting, the president may break the tie by casting a second, deciding vote.

(C) The results of all votes at a council meeting must be recorded in the council meeting minutes, along with the names of the council members moving and seconding any resolutions, and the names of any dissenting or abstaining council members.

3.11 Council to inform owners of minutes

(A) The council must inform owners of the minutes of all council meetings whether or not the minutes have been approved unless such minutes reflect actions taken by the council that would in the council's opinion, unreasonably interfere with an individual's privacy or would compromise pending litigation. The method of providing copies will be as follows:

(1) Within two weeks of the meeting, the minutes shall be posted on the strata web page.

(2) Printed copies of minutes shall be mailed to owners with the next scheduled quarterly rental statement provided by the property manager.

(3) Any owner who wishes a copy of minutes prior to the next scheduled quarterly statement mailing may request a copy from the property manager.

3.12 Delegation of council's powers and duties

(A) As provided in this section, the council may delegate some or all of its powers and duties to one or more council members or persons who are not members of the council, and may revoke the delegation.

(B) The council may delegate its spending powers or duties to the property manager in accordance with the budget adopted by the strata provided the

(1) authority is to make expenditures is for specific amount for a specific purpose, or

(2) authority is to make expenditures in accordance with subsection (C).

(C) A delegation of a general authority to make expenditures must

(1) set a maximum amount that may be spent, and

(2) indicates the purposes for which, or the conditions under which, the money may be spent.

(3) The council may, by resolution, ~~not~~ delegate to the property manager its powers to determine, based on the facts of a particular case,

(a) whether a person has contravened a bylaw or rule,

(b) whether a person should be fined, and the amount of the fine.

3.13 Spending restrictions

(A) A person may not spend the strata corporation's money unless the person has been delegated the power to do so in accordance with these bylaws.

(B) Despite subsection (A), a council member, or the property manager as authorized by the President may spend the strata corporation's money to repair or replace common property or common assets if the repair or replacement is immediately required to ensure safety or prevent significant loss or damage.

3.14 Limitation on liability of council member

(A) A council member who acts honestly and in good faith is not personally liable because of anything done or omitted in the exercise or intended exercise of any power or the performance or intended performance of any duty of the council.

(B) Subsection (A) does not affect a council member's liability, as an owner, for a judgment against the strata corporation.

Section 4 -- Enforcement of Bylaws and Rules

4.1 Rules

(A) The council and the Owners Association may adopt common rules governing the use of common facilities, furnishings, inventory, and storage of owner items when the owner is not occupying their strata.

(B) The rules adopted shall be conspicuously posted as appropriate, and provided to each resident and guest upon check-in.

(C) The property manager has the authority to enforce the rules and to levy fines at their discretion as provided herein, and to assess the fine as part of the monthly strata fees.

(D) An owner may appeal a fine to the council at the next regularly scheduled council meeting. If the appeal is granted, the fine will be credited to the next months strata fees.

4.2 Maximum fine

(A) The strata corporation may fine an owner or tenant a maximum of

(a) $200 for each contravention of a bylaw, and

(b) $50 for each contravention of a rule.

(c) $1000 per day for violating the "Rental Management Arrangement" [sublease agreement noted in 1.4(A)] by renting the owner's unit directly to a guest. All owners and guests must be booked by the property management company operating under the Rental Management Agreement.

4.3 Continuing contravention

(A) If an activity or lack of activity that constitutes a contravention of a bylaw or rule continues, without interruption, for longer than 7 days, a fine may be imposed every 7 days.

Section 5 -- Annual and Special General Meetings

5.1 Person to chair meeting

(A) Annual and special general meetings must be chaired by the president of the council.

(B) If the president of the council is unwilling or unable to act, the meeting must be chaired by the vice president of the council.

(C) If neither the president nor the vice president of the council chairs the meeting, a chair must be elected by the eligible voters present in person or by proxy from among those persons who are present at the meeting.

(D) The annual general or special general meeting may occur as an in-person event, by telephone or any other electronic method as per *The Strata Property Act* s.49.

5.2 Quorum

(A) A quorum is one-third of eligible voters, either in-person or via proxy.

(B) (Formerly Bylaw 124(4)) If within one-half hour of the time appointed for an annual or special general meeting a quorum is not present, the meeting stands adjourned for one-half hour, in the same place, but if at that time, a quorum as described in Section (A) is not present for the meeting, the eligible voters in-person or by proxy will constitute a quorum for that meeting.

5.3 Eligible Voters

(A) There is one vote per strata lot.

(B) The President of the Owners Association will cast the vote representing the common area strata lots.

(C) Where a strata lot is owned by more than one person, the person who has the right of occupancy the final two weeks in December of the current calendar year has the right to cast votes in strata elections, as provided by the owner's covenants included in the Horstman House Quarter Use Sublease.

(D) The strata owner with voting rights that year may grant a proxy to any other owner of that same strata.

(E) Any owner whose strata fees are not paid in full is not eligible to vote and is not counted towards the required quorum total.

5.4 Participation by other than eligible voters

(A) All owners may attend annual and special general meetings, whether or not they are eligible to vote.

(B) Persons who are not eligible to vote may participate in the discussion at the meeting. -

5.5 Voting

(A) At an annual or special general meeting, voting cards will be issued to all eligible voters.

(B) At an annual or special general meeting a vote is decided on a show of voting cards, unless an eligible voter requests a precise count.

(C) If a precise count is requested, the chair must decide whether it will be by show of voting cards or by roll call, secret ballot or some other method.

(D) The outcome of each vote, including the number of votes for and against the resolution if a precise count is requested, must be announced by the chair and recorded in the minutes of the meeting.

(E) If there is a tie vote at an annual or special general meeting, the president, or, if the president is absent or unable or unwilling to vote, the vice president, may break the tie by casting a second, deciding vote.

