DOMUS
STRATA CORPORATION BCS528
1055 HOMER STREET
VANCOUVER, B.C.

MINUTES OF THE STRATA COUNCIL MEETING OF THE OWNERS OF STRATA PLAN BCS528, "DOMUS," HELD IN THE LOUNGE AREA, 2nd FLOOR, 1055 HOMER STREET, VANCOUVER, B.C., ON MONDAY, JANUARY 28TH, 2008 AT 7:00 P.M.

PRESENT:

Charles Bilash – President
Nathan Hall – Vice President/Landscaping Committee
Noel Evans – Treasurer
Tyson March
Niknaz Kahnamoui

REPRESENTING RANCHO MANAGEMENT SERVICES (B.C.) LTD.:

Joseph Tsang, Senior Property Manager
Monika Siniarska, Junior Property Manager

1. **CALL TO ORDER**

There being a quorum present, the meeting was officially called to order at 7:05 p.m.

2. **RESIDENT MANAGER'S REPORT**

David Lam provided Council with the manager's report and discussed these issues in detail;

a) **Irrigation System:**
New irrigation sprinklers have been installed on the 4th floor balconies where the new trees were planted.

b) **Parkade Pressure Washing:**
Sporadic pressure washings have been conducted in the underground parking levels. A complete wash is scheduled for the spring.

c) **Guest Suite:**
New laminated floor has been installed as a result of the flood from unit 404 and the walls have also been recently painted.

d) **Anchoring Devices:**
The safety hooks used for window cleaning were recently inspected and passed.

e) **Front Lobby Door:**
The small piece of metal on the main lobby door has been secured to prevent it from falling off.

2. RESIDENT MANAGER'S REPORT – CONT'D

f) **Hot Water Tanks:**
Two (2) new hot water tanks have been installed.

g) **Hallway Painting:**
This project is a work in progress. To date, floors 2, 3, 4, 5 and 25 have been completely painted.

Council requested that a new "No Parking" sign be installed in the "Fire Lane" as the old one had been removed.

Council thanked Mr. Lam for his report and excused him from the meeting at 7:30 p.m.

3. ELECTION OF COUNCIL POSITIONS

This being the first Council meeting following the recent AGM, Council must elect the various offices for the new Council.

Charles Bilash – President
Nathan Hall – Vice President
Noel Evans – Treasurer

It was **MOVED, SECONDED,** and **CARRIED** unanimously to appoint the following members to their respective positions:

4. ADOPTION OF PREVIOUS MEETING MINUTES

There being no errors or omissions, Council adopted the minutes of the previous Council Meeting held on October 15th, 2007 as presented.

The minutes of the recent Annual General Meeting held on November 26th, 2007 was also reviewed with no changes.

5. COMMITTEE REPORTS

a) **Deficiency Committee:**
Council was told that the builder has been on site and actively addressing the remaining deficiency items. The leak in front of TH1059 has been repaired, as well as the planter leak in front of the gym area. When the weather cooperates, they will be able to resolve the planter leak in front of the lounge. Council requested that a letter be sent to Qualex requesting that they pay for the re-planting as well as the excavation cost.

b) **Landscaping Committee:**
Council voted to renew the monthly landscaping maintenance services contract with ParaSpace for another year commencing March 1, 2008, as well as approving the following additional services;

- Root weevil control,
- Spring and summer flowering planting, and
- Spring flowering bulbs.

5. COMMITTEE REPORTS – CONT'D

b) **Landscaping Committee – Cont'd:**
Council asked that the quantity and location of the flowers be consulted with the Committee first prior to planting.

6. FINANCIAL REPORT

The Property Manager reviewed in detail the financial statements ending on December 31, 2007. It was noted that due to seasonality factors, the strata has incurred a small operating deficit of $2,391 as a result of higher than budgeted utilities expenses.

Arrears
The accounts receivable as of January 21st, 2008 was reviewed. Council is pleased with the arrears but asked Rancho to continue issuing lien warning letters and follow up with lien registration against those Owners who are in arrears.

Audit
A quote in the amount of $1,750 + GST from Berris Mangan Chartered Accountants was presented to Council for auditing of the 2007/2008 financial statements. There being no questions, it was **MOVED** to have the audit done by Berris Mangan for the quoted price.

7. BUSINESS ARISING FROM PREVIOUS MEETING

a) **Gym Improvements;**
A discussion took place with respect to the gym improvements approved by the Owners at the recent Annual General Meeting. The Property Manager was asked to obtain the relevant pricing before proceeding with such improvements.

b) **Lawn Improvements:**
Council requested that the strata's landscapers be asked to provide strata with alternatives in an effort to improve the condition of the lawn in front of the townhouses as instructed by the General Membership at the recent Annual General Meeting.

c) **Extra Bicycle Racks:**
Council requested that a meeting be scheduled between representatives from Cobra Design to finalize the design for the extra bicycle spaces in the bicycle storage room adjacent to the visitor parking stalls before proceeding with such work.

Council also discussed and agreed that all the bicycle spaces should be assigned to their users. Once a protocol has been established, notices will be circulated to all Residents.

d) **Braided Washing Machine Hoses:**
A second (2nd) quote for the washing machine hoses replacement was presented to Council. Since it is half of the first (1st) quote, Council approved the described work and asked that it be scheduled as soon as possible.

8. CORRESPONDENCE

Correspondence received from Owners was presented to council for review/discussion and instructions were given on how to respond.

9. NEW BUSINESS

a) **Elevator Entrapment:**
A discussion was held with respect to a complaint from an Owner about being trapped in the elevator in excess of more than one (1) hour before being freed. Although recognizing that one (1) hour is considered the norm for the elevator technician to respond to such emergency, Council re-organized the after hours calls protocol for elevator entrapment incidents in an effort to speed up the response time.

b) **Visitors Parking:**
It has been observed that some Residents are parking their own vehicles on the visitor parking stalls. The Property Manager was asked to publish the relevant section(s) of the strata's bylaws governing such activities on the elevator monitor and advised Residents that in doing so, they will risk having their cars being towed without further warning.

c) **Elevator Monitor Contract:**
The contract with IHN Media was reviewed and discussed at length. It was noted that there are provisions in the contract that the strata may be able to have it terminated. However, before considering such options, the Property Manager was asked to circulate a survey to all Owners for consultation before a decision is made on the next course of action.

10. NEXT MEETING

The next meeting will be a Strata Council Meeting, held on **Monday, March 10th, 2008** at **7 p.m.**

11. TERMINATION OF MEETING

There being no other business to discuss, the meeting was terminated at 10:05 p.m.

Respectfully Submitted,

Joseph Tsang, Strata Agent
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PRESENT:

Nathan Hall – Vice President/Landscaping Committee
Noel Evans – Treasurer
Tyson March
Niknaz Kahnamoui

REPRESENTING RANCHO MANAGEMENT SERVICES (B.C.) LTD.:

Joseph Tsang, Senior Property Manager

REGRETS:
Charles Bilash – President

1. **CALL TO ORDER**

There being a quorum present, the meeting was officially called to order at 7:05 p.m.

2. **RESIDENT MANAGER'S REPORT**

David Lam provided Council with the manager's report and discussed these issues in detail;

a) **Gym Improvements:**
The new elliptical machine has arrived along with the new rubber free weights. The response has been quite positive.

b) **Parking Signage:**
New parking signs have been installed in the Fire Lane as well as 10km/per hour signs in the underground parking.

c) **Steam Room:**
The grout lines in the steam room have recently been completely scrubbed. The cleaner has now been asked to clean it on a regular basis. The steam unit has been re-programmed to stay on for at least twenty (20) minutes per cycle instead of fifteen (15) minutes as numerous Residents have complained that it takes a long time for the steam room to heat up.

d) **Exterior Lights:**
The burnt out super high exterior lights on top of the townhouses on "Homer Street" have recently been replaced using a genie.

2. RESIDENT MANAGER'S REPORT – CONT'D

e) **Painting:**
The party room, the gym and the entire 24th floor have all been painted recently.

f) **Generator:**
The generator was recently inspected and the fuel level was also checked at the same time.

g) **Leaky Planters:**
Arrangements have been made with Intertech to repair the failed water proofing membrane for the planters in front of the Party Room. The Developer has informed the Strata Corporation that they will not be paying for the cost to excavate the adjacent planter, in order that the water proofing membrane can be repaired at the same time.

h) **Elevator:**
The elevator door has been re-programmed to stay open for five (5) seconds when exiting and seven (7) seconds when entering.

i) **Overhead Gates:**
Pad locks have been purchased and installed on the two (2) overhead gates to prevent tampering.

j) **Washing Machine Hose Replacement:**
Keith Plumbing & Heating has been in the building since March 25th, 2008 to replace the washing machine hoses with braided ones. It is expected that such work will take at least until April 4th, 2008 to complete. Council was made aware that at least ten (10) suites did not provide access. The Property Manager was asked to ensure that every suite in the building get the hoses replaced in order to prevent unnecessary future water damages, and that any costs incurred to bring the Plumber back on April 4th, 2008 will be charged back to the individual unit Owners, if further access required.

k) **Missing Fire Cap:**
New caps for the Fire Hydro in front of the building have been ordered and will be installed once arrived.

Council thanked Mr. Lam for his report and excused him from the meeting at 7:11 p.m.

3. ADOPTION OF PREVIOUS MEETING MINUTES

In vetting through the minutes of the previous meeting held on January 28th, 2008, it was noted that on page 2, item 2(c), the suite number should have been **"402"** instead of "404".

There being no other changes, it was then MOVED, **SECONDED,** and **CARRIED** to adopt the minutes of the Council Meeting held on January 28th, 2008, amended.