(F) An election of council members will be held by secret ballot. Other resolutions may be voted on by secret ballot if the motion to do so is approved by a majority of eligible voters.

5.6 Mail Ballots and Proxy Voting

(A) When mailing the notice of any annual or special meeting, the strata will also mail a proxy form to allow for proxy voting of issues.

(B) The proxy form may be general or specific, and may also include specific questions that will be on the agenda, and allow for an indication of the voting preference of the owner.

(C) When properly signed by the owner and returned to the Council President or property manager prior to the meeting, the proxy votes will be cast as indicated.

(D) The Council may also approve mail-ballots for any issue required by the Act to have a strata vote. Such ballots when properly executed, will have the same effect as a proxy vote.

5.7 Order of business

(A) The order of business at annual and special general meetings is as follows:

(1) certify proxies and corporate representatives and issue voting cards; notice;

(2) determine that there is a quorum;

(3) elect a person to chair the meeting, if necessary;

(4) present to the meeting proof of notice of meeting or waiver of

(5) approve the agenda;

(6) approve minutes from the last annual or special general meeting;

(7) deal with unfinished business;

(8) receive reports of council activities and decisions since the previous annual general meeting, including reports of committees, if the meeting is an annual general meeting;

(9) ratify any new rules made by the strata corporation under section 125 of the Act;

(10) report on insurance coverage in accordance with section 154 of the Act, if the meeting is an annual general meeting;

(11) approve the budget for the coming year in accordance with section 103 of the Act, if the meeting is an annual general meeting;

(12) deal with new business, including any matters about which notice has been given under section 45 of the Act;

(13) elect a council, if the meeting is an annual general meeting;

(14) terminate the meeting.

Section 6 -- Voluntary Dispute Resolution

6.1 Voluntary dispute resolution

(A) A dispute among owners, tenants, the strata corporation or any combination of them may be referred to a dispute resolution committee by a party to the dispute if

(1) all the parties to the dispute consent, and

(2) the dispute involves the Act, the regulations, the bylaws or the rules.

(B) A dispute resolution committee consists of

(1) one owner of the strata corporation nominated by each of the disputing parties and one owner chosen to chair the committee by the persons nominated by the disputing parties, or

(2) any number of persons consented to, or chosen by a method that is consented to, by all the disputing parties.

(C) The dispute resolution committee must attempt to help the disputing parties to voluntarily end the dispute.

Section 7 -- Marketing Activities by Owner Developer

7.1 Promotion (Formerly Bylaw 134)

(A) During the time the owner-developer of the strata corporation is the owner or lessee of any strata lot, it shall have the right to:

(1) maintain any strata lot or strata lots, whether owned or leased by it, as display suites and to carry on any marketing and sales functions within such strata lots and within any areas of common property of the development including the recreational facilities;

(2) erect and maintain such signage on the common property of the development

(3) have access to any and all parts of the common property and common facilities for the purpose of showing strata lots, the common property and the common facilities to prospective purchasers and realtors, in each case as may be reasonably determined by the owner-developer in order to enable or assist in marketing or selling strata lots in the development. The owner-developer shall act reasonably in exercising its rights under this Bylaw 7.1. This Bylaw 7.1 may not be directly or indirectly modified, amended, rescinded or varied in any way except by a unanimous resolution.

Horstman House Strata Plan LMS4141
Profit & Loss Budget vs. Actual
June 2021 through May 2022

	Jun '21 - May 22	Budget	$ Over Budget
Ordinary Income/Expense			
Income			
4010 · Fee Income			
4020 · Strata Fees	1,195,163.04	1,196,011.80	-848.76
4120 · Miscellaneous Income	1,282.27	150.00	1,132.27
4130 · Rental	0.00	0.00	0.00
4140 · Interest Income	290.70	100.00	190.70
Total Income	1,196,736.01	1,196,261.80	474.21
Gross Profit	1,196,736.01	1,196,261.80	474.21
Expense			
6010 · Audit & Legal	5,300.00	5,400.00	-100.00
6020 · Bank Charges	2,069.01	2,200.00	-130.99
6030 · Common Area Cleaning & Janitor	43,369.20	45,000.00	-1,630.80
6040 · Cleaning Supplies	3,060.00	3,060.00	0.00
6050 · Elevator Maintenance	7,197.75	6,500.00	697.75
6052 · Energy Management	1,260.00	1,260.00	0.00
6060 · Garbage Removal	17,551.14	15,000.00	2,551.14
6070 · Fire & Safety Maintenance	13,166.59	6,000.00	7,166.59
6080 · Hydro	70,061.02	66,642.00	3,419.02
6090 · Insurance	73,525.58	73,000.00	525.58
6100 · Landscape Maintenance	20,607.97	20,000.00	607.97
6110 · Management Fees	20,790.00	20,790.00	0.00
6111 · Property Taxes	158,378.34	170,999.00	-12,620.66
6120 · Meeting Expenses	0.00	600.00	-600.00
6130 · Miscellanous	749.40	750.00	-0.60
6140 · Postage & Copies	59.38	500.00	-440.62
6150 · Pool / Spa	54,868.84	33,200.00	21,668.84
6160 · Natural Gas	57,974.63	43,137.00	14,837.63
6170 · Repairs & Maintenance	63,838.87	60,759.80	3,079.07
6171 · Repairs & maintenance - labour	38,052.00	38,052.00	0.00
6175 · Repairs & Maintenance- Property	64,530.30	50,000.00	14,530.30
6180 · Hardware & Supplies	840.00	0.00	840.00
6190 · Security	16,943.89	18,000.00	-1,056.11
6200 · Seasonal Decorations	0.00	750.00	-750.00
6210 · Snow Removal	7,532.78	6,000.00	1,532.78
6220 · Window Cleaning	0.00	2,200.00	-2,200.00
6710 · Roof Replacement	105,000.00	105,000.00	0.00
Total Expense	846,726.69	794,799.80	51,926.89
Net Ordinary Income	350,009.32	401,462.00	-51,452.68
Other Income/Expense			
Other Expense			
6700 · Transfers to contingency fund	50,000.04	50,000.04	0.00
6800 · HH Association Contributions	397,912.43	397,912.00	0.43
6910 · Transfer to PY surplus/deficit	-46,449.75	-46,449.00	-0.75