4. COMMITTEE REPORTS

a) **Common Deficiency:**

Council was presented with correspondences from both Qualex and St. Paul Warranty on the following outstanding issues:

- Planter leaks – Intertech has been instructed to have the planter leaks repaired once the weather cooperates.

- Unit 705 – St. Paul Guarantee has advised that from the investigative work done by their consultant, there is no evidence of water intrusion in the noted suite. The cause of staining is elevated humidity levels within the suite due to personal practices. As such the strata's claim for the stained ceiling in living room of unit 705 has been denied.

- Townhouse 1063 – Preliminary detective work has indicated that possible cause of ceiling stain in the living room is a result of a leak from the rooftop deck. However, more investigative work is needed in order to confirm this.

Following a discussion on the common area deficiencies noted in the Morrison Hershfield report of November 16, 2007, the Property Manager was asked to put together a list of costs incurred by the Strata Corporation in order to facilitate warranty work so that Council is in a position to decide whether or not to recommend that Owners pursue further action against the Developer.

b) **Landscaping:**

The Committee suggested that the strata's gardener be authorized to proceed with the "deep root" feeding application for this spring to prevent further plants from dying.

Council reviewed the proposal from Para Space Landscaping Inc. suggesting the planting of a shrub called "Hameln" on the lawn in front of the townhouses. The City of Vancouver has insisted that the "Turfs" on the Boulevard side stays as "Turfs". The Property Manager was asked to have Para Space provide strata with a site using the same type of plant material that Council can have a look. A suggestion was also made to have two (2) large flowering pots be placed on either side of the lobby. The Property Manager is asked to obtain a price and present to Council at the next meeting.

5. FINANCIAL REPORT

The Treasurer informed Council that he had reviewed the January financial statements, and noted that insurance and utilities were over-budget. The Property Manager explained that the insurance overage was a one-time (non-recurring) charge due to an increase in the appraised value of the property; and the utilities were over-budget due to seasonal factors which will even out during the course of the year. A question was asked as to whether or not the 2007 financial statements have been audited. The Property Manager informed Council that Berris Mangan Chartered Accountant has already been retained to audit the 2007 financial statements already and once the audit is completed, a copy will be forwarded to the Treasurer.

5. FINANCIAL REPORT – CONT'D

Arrears
The accounts receivable as of March 31st, 2008 was reviewed. Council is pleased with the arrears and asked Rancho to continue issuing lien warning letters and follow up with lien registration against those Owners who are in arrears.

6. BUSINESS ARISING FROM PREVIOUS MEETING

a) **Extra Bicycle Racks:**
Cobra Design has confirmed that the bicycle storage room on level P0 can be reconfigured to have an additional thirteen (13) stalls, which will bring the total stalls to fifty-two (52). The cost for such work is estimated to be around $2,260 plus applicable taxes. Before proceeding with the described work, Council requested that a notice be circulated to all Residents in order to update the bicycle storage directory. Council will then be in a position to determine the parameters used in granting additional bicycle storage.

b) **Washing Hose Replacement:**
Any Owners who have had their washing machine hoses replaced with braided hose are entitled to be reimbursed due to the extremely unusual nature of this event. Refund will be issued once a receipt is provided and verification that the work has been done.

c) **Visitor Parking:**
The Resident Manager has been asked to actively enforce the visitor parking stalls as well as the loading zone area. Since the last Council Meeting was held, the Resident Manager has towed at least half a dozen cars which were in violation.

d) **Elevator Monitor Contract:**
Council discussed the potential for ending or renegotiating the contract with IHN Media for the Elevator Monitor and Advertising. Mr. Noel Evans volunteered to approach IHN to see if something can be worked out, and to report back to Council before any final decisions are made.

7. CORRESPONDENCE

Correspondence received from Owners was presented to council for review/discussion and instructions were given on how to respond.

8. NEW BUSINESS

a) **Water Sludge:**
Several Owners have complained of seeing sludge build-up in their hot water taps, particularly in the bathrooms. The Property Manager was asked to have the strata's mechanical contractor provide Council with their assessment on this issue.

8. **NEW BUSINESS – CONT'D**

b) **Water Damages:**
The strata's insurer has denied the strata's request to file a claim for the water damages sustained in unit 404, as a result of a corroded nail found in one (1) of the building's piping, because the total damages is less than the water deductible amount of $10,000. Based on the insurance adjuster's report and the two (2) quotes received for the remedial work, the Property Manager was asked to write the Owner of unit 404 and advised that the Owner can proceed with the repair work, provided that the total cost does not exceed the lowest bid.

c) **Domain Name for "Domus":**
A suggestion was made to set up a domain name for "Domus Vancouver". Council authorized the Treasurer to establish the name, but to delay activation pending further discussion.

9. **NEXT MEETING**

The next meeting will be a Strata Council Meeting, held on **Monday, May 5th, 2008** at **7 p.m.**

10. **TERMINATION OF MEETING**

There being no other business to discuss, the meeting was terminated at 9:30 p.m.

Respectfully Submitted,

Joseph Tsang, Strata Agent
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INSURANCE

Strata Corporation wishes to remind all residents that while the building and strata lot are adequately insured, owners should ensure that they have current insurance coverage in place for their personal contents (in your suite, storage room and parking garage), for any changes which have been made to your unit and personal liability coverage for the tenant or unit owner. For more information, please contact your insurance agent as to personal coverage required.

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PRESENT:

Charles Bilash – President
Nathan Hall – Vice President/Landscaping Committee
Noel Evans – Treasurer
Niknaz Kahnamoui

REPRESENTING RANCHO MANAGEMENT SERVICES (B.C.) LTD.:

Joseph Tsang, Senior Property Manager

REGRETS:

Tyson March

1. **CALL TO ORDER**

There being a quorum present, the meeting was officially called to order at 7:07 p.m.

2. **RESIDENT MANAGER'S REPORT**

David Lam had an emergency surgery on Sunday and therefore, could not attend the meeting but provided Council with a written report detailing the following issues:

a) **Pressure Washing:**
The underground parkade and the main entrance have recently been pressure washed. The lane lobby and the stairways in the courtyard are scheduled to be pressure washed in the coming weeks.

b) **Planters Repair:**
Intertec has completed the water proofing membrane repair on both planters. Para Space has refilled the plant materials. The cost should be nominal as they were able to salvage the large Maple tree.

c) **Painting:**
Floors 6, 7 and 23 have all been recently painted as well as the walls in the lobby of P1 and P2. The two (2) concrete pillars in front of the main lobby were also painted recently.

2. RESIDENT MANAGER'S REPORT – CONT'D

d) **Washing Machine Hose Replacement:**
Three (3) suites did not provide access for the replacement of the washing machine hoses. The work has been rescheduled for **Thursday, May 22, 2008** at **8:30 A.M.** and the subsequent visit by the plumber will be charged back to the respective strata lot Owners. The three (3) suites are 1701, 2204 and townhouse 1053.

3. ADOPTION OF PREVIOUS MEETING MINUTES

There being no error or omission, Council adopted the minutes of the previous Council Meeting held on March 31st, 2008, as presented.

4. COMMITTEE REPORTS

a) **Common Deficiency:**
Unit 2103 has recently reported a potential water intrusion problem. Both the Third Party Warranty provider as well as the Developer were subsequently notified and subsequently have visited the suite and scheduled additional investigative work for the coming weeks.

The building envelope assessment report prepared by Morrison Hershfield dated August 14th, 2007 was then reviewed in detail. The Property Manager was asked to have Morrison Hershfield carry out further investigative work on areas that require additional investigation, as well as carrying out the required preventative maintenance work.

b) **Landscaping:**
The strata gardener provided a quote to supply and install two (2) flowering pots in front of the main lobby. The Property Manager was asked to provide Council with photographs of the proposed pots at the next Council Meeting before a decision is made on whether or not to proceed.

5. FINANCIAL REPORT

The Treasurer informed Council that he had reviewed the March financial statements, and noted that there has been a $2,000 operating deficit for the month. Year to date, the strata has incurred a $10,000 operating deficit mainly due to a higher expenses in utilities. It is expected that much of this deficit will be eliminated as we move into the warmer months. There being no other questions, it was **MOVED, SECONDED,** and **CARRIED** to approve the March financial statements as presented.

Arrears
The accounts receivable as of May 5th, 2008 was reviewed. Council is pleased with the arrears and asked Rancho to continue issuing lien warning letters and follow up with lien registration against those Owners who are in arrears.

6. BUSINESS ARISING FROM PREVIOUS MEETING

a) **Bicycle Stalls:**
A recent inventory of the bicycle room has revealed that there are potentially a few empty stalls and there are twenty-one (21) other stalls with bicycles attached which were not claimed. It was agreed that another letter go out to Owners, plus a memo be posted in the elevator advising the Owners of those unclaimed bicycle stalls to come forward by the end of May, 2008. Failing that, strata will have the lock on the unclaimed stalls cut and have the bikes removed. Council will then be in a position to decide on the allocation of existing bicycle stalls, as well as assess the need for constructing additional stalls and/or compiling a waiting list for those Residents who wants a stall.

b) **IHN Contract (Elevator Advertising):**
Mr. Noel Evans reported that he had met with Mr. Simon Kim, Managing Director of IHN Media, to explore ways to improve the contents of the advertising monitors while keeping the elevator security cameras that IHN has provided. There were a number of improvements and changes that Council would like to see addressed from IHN and Council has agreed that Mr. Evans should contact Mr. Kim one more time to try to reach an acceptable resolution. Council is also exploring other means of alternative security systems in the elevators should a reasonable resolution with IHN not be achieved.

c) **Water Sludge:**
The strata mechanical contractor has informed that the sludge in the water supply recently observed in some suites is a result of material found in the walls of the pipes due to age and that the only way to eliminate the sludge is to install a strainer in the domestic water supply. The cost is estimated to be around $2,800. Given that the problem is not a persistent one, and only occurs when the domestic water supply is being shut off, it was decided to table such expenditure for now.

d) **Domain Name:**
Mr. Noel Evans informed Council that he has registered a domain name for Domus – "**domusvancouver.com**" and that Council can decide how they want to utilize the site in the future.