Horstman House Strata Plan LMS4141
Profit & Loss Budget vs. Actual
June 2021 through May 2022

	Jun '21 - May 22	Budget	$ Over Budget
Total Other Expense	401,462.72	401,463.04	-0.32
Net Other Income	-401,462.72	-401,463.04	0.32
Net Income	**-51,453.40**	**-1.04**	**-51,452.36**

MINUTES
2022 ANNUAL GENERAL MEETING
HORSTMAN HOUSE HOMEOWNERS ASSOCIATION

Thursday July 28, 2022
5:30 PM PST
Horstman House Homeowners Association
4653 Blackcomb Way, Whistler, BC, V8E 0Y9
Meeting held via Google Meets

Present from Council- via Google Meet: Nolan Peters, Rudy Wartlik, Nancy Serwo, Sean Kearns, David Richardson, Lisa Reino, Branko Cvoric

Mountain Peak Resort Realty representatives-via Google Meet: Scott Duke- Managing Broker; Nico Leenders – Western Trust Director of Hospitality; Tim Riley, Sophia Carampatana and Alana Wallis – Directors of Operations; Bryony Dique – Horstman House Lodge Manager

1. Scott Duke called the meeting to order at 5:30 PM PDT

2. Introduction of Whistler Premier
   Scott introduced Nico Leenders, Western Trust Director of Hospitality. Nico gave a brief overview of Western Trust as the mother company and the 7 divisions under its umbrella which includes Whistler Premier. Nico holds a license for property management, and he recently passed and earned his Managing Broker license. He is currently enrolled in the Strata Management course. Once he is done with the course, he will eventually replace Scott Duke as MPRR's licensed Managing Broker.
   Nico also introduced the current Whistler Premier team, which is comprised of Tim Riley, Sophia Carampatana and Alana Wallis as Directors of Operations for the Whistler division. A new addition to the team, Bryony Dique, is taking over most of Maddy's previous responsibilities when as the Horstman House Lodge Manager.

   Nico noted that Whistler has been seeing the return of crowds and the market. This is supported by the incredible numbers that Whistler Premier is seeing this summer. It is a record-breaking summer season exceeding non-pandemic volume of visitation, revenue gains and average daily rates (ADR). Whistler Premier is also seeing a record-breaking pacing for the coming winter 2022/2023. It is also great to see the Australian and Seattle market back in town.

   Tim Riley also added that there is a tremendous bounce-back in revenues. It is great to see owners coming back to Whistler, especially owners who haven't been up for a longer period due to the pandemic.

HORSTMAN HOUSE

3. Confirmation of Quorum
   A total of 97 certified voting proxies were received.

4. Proof of Meeting Date
   It was confirmed that the AGM package was sent via email July 7, 2022.

5. Approval of August 2021 AGM Meeting minutes.
   Approved by proxy.

6. Financial Statements 2021/2022
   A copy of the unaudited year end financials was included in the AGM package.
   Approved by proxy.

7. Approval of the 2022/2023 Homeowners Association budget.
   Approved by proxy.

8. Approval of the following Resolutions:

   a) Electronic Attendance to AGM and Special General Meetings

      During the pandemic the provincial government permitted AGMs to be held virtually. The Strata Property Act s.49 now allows for, by bylaw, electronic attendance of meetings for the AGM and Special General Meetings.

      Section 4.7 of the Homeowners Association Bylaws has been added to allow for electronic attendance of meetings and to mirror that of the Strata Property Act.

      Resolution 8. a) approved by proxy.

   b) In the past year, an owner who was selling his suite in the Horstman House advised that his accountant required a list of all capital improvements and the costs of each capital improvement for the past 17 years. Council questioned this request as no such request has ever been made previously by any seller at the Horstman House. We did not hear back from the owner who did subsequently sell his suite. This request would have also required the assistance of our management company, Whistler Premier. As a result of this request, Council has formally added into the bylaws The Strata Property Act s.36 which outlines fees can be charged to the requester asking for information. Section 7.3(h) of the Homeowners Association Bylaws has been added to address information requests.

      Resolution 8. b) approved by proxy.

HORSTMAN HOUSE

9. Election of Nolan Peters, Branko Cvoric, Rudy Wartlik & Lisa Reino for a two-year term on the Horstman House LMS 4141 council.

   All approved by proxy.

10. Motion to adjourn meeting, seconded, all in favour, none opposed.
    Meeting adjourned at 5:42pm

HORSTMAN HOUSE

MINUTES
2022 ANNUAL GENERAL MEETING
HORSTMAN HOUSE STRATA CORPORATION LMS4141

Thursday July 28, 2022
5:42PM PDT
Horstman House- 4653 Blackcomb Way, Whistler, BC, V8E 0Y9
Meeting held via Google Meet

Present from Council- via Google Meet: Nolan Peters, Rudy Wartlik, Nancy Serwo, Sean Kearns, David Richardson, Lisa Reino, Branko Cvoric

Mountain Peak Resort Realty representatives-via Google Meet: Scott Duke- Managing Broker; Nico Leenders – Western Trust Director of Hospitality; Tim Riley, Sophia Carampatana and Alana Wallis – Operations Managers; Bryony Dique – Horstman House Lodge Manager

1. Scott Duke called the meeting to order at 5:42PM PDT

2. Introduction of Chairperson
   Scott Duke, Managing Broker for LMS 4141, chaired the meeting. Scott is a licensed Managing Broker which allows for Mountain Peak's Resort Realty to be a licensed Strata Brokerage. Scott has been MPRR's Managing Broker since February 2021.

3. Confirmation of Quorum
   A total of 97 certified voting proxies were received.

4. Proof of Meeting Date
   It was confirmed that the AGM package was sent via email July 7, 2022.

5. Approval of August 2021 AGM Meeting minutes.
   Approved by proxy.

6. Insurance 2022/2023
   A copy of the current insurance policy, May 2022 to May 2023, was included in the AGM package.

7. Financial Statements 2021/2022
   A copy of the unaudited year end financials was included in the AGM package.

8. Approval of the 2022/2023 LMS 4141 budget.
   Approved by proxy.

HORSTMAN HOUSE

9. Approval of the following Resolutions:

a) A new Bylaw on Owner Parking
Parking spaces in the garage is part of the limited common property. Each owner has an assigned parking space which is identified in their purchase agreement. In the past, the property manager may have been able to reassign the parking space an owner is to use during their stay. With COVID-19 restrictions lifting, more owners are using their suites and as a result, it is not always possible to reassign your parking space from the parking space that is identified in your purchase agreement. More recently, owners and guests are making last minute trips to the Horstman House. For this reason, each owner is asked to ensure they park between marked lines and not straddle the lines such that they take two parking spaces. Owners who do change their parking space without the front desk approval causes cascading issues when another owner cannot use their space who in turn displaces yet another owner.

For this reason, section 1.4 (F) of the Strata By-laws have been updated to address these and other occurrences related to parking. Violation of this bylaw may result in your vehicle being towed and removed from the property in addition to fines as outlined in section 4.2.

Resolution 9. a) approved by proxy.

b) To use the Strata Plan LMS 4141 Contingency Reserve Fund of $8400 to pay for the fire panel replacement

Resolution 9. b) approved by proxy.

c) Electronic Attendance to AGM and Special General Meetings
During the pandemic the provincial government permitted AGMs to be held virtually. The Strata Property Act s.49 now allows for, by bylaw, electronic attendance of meetings for the AGM and Special General Meetings.
Section 4.7 of the Homeowners Association Bylaws has been added to allow for electronic attendance of meetings and to mirror that of the Strata Property Act.

Resolution 9.c) approved by proxy.

d) Not to pursue Depreciation Report for the term 2022-2023 to save $5000-$7000

Resolution 9. d) approved by proxy.

HORSTMAN
HOUSE

10. Election of Nolan Peters, Branko Cvoric, Rudy Wartlik & Dr. Lisa Reino for a two-year term on the Horstman House LMS 4141 council.

    All approved by proxy.

11. Motion to adjourn meeting, seconded, all in favour, none opposed.
    Meeting adjourned at 5:44 pm

NOTICE – HORSTMAN HOUSE HOMEOWNERS ASSOCIATION

ANNUAL GENERAL MEETING AGENDA

HORSTMAN HOUSE HOMEOWNERS ASSOCIATION AGM to be held on

Thursday August 19, 2021, 6:00PM PST

Votes will be counted at: 4653 Blackcomb Way, Whistler, BC, V8E 0Y9

Meeting will be held electronically via Google Meet

Join this meeting on Google Meet

meet.google.com/zyk-oxjq-wct

Or dial +1 647-738-9235 PIN: 963 906 456#

Dialing in from abroad? Find a nearby number

First-time user? Learn about Meet

1. Call meeting to order
2. Introduction of Whistler Premier
3. Confirmation of quorum
4. Proof of meeting date
5. August 2020 AGM meeting minutes-attached
6. Financial Statements 2020-2021 – attached
7. Approval of the 2021-2022 budget – attached
8. Election of the 2021-2022 Strata Council members
9. Adjourn

HORSTMAN HOUSE

HORSTMAN HOUSE HOMEOWNERS ASSOCIATION AGENDA

ANNUAL GENERAL MEETING

HORSTMAN HOUSE HOMEOWNERS ASSOCIATION AGM to be held on

Thursday August 20, 2020 at 7:00PM PST

Votes will be counted at: 4557 Blackcomb Way, Whistler, BC, V8E 0Y2

Meeting will be held electronically via Zoom Video Conference

1. Call meeting to order
2. Introduction of Homeowners Council and Whistler Premier executive
3. Certification of proxies/quorum
4. Proof of meeting date
5. Approval of Agenda
6. Approval of August 2019 Homeowners Association AGM meeting minutes- attached
7. Review of 2019-2020 Financial Statements-attached
8. Approval 2020-2021 Homeowners Association budget- attached
9. Bylaw Amendment Resolution #1-attached
10. Election of 2020-2021 Homeowners Executive members
11. New business
12. Adjourn

PROUDLY MANAGED BY
WHISTLER PREMIER RESORTS ULC
4557 Blackcomb Way
Whistler, BC
V8E 0Y2

MINUTES
2020 ANNUAL GENERAL MEETING
HORSTMAN HOUSE STRATA CORPORATION LMS4141

Thursday August 20, 2020
6:00PM PST-6:03PM PST
Le Chamois- 4557 Blackcomb Way, Whistler, BC, V8E 0Y9
Meeting held via Zoom

Present from Council- via Zoom: Nolan Peters, Rudy Wartlik, Nancy Serwo, John Singh, Regrets: Martin Enright, Sean Kearns, Pierre Gagnon
Mountain Peak Resort Realty representatives-via Zoom: Madeline Stone- Horstman House Lodge Manager, Michael Miello- Managing Broker, Mark Blasak- General Manager

1. Certify proxies and corporate representatives -86 Owners represented via Proxy
2. Election of chairperson- Michael Miello Strata manager LMS 4141
3. Michael called the meeting to order at 6:00 pm
4. Proof of meeting – AGM Agenda mailed July 30th, 2020
5. Approval of the 2020/2021 LMS 4141 budget. All in favor, none opposed, motion passed.
6. Approval of 2019/2020 LMS 4141 Annual General Meeting minutes. All in favor, none opposed, motion passed.
7. Election of Pierre Gagnon, Nolan Peters, and Rudy Wartlik for a two-year term on the Horstman House LMS 4141 council. All in favor, none opposed, motion passed.