7. CORRESPONDENCE

Correspondence received from Owners was presented to council for review/discussion and instructions were given on how to respond.

8. NEW BUSINESS

a) **Commercial Parking:**
It has been observed that on most evenings when the commercial parkade is being used for valet parking, the valet drivers neglect to wait for the main overhead gates to close completely before driving away, compromising the security for "Domus". The Property Manager was asked to issue letters to the operator of the valet services as well as the merchants in the neighborhood associated with valet services, to ask their drivers respect the security at "Domus" by waiting for the main overhead gates to close completely before driving away.

8. **NEW BUSINESS – CONT'D**

b) **New Developments:**
The Property Manager was asked to issue a letter to the City of Vancouver expressing concerns with respect to the proposed location of the parkade entrance at the proposed development across from "Domus" and suggested that the City consider installing speed bumps to reduce the potential traffic mayhem.

c) **Cigarette Butts:**
It has been observed that Bellmont cigarette butts have regularly been disposed onto the patio of the Residents on the 3rd and 4th level. The Property Manager was asked to issue a letter to the 7th and the 8th floor requesting that such practice be ceased immediately.

9. **NEXT MEETING**

The next meeting will be a Strata Council Meeting, held on **Monday, June 16th, 2008** at **7:00 p.m.**

10. **TERMINATION OF MEETING**

There being no other business to discuss, the meeting was terminated at 9:35 p.m.

Respectfully Submitted,

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701-1190 Hornby Street, Vancouver, BC, V6Z 2K5
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RANCHO'S INTERNET SITE

Rancho's website has been updated with lots of new features. We invite you to check us out at http://www.ranchovan.com. Any questions and comments can be forwarded to us by email at: pmgr@ranchogroup.com, or by calling us at: (604) 684-4508.

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MINUTES OF THE STRATA COUNCIL MEETING OF THE OWNERS OF STRATA PLAN BCS528, "DOMUS", HELD IN THE LOUNGE AREA, 2ND FLOOR, 1055 HOMER STREET, VANCOUVER, B.C., ON MONDAY JUNE 16TH, 2008 AT 7:00P.M

PRESENT

Nathan Hall, Vice President/Landscaping Committee
Noel Evans, Treasurer
Niknaz Kahnamoui
Tyson March

REGRETS

Charles Bilash, President
Joseph Tsang, Senior Property Manager, Rancho Management Services (B.C.) LTD.

1. **CALL TO ORDER**

There being a quorum present, the meeting was officially called to order at 7:05 p.m.

2. **RESIDENT MANAGER'S REPORT**

David Lam reported on the following issues:

a) **Washing Machine Hose Replacement**: All hoses have now been replaced, including the three units that were missed during the original work. Six units sustained minor damage during the process. Three of those units have already been repaired, and KPH expects to complete the other 3 repairs shortly.

b) **Planter repair outside 2nd floor entrance**. Project is complete. The planter has been repaired, and the landscaping has been reinstalled.

c) **Cigarette Butts**: Letters were sent to several suites on the 7th and 8th floors regarding proper disposal of cigarette butts. So far, the situation appears resolved.

d) **Landscaping**: Irrigation systems for the grass and the shrubs have been activated.

e) **Pressure Washing**: Pressure washing has been completed in all the planned areas, with the exception of some common area near the Penthouses.

f) **Painting**. Painting was recently completed in the main lobby, the mailroom, the elevator lobby of P0, and on the 8th, 22nd and 21st floor hallways. Approximately 50% of the common area walls have now been repainted.

g) **P0 Visitor Parking**: A new sign with updated phone numbers has now been posted.

h) **P0 Parkade Repair**. Project complete. Drywall has been repaired and repainted.

i) **Steamcleaning**. Project complete. All common area carpets have now been cleaned.

3. COMMITTEE REPORTS

a) **Common Deficiency.**

i) Discussion of the Morrison Herschfield report was postponed until next meeting.

ii) In response to a previously-reported water intrusion problem at Suite 2103, the Developer performed a water test. An exterior crack was found to be the cause of the leak. The crack has now been repaired, and the Developer is scheduling a new water test to confirm that the problem has been fixed.

b) **Landscaping**

i) Discussion of new flowering pots for front of main lobby was postponed, pending photos of the proposed pots from the Property Manager.

ii) It was noted that there are loose paving tiles on the 4th floor South Patio. Council will request that the Property Manager coordinate repairs.

iii) The strata gardener provided a $3053 quote to replace 3 dead or dying Japanese Maples in the rear garden adjacent to the Exercise Room. Nathan Hall will contact the gardener to determine the advisability of removing only the one dead tree, and waiting until next year to remove the two dying trees. Replacement of all 3 trees would also be delayed until next year.

4. FINANCIAL REPORT

The Treasurer noted that utilities continue to be over-budget. The Treasurer will contact the Property Manager to discuss the overages, and to determine the impact on the annual budget.

It was also noted that the Contingency Reserve Fund currently has $125,000. While it appears that this is a healthy amount, Council expressed a desire to be better informed about the adequacy of the Reserve Fund to meet future needs. Council agreed to request that the Property Manager prepare a planning document listing each of the major building systems, its expected lifespan, and a budget range for replacement.

5. **BUSINESS ARISING FROM PREVIOUS MEETING**

a) **Bicycle Stalls**: In order for Council to determine if additional stalls are needed, letters were sent to residents in April and again in May, and notices were posted in the elevator and in the mailroom, requesting that residents register their bikes. Out of 66 stalls, 8 bikes remain unclaimed and are assumed to be abandoned. Another 5 stalls are currently empty. Based on the consultant's recommendation that each stall is suitable for securing two bikes (locked to each other), it appears that the current Waiting List can be accommodated without spending money to construct more stalls.

Council agreed to adopt the following guidelines for future use of the Bike Room:

i) All stalls are considered common property. Stalls will be assigned by the Property Manager based on residency, with owners and tenants getting equal access to stalls.

ii) Council will attempt to provide a minimum of one stall for any suite that requests one, subject to availability. Given that the current Waiting List can be accommodated with existing stalls, suites using 2 stalls can continue to use the 2nd stall. However, if the Waiting List gets long, those suites may be asked to forfeit their 2nd stall. Under no circumstances can a suite utilize more than 2 stalls.

iii) The Property Manager will maintain a Waiting List of residents interested in a stall. Priority will be given to any resident requesting their 1st stall, with residents requesting a 2nd stall placed on the List below those requesting their 1st stall.

iv) When a suite is sold, the stall will be reassigned to the first person on the Waiting List. Similarly, when a tenant moves out, their stall will be reassigned to the first person on the Waiting List.

As next steps, Council agreed to the following:

i) The Property Manager will post notices on the 8 unclaimed bikes, warning that the lock will be cut in 2 weeks if the bike is not immediately registered.

ii) Letters will be sent to suites using more than one stall, informing them that they can use a maximum of 2 stalls, and that they can continue using the 2nd stall, pending any major increase in the Waiting List.

iii) The Property Manager will assign one empty stall (and those vacated by unclaimed bikes) to residents on the Waiting List. Any resident requesting a 2nd stall will remain on the Waiting List pending availability. The Waiting List for 2nd stalls will be based on tenure in the building.

iv) Posters will be displayed in the Bike Rooms informing residents of the new Bike Guidelines.

b) **IHN Contract for Elevator Advertising/Security**. Noel Evans reported that negotiations to cancel the IHN contract were ultimately unsuccessful. However, IHN agreed to eliminate movie trailers and to discontinue commercials with sound. Council hopes this concession will alleviate many of the concerns expressed by Owners at the last AGM. Council formally voted to accept IHN's proposal, and to drop any further action regarding contract termination. Council requested that Charles Bilash send a letter to IHN confirming acceptance of their proposal.

c) **New Residential Development at "Richards on Richards" site**. On May 12th, Council responded in writing to a notice from the City of Vancouver regarding the pending development application for the Richards on Richards site. A letter was sent to the Development Board expressing concern about the potential for increased traffic in the alley, and requesting that certain revisions be made before the development application is approved.

d) **Commercial Parking**. In was noted in the last meeting that valets from the Blue Water Café use the parkade under our neighboring commercial building, and that they consistently ignore our security guidelines. Letters were sent by the Property Manager to Impark and to the Blue Water Café alerting them to the problem, and requesting their assistance in gaining compliance from their attendants.

6. **CORRESPONDENCE**.

Aside from the bike room surveys, there was no new correspondence from Owners this month.

7. **NEXT MEETING**

The next Council meeting is tentatively set for July 28th at 7pm.

8. **TERMINATION OF MEETING**

Their being no other business, the meeting was terminated at 8:15pm.

DOMUS
STRATA CORPORATION BCS528
1055 HOMER STREET
VANCOUVER, B.C.

MINUTES OF THE STRATA COUNCIL MEETING OF THE OWNERS OF STRATA PLAN BCS528, "DOMUS", HELD IN THE LOUNGE AREA, 2ND FLOOR, 1055 HOMER STREET, VANCOUVER, B.C., ON MONDAY JULY 28TH, 2008 AT 7:00P:M

PRESENT

Charles Bilash, President
Nathan Hall, Vice President/Landscaping Committee
Noel Evans, Treasurer
Niknaz Kahnamoui
Tyson March

REPRESENTING RANCHO MANAGEMENT SERVICES (B.C.) LTD.

Joseph Tsang, Senior Property Manager

1. **CALL TO ORDER**

There being a quorum present, the meeting was officially called to order at 7:07 p.m.

2. **RESIDENT MANAGER'S REPORT**

David Lam, Resident Manager, was in attendance and briefed Council on the following:

a) **Window Cleaning:** The window cleaning is now completed. There were a few complaints, but have all been addressed by Champion. The Property Manager was asked to have the window cleaner provide a price to clean all the ledges for the next window cleaning in late October 2008.

b) **Bicycle Storage:** The Bike Audit is now completed. There were four bicycles which had to be cut and stored in the Strata's possession for the next 90 days before auctioning them off. A waiting list has also been established.

c) **Exterior Lighting:** All the exterior lighting has recently been inspected and burnt out light bulbs been replaced. There are about four (4) ballasts in the underground parking needing replacement.

d) **Bylaw Infraction:** Three (3) bylaw infraction letters were issued for oil stains and another three (3) for storage infractions on the parking stalls. Those responsible for the storage infractions have since complied; those responsible for the oil stains have another week to respond. Council was also informed that there were four (4) incidents of vehicles being towed (two from the loading zone and two from the visitor parking stalls) since the last Council meeting.

2. RESIDENT MANAGER'S REPORT – CONT'D

e) **Hallway Painting:** Most of the hallway painting is now completed except Floor 9, 10, and 11 which should be complete within the next 90 days. Level P1 and P2, as well as Level 2 were recently painted.

3. COMMITTEE REPORTS

a) **Common Deficiency:**

i) A meeting will be scheduled with Morrison Hershfield. Their report noted some maintenance items, and Council would like to ensure that these are properly looked after. Additionally, a budget will be developed for longer term maintenance of the building envelope system and the meeting with MH will assist in its development.

ii) Further correspondence was received regarding a claim of deficiencies in Unit 705. Inspections by consultants for the Builder and the Warranty Company apparently did not uncover any building deficiencies that would result in the issues experienced in their suite. However, the Owners of Unit 705 are seeking legal action against the Warranty company. The notices regarding the claim, and a request for information from Strata, have been sent from their lawyer. Due to the sensitive nature of the situation, the lawyer that represents the Strata has been instructed to respond.

b) **Landscaping:**
Council was presented with estimates for different types of flowering pots for the main entrance. Given that the money has not been budgeted for in the 2008 Operating budget, the Treasurer was asked to factor the costs for such items into the 2009 Operating budget. Council approved the winter pansy planting but asked that Nathan conduct a walk through with the Strata's Landscaper to ensure that those areas which do not require flowers be cut back in an effort to save money.

4. FINANCIAL REPORT

The Treasurer noted that, due to the increase in energy costs, utilities continue to be over-budget. He forecasts that, at the current pace, the Strata could end the year (October 31, 2008) with an Operating deficit of approximately $15,000.

Council has requested a budget that will forecast the capital expense and maintenance costs that will be incurred in the building over the next 15 years. The framework for the budget was presented. The Property Manager is currently ascertaining costs for the capital projects, and will present the final plan upon completion.

In reviewing the Accounts Receivable as of tonight's meeting, it was observed that there are three Owners who owe the Strata Corporation deductible money and who have not

4. **FINANCIAL REPORT – CONT'D**

taken any initiative to pay. The Property Manager was asked to issue lien warning letters and to advise these Owners that if payment is not forthcoming, liens will be registered against their respective Strata lots.

There being no other questions, it was **MOVED, SECONDED,** and **CARRIED** to approve the financial statements for the period ending on June 30, 2008, as presented.

5. **BUSINESS ARISING FROM PREVIOUS MEETING**

a) **Pest Control:**
Council was presented with a proposal for pest control services from PCO pest control services. The Treasurer was asked to incorporate such expenditure into the 2009 fiscal operating budget.

6. **CORRESPONDENCE.**

Correspondence was received from an Owner requesting a waiver of the existing pet limitations. Based on previous decisions about similar requests, the waiver was denied.

7. **NEW BUSINESS**

a) **2010 Olympics:**
It was suggested that a survey be circulated to all Owners to obtain feedback regarding the 2010 Olympics. The survey should include questions about the need for increased security, the possibility of waiving the rental restriction bylaw, etc. The proposed survey will be finalized and distributed to Owners later this month.

8. **NEXT MEETING**

The next meeting will be a Strata Council Meeting, to be held on **Monday, August 25th, 2008** at **7:00 p.m.**

9. **TERMINATION OF MEETING**

Their being no other business, the meeting was terminated at 9:50 pm.

Respectfully Submitted,

Joseph Tsang, Strata Agent
Rancho Management Services (B.C.) Ltd.
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DOMUS
STRATA CORPORATION BCS528
1055 HOMER STREET
VANCOUVER, B.C.

MINUTES OF THE STRATA COUNCIL MEETING OF THE OWNERS OF STRATA PLAN BCS528, "DOMUS", HELD IN THE LOUNGE AREA, 2ND FLOOR, 1055 HOMER STREET, VANCOUVER, B.C., ON MONDAY AUGUST 25TH, 2008 AT 7:00 P.M. WITH ADDITIONAL FOLLOW-UP BY EMAIL AND IN PERSON.

PRESENT
Nathan Hall, Vice President/Landscaping Committee
Noel Evans, Treasurer
Niknaz Kahnamoui
Tyson March

REPRESENTING RANCHO MANAGEMENT SERVICES (B.C.) LTD.
Joseph Tsang, Senior Strata Agent

REGRETS
Charles Bilash, President

1. **CALL TO ORDER**

There being a quorum present, the meeting was officially called to order at 7:03 p.m.

2. **PREVIOUS MEETING MINUTES**

In vetting through the minutes of the previous Council meeting held on July 28th, 2008, it was noted that on page 1, under item 2(a), the following words "***and the balcony***" should be inserted into the last sentence after the word "ledges".

There being no other changes, it was then **MOVED, SECONDED,** and **CARRIED** to approve the minutes of the Council meeting held on July 28th, 2008 as amended.

3. **RESIDENT MANAGER'S REPORT**

David Lam, Resident Manager, was in attendance and briefed Council on the following:

a) **Gas Leak:** The gas leak was recently repaired; it was a pin size leak in the pipe.

b) **Security Breach:** There was a break and enter into TH1053, as a result of a window being left opened. A set of the resident's keys were stolen but the FOB was deactivated immediately after the Resident Manager was notified. As a precaution measure, the gates in the courtyard leading from the lane to the third and fourth level were all recently re-keyed. Please contact the Resident Manager if you require a new key.

3. RESIDENT MANAGER'S REPORT – CONT'D

c) **Miscellaneous:**

i. **Washing Machine Hoses:** Keith Plumbing & Heating was back in the building to rectify the damages done in those suites when the washing machine hoses were being replaced.

ii. **Irrigation System:** the system was recently inspected and small adjustments were made.

iii. **New Motion Sensor:** a motion activated light switch has been installed in the gym area.

iv. **Door Handle**: the front door handle was recently adjusted.

v. **Painting:** floors 12th and 13th were recently painted with only seven (7) more floors remaining which need painting.

d) **Fire:** There was a stolen car recently being parked on the lane and set on fire. This occurred on August 8th, 2008 at approximately 3 A.M. in the morning. The security footage for that particular incident has been burned by the Building Manager and is waiting for the VPD to pick it up.

e) **Other:** A suggestion was made to have the Building Manager install a weather strip on the fire stairwell door on the 4th level (north elevation) to reduce the draft. Council then thanked Mr. Lam for attending the meeting and excused him from the meeting at 7:15 p.m.

4. COMMITTEE REPORTS

a) **Common Deficiencies:**

i. **Overall** - Council discussed the status of the six (6) building envelope deficiencies originally identified in the Morrison Hershfield reports (see attached). 5 out of 6 items have now been successfully remediated by the Builder at no cost to the strata, and Morrison Hershfield has subsequently determined that the 6th item was NOT deficient.

ii. **Suite 705** – Follow-up testing by Morrison Hershfield did not find any water intrusion in or around Suite 705, which confirms earlier findings of the Builder and the Third Party Warranty Company. This indicates that there was no building envelope deficiency, and any issues experienced by the suite are not considered common area issues. Therefore, the strata's attorney has advised that the strata is NOT liable for the problems within Suite 705 or the cost to remedy those problems, and that any such issues should be addressed by the Owners of the suite, the Builder, and/or the Third Party Warranty Provider.

4. COMMITTEE REPORTS

a) **Common Deficiencies – Cont'd:**

iii. **Building Envelope Maintenance Items** – A meeting was held on August 12th, 2008 with Ms. Jackie White of Morrison Hershfield. In attendance were Mr. Joseph Tsang, Mr. Charles Bilash, Ms. Niknaz Kahnamoui, and Mr. Noel Evans. The purpose of the meeting was to discuss and prioritize the building envelope maintenance items identified by Morrison Hershfield, so that appropriate funding may be set aside to implement those items.

b) **Landscaping:** Mr. Nathan Hall informed Council that he is in the process of scheduling a walk with the strata's gardener, Para Space Landscaping.

5. FINANCIAL REPORT

The Treasurer informed Council that the strata has incurred an operating deficit of about $7,000 as of July 31st, 2008, and that he foresees the strata will likely end the current fiscal period with an operating deficit between $10,000 to $12,000. The operating deficit is a result of higher than budgeted utilities expense. Council was then presented with charts showing that Water and Electric usage is up over 10% versus prior year, while Gas usage is flat.

Council then agreed on a process and a timeline for preparing the 2009 Operating Budget, and discussed new items which should be included in the 2009 budget.

Arrears

The Strata Agent noted that three (3) Owners were issued warning letters related to repayment of Strata insurance deductibles. Two (2) of those owners have since reimbursed the strata. Council instructed the Strata Agent to place a lien on the account of the third Owner.