2020/2021 LMS4141 Council positions: Pierre Gagnon-President, John Singh-Vice President, Nancy Serwo- Treasurer

Motion to adjourn meeting, seconded, all in favor, none opposed. Meeting adjourned at 6:03pm

MINUTES
2020 ANNUAL GENERAL MEETING
HORSTMAN HOUSE HOMEOWNERS ASSOCIATION

Thursday August 20, 2020
6:04PM PST-6:08PST
Le Chamois- 4557 Blackcomb Way, Whistler, BC, V8E 0Y9
Meeting held via Zoom

Present from Council- via Zoom: Rudy Wartlik, Nancy Serwo, John Singh, Regrets: Sean Kearns, Pierre Gagnon
Whistler Premier representatives-via Zoom: Madeline Stone- Horstman House Lodge Manager, Mark Blasak- General Manager, Mountain Peaks Resort Realty: Michael Miello- Managing Broker

1. Certify proxies and corporate representatives -86 Owners represented via Proxy
2. Election of chairperson- Michael Miello Managing Broker Mountain Peaks
3. Michael called the meeting to order 6:04pm
4. Proof of meeting – AGM Agenda mailed July 30th, 2020
5. Approval of the 2020/2021 Homeowners budget. All in favor, none opposed, motion passed.
6. Approval of 2019/2020 Homeowners Annual General Meeting minutes. All in favor, none opposed, motion passed.
7. Resolution #1- Amendment of Homeowners Association Bylaws. All in favor, none opposed, motion passed.
8. Election of Pierre Gagnon, Rudy Wartlik, Martin Enright, and Nolan Peters for a two-year term on the Horstman House Homeowners Association council. All in favor, none opposed, motion passed.
9. 2020/2021 HOA Council positions: Pierre Gagnon-President, John Singh-Vice President, Nancy Serwo- Treasurer

Motion to adjourn meeting, seconded, all in favor, none opposed. Meeting adjourned at 6:08pm.

HORSTMANS HOUSE STRATA LMS4141 AND HOMEOWNERS ASSOCIATION FAQ AUGUST 2020

Q Any more update on the state of the roof, how much life left?

A. We have some areas that do require some work, we have a very small water ingress over the boiler room and that will be looked at this year, we also feel we require some work to screw the roof down in areas, that however is not emergency work, just regular maintenance, the roof is steel so has many years left in it.

Q. Per the budget, what is 2300 Deferred Revenue?

A. The deferred revenue is the property taxes taken in advance for the property taxes payable in the next fiscal year.

Q. Expense account 6040 FD Staff. We have had reduced hours of service at the front desk in the spring months with COVID, though there has not been any savings in this account? Is this a fixed charge from Whistler Premier to the HOA?

A. The account 6040 this is a set cost from Whistler Premier and the HOA as per the contract. It was not reduced because there was some contract work completed by Whistler Premier, including deep cleaning of communal areas and landscaping as we had cancelled our regular landscaping contract.

Q. Expense account 6121 (Repairs & Maintenance – Labor) was budgeted for $36,414 and had exactly $36,414 spent. This seems like a very exact amount to budget and a very exact amount to spend? Please explain.

A. 6121 Repairs & Maintenance Labor is also an item in the contract to pay for maintenance services in the building which explains the exact amount. 6170 Repairs & Maintenance is the account that varies year to year for the maintenance parts, materials and other maintenance from 3rd party vendors

Q. Property fee income is down by $35,000. Please explain the change.

A. The property fee income is based on the rental income - we are anticipating a reduced amount of rental income and have budgeted conservatively for it.

Q. Account 1800 labelled investments with $303,784.22. What is the nature of the investments and what institution are they held by?

A. 1800 investments are the contingency funds that are in guarantees investment certificates, held with TD Bank, more detail will be in the completed (audited) financial statements from RHN.

HORSTMANS HOUSE STRATA LMS4141 AND HOMEOWNERS ASSOCIATION FAQ AUGUST 2020

Q. Account 1200 sits as a negative receivable. This should be reclassified to payables. Is this an amount owing to a strata member?

A. 1200 AR – this is negative most years as there are a few owners that prepay their strata fees in advance. For presentation purposes in the financial statements the auditors will reclassify it however, it is not necessary for us to make the JE on our end as per the accountants.

Q. Are there any "related party" transactions for the year or outstanding payables/receivables between either the HOA or the Strata Plan LMS4141 and any Homeowners/Strata Council members (or with companies owned by Stata Council members or their spouses)? If so, can we please receive a summary of amounts for each Strata Council member.

A. Yes. Invoices are available to the ownership at any time, upon their request.

Q. We would very much like to see HH install a level 2 charger for EVs. I think that EVs are going to be more and more popular for owners and guests. We have been using a plug in the parking garage, but trickle charging takes a long time....and I don't know if the circuits could handle 2 cars charging at the same time.

Q. Just wondering if you have heard anything about EV chargers for HH?

A. We are in the process of purchasing and will be installing 4 stations level 2 with software late part of September. The approval of the budget at the AGM will trigger the purchase.

Q. Question: Is there a way to keep costs down (under budget) for strata/HOA fees especially during possible lean years of Covid? I believe some costs are unnecessary. Fees continue to climb, and noticed some spending is not necessary.

A. The fees saw a small decrease this year, the council was cognitive of the financial stress of Covid for many owners. Additionally, many of these costs are operating expenses in which the hired company/trade continue to increase their fees/rates, also a fair amount is accounted for by property taxes, utilities and pool and hot tub operation.

Q. Is it possible to survey owners when making changes that involve changes to decor and furniture? Perhaps offering owners a chance to vote on the three best options
Q Question: When big purchases/decisions are made for example countertop/fixtures, why can't the owners have limited choice input?