6. BUSINESS ARISING FROM PREVIOUS MEETING

a) **2010 Olympics:**
Council reviewed the survey to be circulated to all Owners for feedback regarding the building security and Guest Suite usage during the 2010 Olympics. Mr. Noel Evans, who is the author of the survey, will finalize the changes and forward a copy to Rancho's office for distribution to the Owners.

b) **Steam Room:**
Council was presented with a quote to install a scent pump system for the steam room. It was decided that the steam room usage should be monitored further before proceeding with such expense.

7. **CORRESPONDENCE**.

Correspondence was received from an Owner who was assessed $200 for violating Strata bylaws regarding an Open House. Council agreed to waive the fine, as Council felt that there was sufficient evidence to do so.

Correspondence was also received from an Owner who requested a waiver to the 1-dog policy so that the Owner could care for the dog of an ill relative. Council approved the request on a temporary basis, and instructed the Resident Manager to re-contact the Owner in a few months to check on the continued need for the waiver.

8. **NEXT MEETING**

The next meeting will be a Strata Council Meeting, to be held on **Monday, October 6th, 2008** at **7:00 p.m.** in the lounge area, 2nd floor, 1055 Homer Street, Vancouver, B.C.

9. **TERMINATION**

There being no other business to discuss, it was **MOVED, SECONDED,** and **CARRIED** to terminate the meeting at 8:38 p.m.

Respectfully Submitted,

Joseph Tsang, Strata Agent
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701-1190 Hornby Street, Vancouver, BC, V6Z 2K5
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STRATA FEES/PRE-AUTHORIZED PAYMENT

Should you ever have any questions regarding your strata account, please feel free to contact our Strata Accounts Receivables Department at: 604 331-4258. Owners who are not yet on Pre-Authorized Payment (P.A.P.) Program, our preferred payment option, should contact the same number to obtain a form. The P.A.P. Program is a convenient payment method whereby we can debit your account with your monthly strata fees on the first of every month.

DOMUS "BUILDING ENVELOPE REVIEW": Summary

BACKGROUND

In anticipation of the October 2008 expiration of the Building Envelope Warranty, Domus Council commissioned a Building Envelope Review. Conducted in 2007 by the firm of Morrison Hershfield, the purpose of the Review was to identify and document possible Building Envelope deficiencies that could be submitted for repair by the Builder, prior to expiration of the Warranty.

METHODOLOGY

A survey was sent to all Owners, requesting input on any Building Envelope issues. MH then conducted a visual inspection of areas where potential issues had been reported. A more detailed inspection was conducted in Unit 705 and the Townhouses, which had reported higher degrees of possible Building Envelope issues.

GENERAL FINDINGS

A total of 29 action items were identified by Morrison Hershfield. None of the action items were considered to be serious. Furthermore, the number and type of action items were considered by Morrison Hershfield to be typical of a 4 year old building.

Of the 29 action items, 6 were considered possible deficiencies covered under the Warranty. The remaining 23 were considered simple "maintenance items" not covered by the Warranty, but which could be easily remedied with ongoing maintenance conducted by the Strata.

REMEDIATION OF DEFICIENCIES

The 6 potential deficiencies were submitted to the Builder and the Warranty Company for remediation. 5 of these deficiencies were subsequently repaired at no cost to the Strata. These include: efflorescence on the side of the building, overflowing of planters at the rear entrance, etc.

As of September 2008, the only remaining issue relates to Unit 705, where Morrison Hershfield's original visual inspection indicated signs of potential water intrusion. The Warranty Company and the Builder conducted follow-up testing which concluded that there was no water intrusion. In order to protect the interests of all Owners, Council subsequently commissioned additional testing by Morrison Hershfield, which also conclusively determined that there was in fact no water intrusion, and that the Building Envelope was not compromised.

MAINTENANCE ITEMS

Council members met with Jackie White of Morrison Hershfield to prioritize the 23 maintenance issues identified by MH, so that Council could determine a timeline to address these issues in the most cost-effective manner. None of the issues were deemed critical, and all of them were considered resolvable during the course of regularly-scheduled building maintenance. Each item was assigned a 1, 2 or 3 priority level (see Attachment). Several of these issues have already been addressed, and others will be addressed in the coming months.

PRIORITIZED SUMMARY OF MORRISON HERSCHFIELD ACTION ITEMS

Priority Levels: 1=High; 2=Medium; 3=Low

SUBMITTED TO WARRANTY COMPANY

Item	Description	Priority	Action
1	Efflorescence on side of building	1	Claim submitted; issue resolved by Warranty Company; Need to inspect exterior every few years and caulk as needed
18	Failed sealant at door	1	Claim submitted; issue resolved by Warranty Company
19	No gumlip sealant at base of wall flashing	1	Claim submitted; issue resolved by Warranty Company
28	Water pooling at base of vent shaft	1	Claim submitted; issue resolved by Warranty Company
29	Water overflowing in planter	1	Claim submitted; issue resolved by Warranty Company
14	Stained sealing; wet concrete and insulation	1	Initial claim denied; further Strata testing concluded there was no water intrusion

MAINTENANCE ISSUES TO BE ADDRESSED BY THE STRATA

7	Condensation on windows	1	Remind all Owners about using existing humidistat to control exhaust fans
8	Dryer vent leakage	1	Clean dryer ducts annually
9	Paint bubbling at soffit vent grille	1	Clean grills; seal duct; consider booster fans for units with long runs
11	Mold/soft drywall on window sill	1	Likely due to interior condensation issues (see item 7); investigate further
15	Excessive condensation in multiple suites	1	Use exhaust fans; consider booster fans for dryers; consider dehumidifiers if necessary
21	Missing sealant/drip edge at penthouse balcony	1	Resident Manager to caulk
4	Dirty balconies	2	Pressure wash annually or every other year
12	Damaged flashing and concrete	2	After next exterior inspection, patch concrete; provide sealant at hole
13	Missing sealant (caulking) at balcony door jamb	2	Resident Manager to caulk
16	Fall arrest strap left behind from construction	2	Resident Manager to remove strap and apply new caulking
17	Flaking paint at balcony post	2	Resident Manager to paint as necessary
24	Missing vent pipe extension	2	Resident Manager to install cap (COMPLETED)
25	Exposed concrete parapet walls	2	Coat (paint) parapet walls during next overall building paint job
26	Failed coating top of planter walls	2	Resident Manager to paint annually
27	Efflorescence and cracking exterior stairwells	2	Resident Manager to paint annually
2	Efflorescence on bricks in front of townhouses	3	Aesthetic only; Resident Manager to pressure wash as necessary
3	Cracking along interior window sills	3	Aesthetic only; no further action required
5	Chipped paint	3	Touch up paint as part of next overall building paint job
6	Missing membrane (paint) on Juliet Balcony wall	3	Use elastomeric paint during next overall building paint job
10	Paint peeling on balcony slab edge	3	Touch up paint as part of next overall building paint job
20	Open mullion on window egress	3	Aesthetic only; no further action required
22	Missing glass panel at railing	3	Aesthetic only; no further action required
23	Streaking along penthouse walls	3	Resident Manager to wash as necessary

MORRISON HERSHFIELD
Suite 610, 3585 Graveley Street, Vancouver, British Columbia V5K 5J5
Tel. (604) 454-0402 Fax. (604) 454-0403 www.morrisonhershfield.com

August 14, 2007

MH Ref: 5075219.00

The Owners, Strata Corporation BCS 528
c/o Joseph Tsang
Senior Property Manager
Rancho Management Services (BC) Ltd.
701 – 1190 Hornby Street
Vancouver, B.C. V6Z 2K5

Fax: (604) 684-1956

Re: Five-Year Building Envelope Warranty Review
Domus – 1055 Homer Street, Vancouver, BC

Morrison Hershfield (MH) was retained by the Owners of Domus (Strata Plan BCS 528) to undertake a visual review of the building envelope of their building complex located at 1055 Homer Street, Vancouver. The purpose of the review was to identify possible deficiencies that may be covered by the five-year warranty, which expires October 28, 2008.

The field portion of the review was conducted by Jacquelyn White and Darienne Deans on July 9, 2007.

In addition to the warranty review, MH performed an investigation at unit 705 to address concerns of condensation and mold growth in that unit. We issued a letter under separate cover dated July 31, 2007. As some of the items in that report are pertinent to the warranty review, we reference the July 31 report and attach it as Appendix A for reference.

Building Description and Project History

Domus consists of one 26-storey tower and eight townhouses for a total of 134 residential units over a three level underground parking garage. The complex is concrete framed and clad with glazing, painted architectural concrete and some brick veneer; some units are provided with balconies and/or roof decks and gardens; the glazed systems consist of curtain wall at ground floor and common areas, thermally broken aluminum framed windows and sliding doors. The amenity areas include a meeting room, storage facilities, and a gym. Tiered landscaping and terraces adorn the podium. The roof system is an inverted 2 ply SBS membrane protected with insulation, ballast and pavers.

The building was developed by Qualex Landmark Developments and constructed by Intertech Construction Group under the direction of Rafii Architects. Domus was substantially completed on October 24, 2003.

Based on the information provided to us, the following warranties are applicable for this project:

1. St. Paul Travelers 5 year Building Envelope Warranty
2. Starline Windows 5 year building envelope warranty and 10 year structural defect warranty
3. Villa Roofing 5 year warranty against leakage (ground, podium, terraces and roofs)
4. Sonneborn HLM 5000 10 year warranty (material only) (waterproofing)
5. Soprema 10 year limited warranty (roof membrane)
6. Villa Roofing 5 warranty against leakage (parkade and balcony traffic membrane)

It is our understanding that past repairs to the roof membrane have been performed under warranty at the roof and penthouse levels.