A. This is something the new council can look at, however there are 204 individual owners all with an opinion, it is a catch 22 position the decision makers are faced with, that being said, owners are very welcome to attend council meeting where the are more than able to voice opinion on any subject.

HORSTMANS HOUSE STRATA LMS4141 AND HOMEOWNERS ASSOCIATION FAQ AUGUST 2020

Q. Is it possible to reinstate regular email updates from the board members? We have felt out of the loop as to what is happening for the last few years until after things are done and we see them when we arrive on site.

A. Council and HOA meetings are held quarterly, which is when the refurbishments are discussed/decisions are made. All meeting minutes are available on the owner's portal for both the Strata and HOA. Moving forward, Whistler Premier will email a copy of the meeting minutes to the ownership, in addition to posting them on the owner's portal.

Q. Question: Is there a way to get a master list of owners/contact info. (optional for owners to sign.

Q. Would be nice if there was a way that when owners list their place for sale, that Horstman owners get notified.

A. Madeline will put together an email in the coming months, in which will give owners the option to sign up to be included on a master list of HH owners, which will be available to those whom wish to be on it.

Q. Since the latest Ministry of Health hotel guidance on July 9/20 no longer requires a three hour wait for cleaning guest rooms will the strata be restoring the lost day for owners? If not, why? And are the strata considering other options such as checking out an earlier time on Friday if extra time is needed.

A. The Ministry of Health guidelines will be discussed at the first council meeting after the AGM, owners will be notified further.

Q. Suggestion: Would love to see more cost effective and environmental measures. Shampoo/Conditioner dispenser** not sure if too costly & would require repair but just a thought

A. At this time, with Covid-19 we will not consider changing over to fixed amenities, due to sanitization and hygiene, however, may explore this option down the road.

Q. Possible "common small appliances" upon request----i.e. blender (new items could be done by donation at no cost to owners---kept in pool area sink area)

A. Whistler Premier and the council will investigate purchasing blenders which can be available at front desk.

Q. Is there an interior decorator involved in the latest renovations?

A. Yes, an interior designer was hired for the latest renovation.

HORSTMANS HOUSE STRATA LMS4141 AND HOMEOWNERS ASSOCIATION FAQ AUGUST 2020

Q. Can we please find a more neutral smelling bathroom set - i.e. soap, shampoo etc. The ones we currently have smell very strongly of pepper and cloves and the smell does not dissipate. In our opinion (and our guests' opinions) it is too masculine.

A. This is not being looked at.

Q. Can we please begin to look at replacing the individual deck furniture with something more comfortable and perhaps a bit larger of a table. We have noticed that some units have had to take pool chairs to put on their decks due to a lack of chairs. The outdoor furniture is very outdated. We think it is time to look at alternatives and options.

A. Replacement of the furniture on the unit balconies is being discussed for 2021.

Q. The wheels on the pool cover have been rusty ever since we have owned (8 years). It would seem a very inexpensive fix to replace them. They are at eye level when you are in the pool and look horrible.

A. This has not been raised to the council, but it will be looked at.

Q. The ice machine is old and has been broken too often this past year (and when it is working the ice dispenses very slowly). Byron travels extensively for work and feels that guests expect to be able to get ice for their drinks as part of the hotel experience (he has never had a problem getting ice in any other hotel). If it is unreasonable to ask for a new machine, then we feel that there should be ice available for guests and owners should the machine be broken.

A. This point is taken, Ice machines are expensive, and can run around $5000. The machine is not old but out of warranty, this will continue to be monitored.

Q. Could you please explain what the change of Bylaws section of the Proxy is (question 3)?

A. The change of bylaws are amendments to the current HOA bylaws which are outlined in the Homeowners Association package. This begins on page 8 of the package, and the changes you're voting on are on the right-hand side, document is in an editing format.

Q. Is it possible to attend the AGM by way of zoom?

A. Yes, you are welcome to join the meeting via Zoom, however there will be no participation.

HORSTMANS HOUSE STRATA LMS4141 AND HOMEOWNERS ASSOCIATION FAQ AUGUST 2020

Q. We have guests not hearing to the protocols of our hot tub and pool. We should consider advising our guests that if they do not adhere to the Work Safe BC protocol, we may have to disallow them access. If B.C. Health inspects our property and finds us not in compliance, they could close the pool area.

A. There is a list of rules in the fitness center which needs to be read and signed off on before entering the pool or hot tub. If owners are finding that guests are not following the outlined rules, please let front desk know immediately so that we can address the issue right away.

Q. Since we purchased our unit 5 years ago – we have basically had the same weeks for the last 5 years. I would think that the weeks would roll for fairness. Is there a plan to roll the weeks?

A. Not presently, the weeks rotate every December to ensure the correct week has back to back weeks which fall during Christmas and New year's.

MINUTES
2022 ANNUAL GENERAL MEETING
HORSTMAN HOUSE HOMEOWNERS ASSOCIATION

Thursday July 28, 2022
5:30 PM PST
Horstman House Homeowners Association
4653 Blackcomb Way, Whistler, BC, V8E 0Y9
Meeting held via Google Meets

Present from Council- via Google Meet: Nolan Peters, Rudy Wartlik, Nancy Serwo, Sean Kearns, David Richardson, Lisa Reino, Branko Cvoric

Mountain Peak Resort Realty representatives-via Google Meet: Scott Duke- Managing Broker; Nico Leenders – Western Trust Director of Hospitality; Tim Riley, Sophia Carampatana and Alana Wallis – Directors of Operations; Bryony Dique – Horstman House Lodge Manager

1. Scott Duke called the meeting to order at 5:30 PM PDT

2. Introduction of Whistler Premier
   Scott introduced Nico Leenders, Western Trust Director of Hospitality. Nico gave a brief overview of Western Trust as the mother company and the 7 divisions under its umbrella which includes Whistler Premier. Nico holds a license for property management, and he recently passed and earned his Managing Broker license. He is currently enrolled in the Strata Management course. Once he is done with the course, he will eventually replace Scott Duke as MPRR's licensed Managing Broker.
   Nico also introduced the current Whistler Premier team, which is comprised of Tim Riley, Sophia Carampatana and Alana Wallis as Directors of Operations for the Whistler division. A new addition to the team, Bryony Dique, is taking over most of Maddy's previous responsibilities when as the Horstman House Lodge Manager.