Scope of Review

Our scope of services was defined in our proposal of June 28, 2007, and herein referred to as follows:

1. *Review the drawings, maintenance manual and any material or construction warranties prior to visiting the site. We will issue a questionnaire for the Strata to record any incidences of water ingress as related to building envelope. We will also review copies of maintenance records and any other building envelope issues, as provided by the owners. We will require this documentation, in particular the completed questionnaire, prior to commencing our fieldwork.*

2. *A general visual review (from ground, roof and podium levels, if accessible) of the building complex, including the following components:*
    - *Wall cladding and wall assembly components*
    - *Window and door elements*
    - *Balconies*
    - *Roofing and associated tie-ins with wall systems*
    - *Podium waterproofing where visible (test pits not included)*

3. *Conduct a visual review of suite interiors on six sample suites, which will be selected upon review of architectural drawings and building envelope documentation. Assistance will be required for access to specific suites and should be arranged by the Strata.*

4. *Prepare and submit two copies of a professional signed and stamped letter report, which summarizes the review. The letter report will list existing conditions (with sample photographic examples) and recommended actions to correct any identified deficiencies.*

Limitations

This review is based on a review of available documents and visual inspection of accessible areas. Our review did not include an exploratory investigation, in terms of removing sections of cladding, drywall, roofing or landscaping for evaluation of the hidden systems beneath.

This report primary documents a list of observed deficiencies relating to the building envelope of rehabilitated wall areas. The deficient listing does not include all locations with deficiencies nor do they imply all similar locations or items to be deficient.

Any comments or conclusions within this report represent our opinion, which is based upon our field review of physical conditions and our past experience. This review is limited to technical, construction and performance items.

Some of the findings herein are based on a random sampling and others are based on a visual review of the surface conditions. Deficiencies, which may exist but were not observed and recorded in this report, were not apparent given the level of study undertaken.

Owners, prospective purchasers, tenants or others who use or rely on the contents of this report do so with the understanding as to the limitations of the documents reviewed, the general visual inspection undertaken and understand that MH cannot be held liable for damages which may be suffered with respect to the purchase, ownership or use of the subject property.

Observations and Recommendations

We have summarized our observations in the following tables, and have provided recommendations for addressing deficiencies under the "Corrective Action" column. Each item has been categorized according to the type of problem as follows:

- **Category D** – A construction deficiency exists when the observed conditions in the building complex differ from the intent of the documentation provided for review, from the applicable codes and standards, or from good construction practice. Such deficiencies are warranty items and should be brought to the attention of the appropriate company for correction.

- **Category M** – A maintenance deficiency exists when the observed conditions in the building complex are caused by general wear and tear on building components and equipment, or when they concern an item that has not received routine service, adjustments and/or cleaning. Such maintenance deficiencies should be corrected as part of the maintenance program.

- **Category I** – A deficiency exists, however, no clear decision can be made as to whether the problem is a design, construction or maintenance deficiency. Repairs to correct the deficiency or further investigation, e.g., test openings or material/component testing, is generally required.

Note that we are not privy to all warranty agreements and hence, some items listed as warranty items may not be included. The suite numbers listed in the report do not represent a total listing of all locations with deficiencies nor do they imply all similar locations or items to be deficient. Therefore as a general rule, we recommend that the site be reviewed and the extent of the deficiencies be confirmed. We have provided recommendations for addressing deficiencies in the tables below, under "Corrective Action".

We have included in Appendix B, sample photographs taken during our review.

Suite Review

Areas reviewed: A visual review of the building envelope was conducted from grade, 3rd level podium and units 2403, 2103, 1306, 1201, 1104, 1004, 902 and 705.

Item/ Photo	Deficiency Description	Category	Corrective Action
1a, 1b, 1c	Efflorescence staining on the outside of the building. This has been ongoing since construction and was reportedly cleaned last year, however has reoccurred in various locations. The pattern of staining suggests that there may be some cracking in the horizontal concrete reveals. Water getting into the cracks, is leaching out the salts in the concrete and dripping down the side of the building leaving white streaks. Further indication of cracks in the reveals was noted at a test opening in unit 705.	D	The building should be reviewed for cracking in the reveals and the cracks repaired.
2	Efflorescence staining at brick along sidewalk in front of townhouses. Efflorescence is indicative of water getting into the brick cladding, likely from the top of the walls.	M	Bricks should be cleaned regularly. The Strata may want to provide a metal cap flashing over the top of the walls to reduce the amount of water getting into the wall assembly from the top.
3	Typical- cracking along window sills between the window frame and the wood stool. This is likely due to shrinkage.	M	Aesthetic issue. Individual owners may choose to seal.

Item/ Photo	Deficiency Description	Category	Corrective Action
4	Typical- Dirty traffic coating on balconies.	M	Regular maintenance should include cleaning of the membrane every six months as outlined in the maintenance manual.
5	2103- Paint chipping at window jamb.	M	Touch up paint as required.
6	2103- Balcony membrane does not return up the vertical wall on Juliet balcony.	M	Membrane should be installed to return up the wall a minimum of 8".
7 (no photo)	1201- Reported condensation on windows.	M	Improve ventilation to prevent condensation by use of exhaust fans, and possibly dehumidifier if condition is persistent.
8 (no photo)	1201- Leakage at dryer vents reported.	M	Ensure dryer vents are cleaned regularly. Additionally, in line lint screens can be installed.
9	1104- Paint bubbling around soffit vent grille.	M	Remove grille and seal duct connection if accessible.
10	1203- Paint peeling on balcony slab edge (as observed from 1104)	M	Touch up paint as required.
11	902- Mold, soft drywall at master bedroom window sill.	I	Further investigation into source of moisture (condensation or leak).
12	901- Impact damage to metal sill flashing and concrete.	M	Patch concrete and recoat. Provide sealant at flashing hole.
13	1004- Sealant missing along jamb of balcony sliding door.	M	Provide sealant.
14	705- Staining on ceiling in living room. Exploratory opening revealed wet concrete and insulation. Likely related to cracking at the cold joint (reveals).	D	Seal crack and repair interior finishes. Refer to July 31, 2007 report for further details.

Item/ Photo	Deficiency Description	Category	Corrective Action
15	705- Reported excessive condensation. Initial claim to St. Paul's includes units 502, 505, 506, 605, 702, 705, 706 and 1104.	M	Recommend the continued use of exhaust fans. Possible methods to decrease condensation include the use of a booster fan for dryers and a dehumidifier if conditions persist. Re-evaluate RH values in winter conditions.
16	705- Fall arrest tie back strap remaining from original construction at inside corner of balcony.	M	Remove and seal concrete.
17	301- Flaking paint at balcony post locations.	M	Remove flaking paint and recoat. A diverter may be required above this location to divert water.
18	TH 1059- Failed sealant at door.	D	Remove and replace failed sealant.
19	TH-1047 and 1059- No gumlip sealant at base of wall flashing.	M	Provide sealant.
20	Stairwell E- Open bottom mullion on window above egress door.	M	Provide closure piece, perforated for drainage.

Roof Review

Areas reviewed: Access was provided to the main roof at the 28th level and the mechanical penthouse roof. MH reviewed the roof perimeter for visual signs of deficiencies and waterproofing concerns.

Item/ Photo	Deficiency Description	Category	Corrective Action
21	Metal flashing at penthouse balcony just to the left of roof access door is missing sealant and drip edge.	M	Provide sealant at edge of flashing.
22	Glass panel at deck railing missing to accommodate vent stack.	M	Suggest modifying railing to prevent passage through opening.
23	Streaking along penthouse walls.	M	Wash walls on a regular basis. Recoat as required.
24	Mechanical room roof- Missing vent pipe extension.	M	Provide vent pipe to extend above finished roof level.

Item/ Photo	Deficiency Description	Category	Corrective Action
25	Exposed concrete parapet walls.	M	Coat parapet walls to prevent moisture absorption and possible water infiltration behind roof membrane upturns.

Parking Garage and Landscaping

Areas reviewed: A review of the underground garage and landscaping on the podium level was undertaken.

Item/ Photo	Deficiency Description	Category	Corrective Action
26a, 26b	Typical- failed coating top of exterior stairwell and planter walls.	M	We suggest that the top of the walls be covered with a peel and stick membrane and metal flashing or a urethane traffic coating.
27	Efflorescence staining and cracking along walls of exterior stairwells.	M	Seal cracks and clean. Recoat as required.
28a, 28b	Water pooling at base of vent shaft. Significant damage and constant leakage at P0 level below.	D/I	It appears as though the vent may not be active. Verify if vent is active, and if not, cover and protect at grade level.
29	Water overflowing planter on south side of rear entrance. Planter has been dug out. It is reported that the membrane has been applied over the opening for a scupper to the adjacent planter.	D/M	Modify membrane to accommodate intended scupper drainage. Membrane should be applied in the scupper opening. Contact membrane warranty provided to perform work so as not to void membrane warranty.

Maintenance Manual Review

We were provided with a Maintenance Manual prepared by Intertech Construction Group. The manual includes limited warranty information, contact information, maintenance plans and schedules.

Although the building appears to be well maintained, there does not appear to be a mechanism in place for tracking maintenance activities. We recommend that the provided maintenance manual be implemented including a mechanism of tracking maintenance activities and whoever is

performing the activities. This could be in the form of a logbook identifying the maintenance item, the date it was performed and the name of the maintenance service provider with contact name and telephone number. These records are useful in the evaluation of the warranties and also provide valuable information at the point the maintenance program will need to be updated and can be used to plan for renewals.

Summary

MH conducted a visual deficiency review of the building envelope. In general, the building appears to be performing in accordance with the design intent, however we have noted a few items that are classified as deficiencies and may be covered under warranty. We recommend that these items be brought to the attention of the warranty provider as soon as possible. These items include the ongoing issues in unit 705, which have been identified under separate cover, dated July 31, 2007; and the cracking of concrete reveals.