   Nico noted that Whistler has been seeing the return of crowds and the market. This is supported by the incredible numbers that Whistler Premier is seeing this summer. It is a record-breaking summer season exceeding non-pandemic volume of visitation, revenue gains and average daily rates (ADR). Whistler Premier is also seeing a record-breaking pacing for the coming winter 2022/2023. It is also great to see the Australian and Seattle market back in town.

   Tim Riley also added that there is a tremendous bounce-back in revenues. It is great to see owners coming back to Whistler, especially owners who haven't been up for a longer period due to the pandemic.

HORSTMAN HOUSE

3. Confirmation of Quorum
   A total of 97 certified voting proxies were received.

4. Proof of Meeting Date
   It was confirmed that the AGM package was sent via email July 7, 2022.

5. Approval of August 2021 AGM Meeting minutes.
   Approved by proxy.

6. Financial Statements 2021/2022
   A copy of the unaudited year end financials was included in the AGM package.
   Approved by proxy.

7. Approval of the 2022/2023 Homeowners Association budget.
   Approved by proxy.

8. Approval of the following Resolutions:

   a) Electronic Attendance to AGM and Special General Meetings

      During the pandemic the provincial government permitted AGMs to be held virtually. The Strata Property Act s.49 now allows for, by bylaw, electronic attendance of meetings for the AGM and Special General Meetings.

      Section 4.7 of the Homeowners Association Bylaws has been added to allow for electronic attendance of meetings and to mirror that of the Strata Property Act.

      Resolution 8. a) approved by proxy.

   b) In the past year, an owner who was selling his suite in the Horstman House advised that his accountant required a list of all capital improvements and the costs of each capital improvement for the past 17 years. Council questioned this request as no such request has ever been made previously by any seller at the Horstman House. We did not hear back from the owner who did subsequently sell his suite. This request would have also required the assistance of our management company, Whistler Premier. As a result of this request, Council has formally added into the bylaws The Strata Property Act s.36 which outlines fees can be charged to the requester asking for information. Section 7.3(h) of the Homeowners Association Bylaws has been added to address information requests.

      Resolution 8. b) approved by proxy.

HORSTMAN HOUSE

9. Election of Nolan Peters, Branko Cvoric, Rudy Wartlik & Lisa Reino for a two-year term on the Horstman House LMS 4141 council.

   All approved by proxy.

10. Motion to adjourn meeting, seconded, all in favour, none opposed.
    Meeting adjourned at 5:42pm

HORSTMAN HOUSE

MINUTES
2022 ANNUAL GENERAL MEETING
HORSTMAN HOUSE STRATA CORPORATION LMS4141

Thursday July 28, 2022
5:42PM PDT
Horstman House- 4653 Blackcomb Way, Whistler, BC, V8E 0Y9
Meeting held via Google Meet

Present from Council- via Google Meet: Nolan Peters, Rudy Wartlik, Nancy Serwo, Sean Kearns, David Richardson, Lisa Reino, Branko Cvoric

Mountain Peak Resort Realty representatives-via Google Meet: Scott Duke- Managing Broker; Nico Leenders – Western Trust Director of Hospitality; Tim Riley, Sophia Carampatana and Alana Wallis – Operations Managers; Bryony Dique – Horstman House Lodge Manager

1. Scott Duke called the meeting to order at 5:42PM PDT

2. Introduction of Chairperson
   Scott Duke, Managing Broker for LMS 4141, chaired the meeting. Scott is a licensed Managing Broker which allows for Mountain Peak's Resort Realty to be a licensed Strata Brokerage. Scott has been MPRR's Managing Broker since February 2021.

3. Confirmation of Quorum
   A total of 97 certified voting proxies were received.

4. Proof of Meeting Date
   It was confirmed that the AGM package was sent via email July 7, 2022.

5. Approval of August 2021 AGM Meeting minutes.
   Approved by proxy.

6. Insurance 2022/2023
   A copy of the current insurance policy, May 2022 to May 2023, was included in the AGM package.

7. Financial Statements 2021/2022
   A copy of the unaudited year end financials was included in the AGM package.

8. Approval of the 2022/2023 LMS 4141 budget.
   Approved by proxy.

HORSTMAN HOUSE

9. Approval of the following Resolutions:

a) A new Bylaw on Owner Parking
Parking spaces in the garage is part of the limited common property. Each owner has an assigned parking space which is identified in their purchase agreement. In the past, the property manager may have been able to reassign the parking space an owner is to use during their stay. With COVID-19 restrictions lifting, more owners are using their suites and as a result, it is not always possible to reassign your parking space from the parking space that is identified in your purchase agreement. More recently, owners and guests are making last minute trips to the Horstman House. For this reason, each owner is asked to ensure they park between marked lines and not straddle the lines such that they take two parking spaces. Owners who do change their parking space without the front desk approval causes cascading issues when another owner cannot use their space who in turn displaces yet another owner.

For this reason, section 1.4 (F) of the Strata By-laws have been updated to address these and other occurrences related to parking. Violation of this bylaw may result in your vehicle being towed and removed from the property in addition to fines as outlined in section 4.2.