The bulk of our observations are regular maintenance items, or deficiencies, which may have been covered under the two year labour and material warranty, which has now expired. As such, the Strata is now responsible. The Strata should deal with these items under a regular maintenance and renewals plan.

In addition to the items listed, corrections identified on any previous reports (if applicable) should be addressed prior to warranty expiration.

We trust the above meets the Strata's requirement for warranty review. Please do not hesitate to contact the undersigned should you have any questions.

Sincerely,

MORRISON HERSHFIELD LIMITED

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA J. D. WHITE #27717 Aug. 14/07

Jacquelyn White, P.Eng.
Project Engineer

David Fookes, P.Eng.
Building Envelope Specialist, Associate

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APPENDIX A:

Unit 705 Report

APPENDIX B:
Photographs

Domus 1055 Homer Street

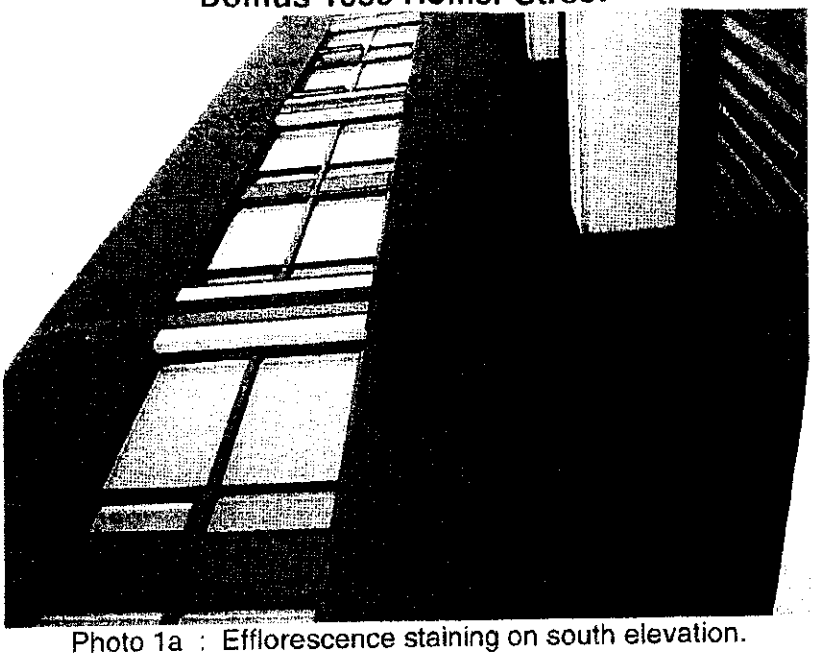


Photo 1a : Efflorescence staining on south elevation.

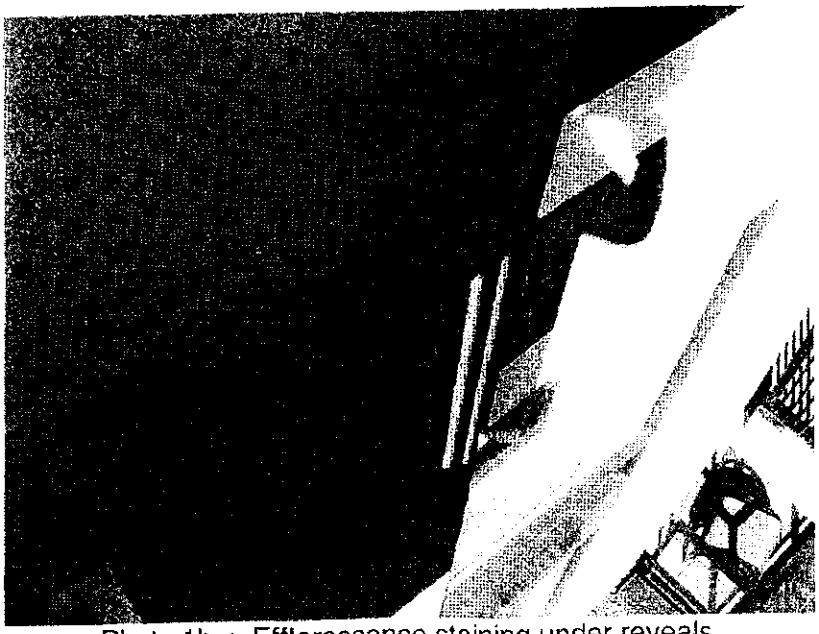


Photo 1b : Efflorescence staining under reveals.

Domus 1055 Homer Street



Photo 1c : Efflorescence staining on east elevation (above entrance).

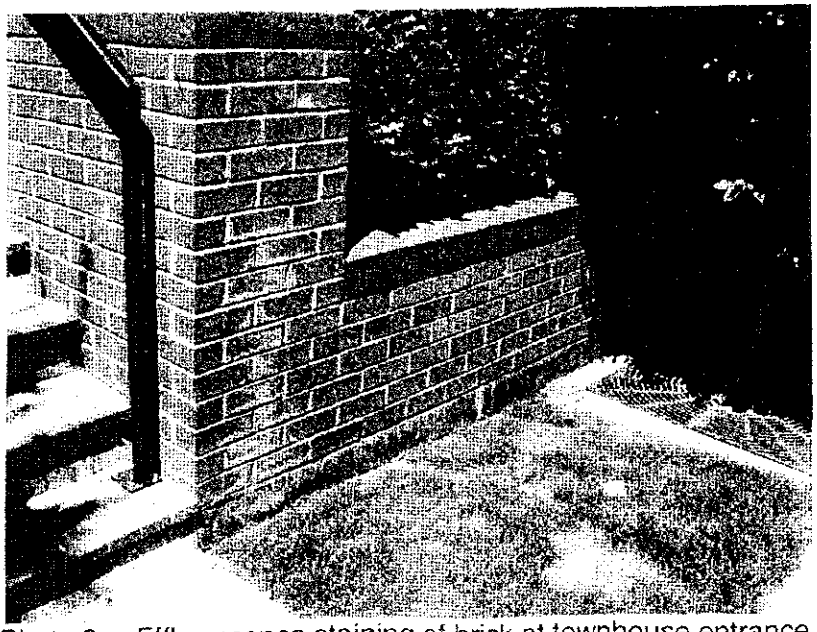


Photo 2 : Efflorescence staining of brick at townhouse entrance.

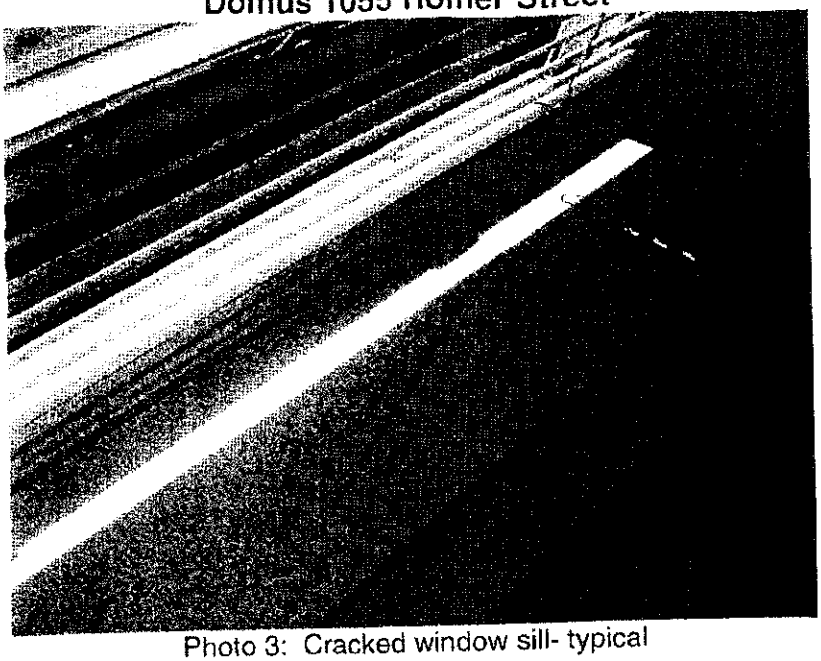


Photo 3: Cracked window sill- typical

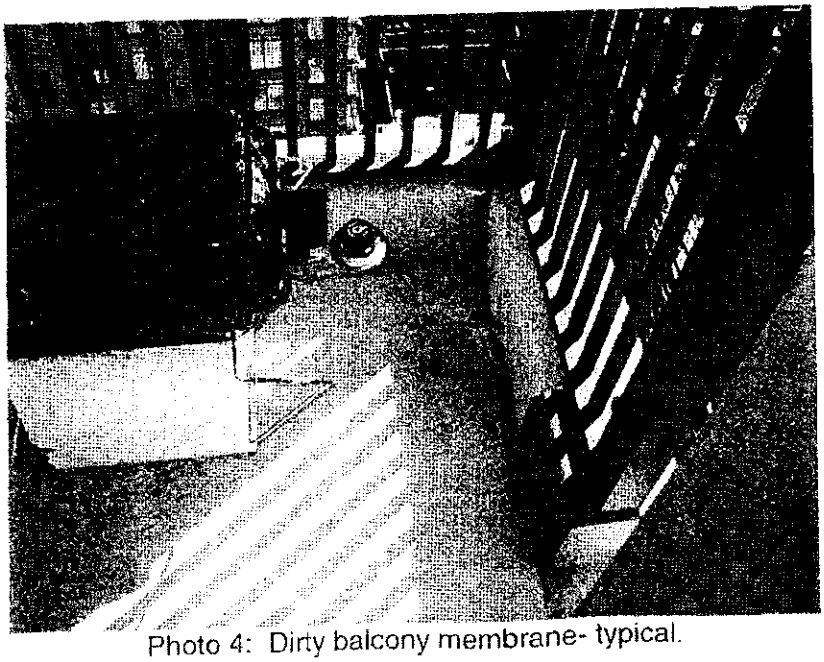


Photo 4: Dirty balcony membrane- typical.