Resolution 9. a) approved by proxy.

b) To use the Strata Plan LMS 4141 Contingency Reserve Fund of $8400 to pay for the fire panel replacement

Resolution 9. b) approved by proxy.

c) Electronic Attendance to AGM and Special General Meetings
During the pandemic the provincial government permitted AGMs to be held virtually. The Strata Property Act s.49 now allows for, by bylaw, electronic attendance of meetings for the AGM and Special General Meetings.
Section 4.7 of the Homeowners Association Bylaws has been added to allow for electronic attendance of meetings and to mirror that of the Strata Property Act.

Resolution 9.c) approved by proxy.

d) Not to pursue Depreciation Report for the term 2022-2023 to save $5000-$7000

Resolution 9. d) approved by proxy.

HORSTMAN
HOUSE

10. Election of Nolan Peters, Branko Cvoric, Rudy Wartlik & Dr. Lisa Reino for a two-year term on the Horstman House LMS 4141 council.

    All approved by proxy.

11. Motion to adjourn meeting, seconded, all in favour, none opposed.
    Meeting adjourned at 5:44 pm

MINUTES
2021 ANNUAL GENERAL MEETING
HORSTMAN HOUSE STRATA CORPORATION LMS4141

Thursday August 19, 2021
5:30PM PDT
Horstman House- 4653 Blackcomb Way, Whistler, BC, V8E 0Y9
Meeting held via Google Meet

Present from Council- via Google Meet: Nolan Peters, Rudy Wartlik, Nancy Serwo, John Singh, Sean Kearns, David Richardson

Mountain Peak Resort Realty representatives-via Google Meet: Madeline Stone- Horstman House Lodge Manager, Scott Duke- Managing Broker

1. Scott called the meeting to order at 5:30PM PDT

2. Introduction of chairperson- Scott Duke Managing Broker LMS 4141
   Scott is the licensed broker, which allows for Mountain Peak's Resort Realty to be a licensed Strata Brokerage. Scott is relatively new to the position with Mountain Peaks having joined the company in February.

3. Confirmation of Quorum-Certify proxies and corporate representatives: 83 Owners represented via Proxy

4. Proof of meeting – AGM package emailed July 29th, 2021, confirmed.

5. Approval of 2020/2021 LMS 4141 Annual General Meeting minutes. All in favour, none opposed, motion passed.

6. Insurance 2021/2021- It's noted, a copy of the current insurance policy was included in the AGM package.

7. Financial Statements 2020/2021- It's noted, a copy of the unaudited year end financials was included in the AGM package. A copy of the audited year end financials was then emailed to the ownership on August 18, 2021.

8. Approval of the 2021/2022 LMS 4141 budget. All in favour, none opposed, motion passed.

9. Approval of Resolution- Withdraw an amount not to exceed $115,000 from the Contingency Reserve Funds for roof repairs. All in favour, none opposed, motion passed.

HORSTMAN HOUSE

10. Election of Sean Kearns, David Richardson, Nancy Serwo, and John Singh for a two-year term on the Horstman House LMS 4141 council. All in favour, none opposed, motion passed.

11. Motion to adjourn meeting, seconded, all in favour, none opposed. Meeting adjourned at 5:33pm

MINUTES
2021 ANNUAL GENERAL MEETING
HORSTMAN HOUSE HOMEOWNERS ASSOCIATION

Thursday August 19, 2021
5:34PM PST
Horstman House - 4653 Blackcomb Way, Whistler, BC, V8E 0Y9
Meeting held via Google Meets

Present from Council- via Google Meet: Nolan Peters, Rudy Wartlik, Nancy Serwo, John Singh, Sean Kearns, David Richardson

Whistler Premier representatives-via Google Meet: Madeline Stone- Horstman House Lodge Manager, Scott Duke- Mountain Peaks Resort Realty Managing Broker

1. Scott called the meeting to order at 5:34PM PDT

2. Introduction of chairperson- Scott Duke Managing Broker LMS 4141
   Scott introduced Madeline, the Horstman House Lodge Manager. Madeline noted that the summer months have been very busy with both guest and owner reservations. July's occupancy rate was 87%, with 46% of those booking being paid reservations. August's occupancy is pacing to be at 90% of which 49% are paid reservations.

   Looking forward, September currently has lower occupancy than the past few months as in past years when the mountain bike closes and the reopening of the school year however paid bookings are still occurring. October and November are mainly owner reservations at this point. The winter season is off to a slower start than usual, however that is to be expected due to the unpredictability of the past few winters with the COVID-19 pandemic.

   As many owners are aware, Whistler and most of Canada is currently facing a labour shortage. The shortage seems is especially high in Whistler and other tourist towns as the volume of workers needed to fill positions during a normal year can be challenging. Additionally, the CERB government subsidy is ongoing until the end of September coupled with a lack of foreign workers due to the border closures is adding to Whistler's workforce issues. Approximately 45% of all positions in Whistler are filled by foreign workers.

   Whistler Premier hopes the employment situation this will change, with the expectation more applications will be received before the winter season for open positions. Whistler Premier

would like to thank all the owners that have been understanding and patient during this challenging time.

Madeline noted that owners are encouraged to review the question-and-answer document that was sent to the ownership via email in response to questions that came in for the AGM. This document will also be attached to the meeting minutes.

3. Confirmation of Quorum-Certify proxies and corporate representatives: 83 Owners represented via Proxy

4. Proof of meeting – AGM package emailed July 29th, 2021 confirmed.

5. Approval of 2020/2021 Homeowner Annual General Meeting minutes. All in favour, none opposed, motion passed.

6. Financial Statements 2020/2021- It's noted, a copy of the unaudited year end financials was included in the AGM package. A copy of the audited year end financials was then emailed to the ownership on August 18, 2021.

7. Approval of the 2021/2022 Homeowner budget. All in favour, none opposed, motion passed.

8. Election of Sean Kearns, David Richardson, Nancy Serwo, and John Singh for a two-year term on the Horstman House Homeowner council. All in favour, none opposed, motion passed.

9. Motion to adjourn meeting, seconded, all in favour, none opposed. Meeting adjourned at 5:45pm