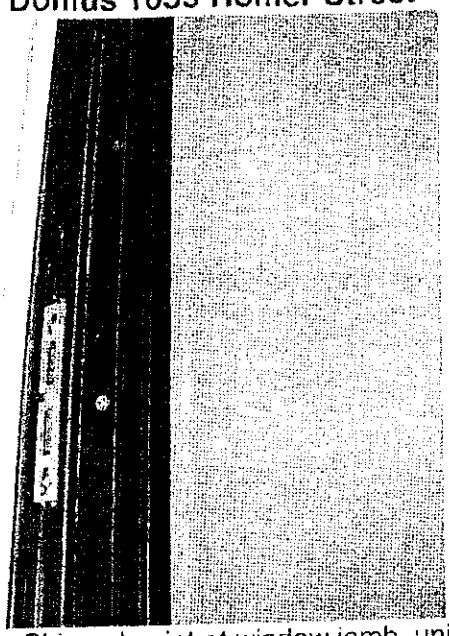


Photo 5: Chipped paint at window jamb, unit 2103.



Photo 6: No membrane on vertical- unit 2103.

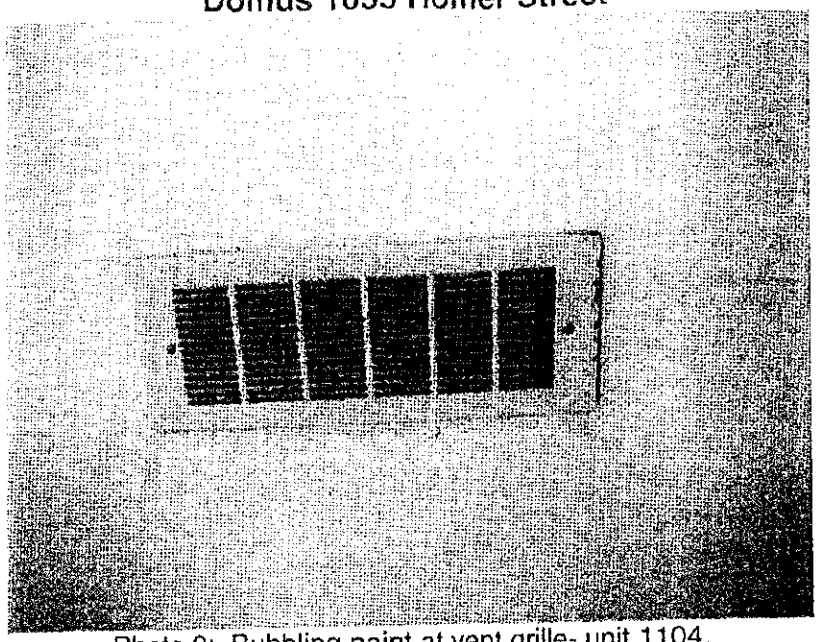


Photo 9: Bubbling paint at vent grille- unit 1104.

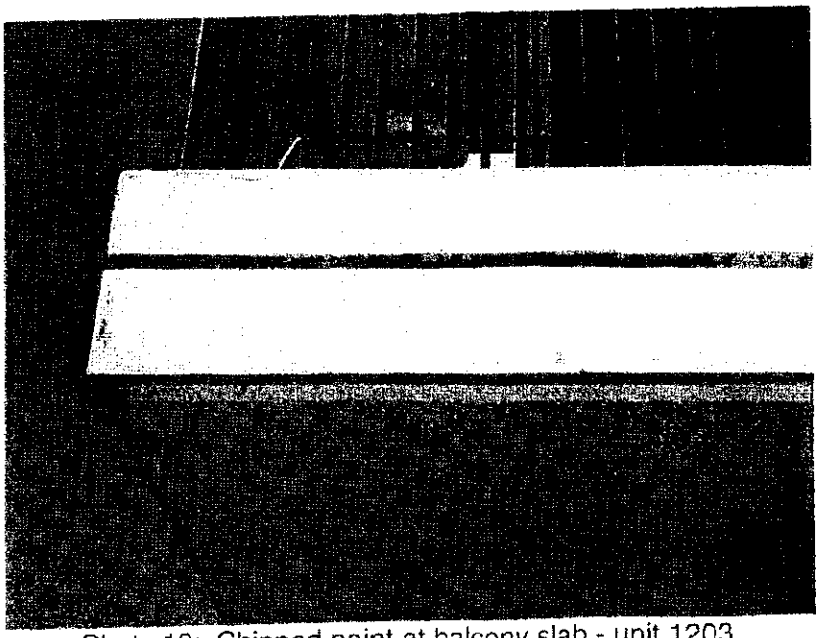


Photo 10: Chipped paint at balcony slab - unit 1203.

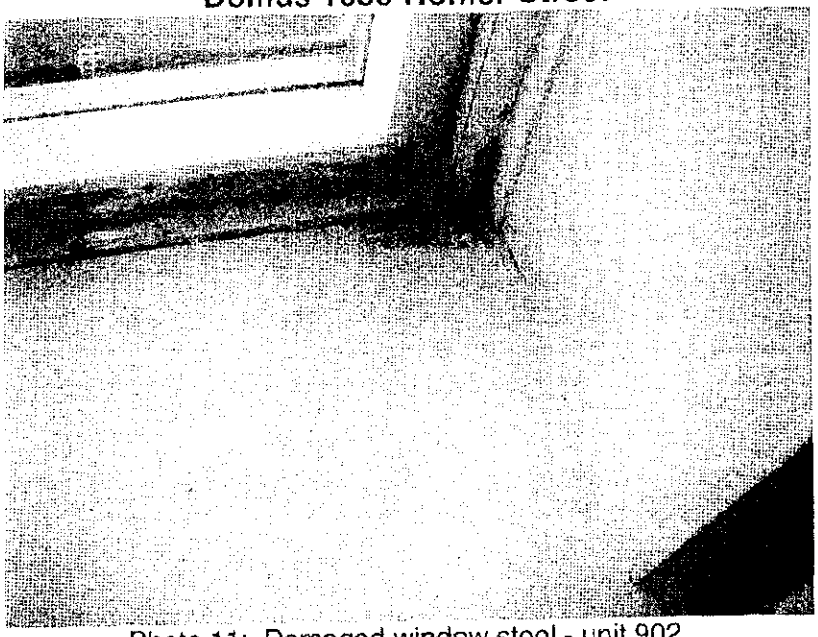


Photo 11: Damaged window stool - unit 902.

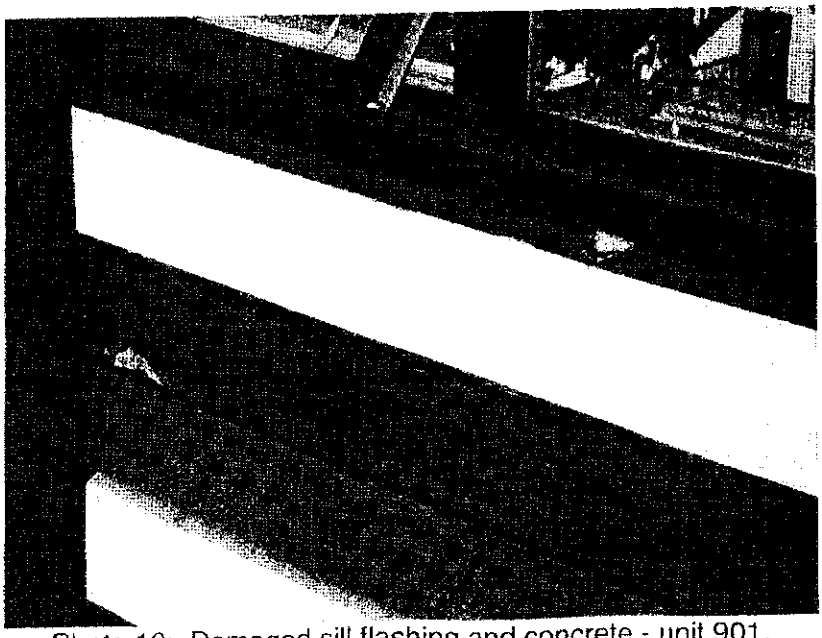


Photo 12: Damaged sill flashing and concrete - unit 901.

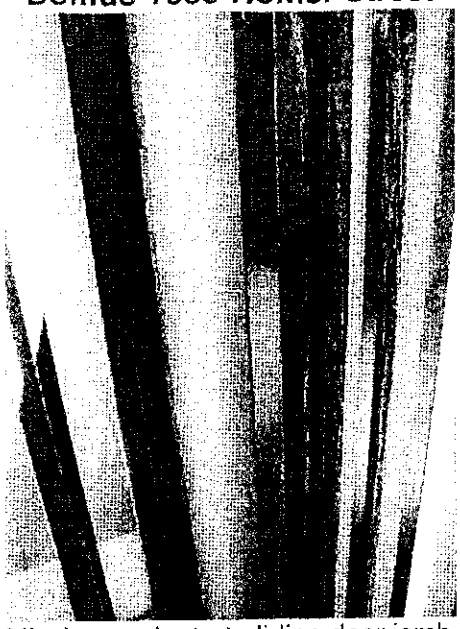


Photo 13: Missing sealant at sliding door jamb - unit 1004



Photo 14: Stained ceiling and wet concrete and insulation - unit 705.



Photo 16: Tie back strap remaining from construction - unit 705.

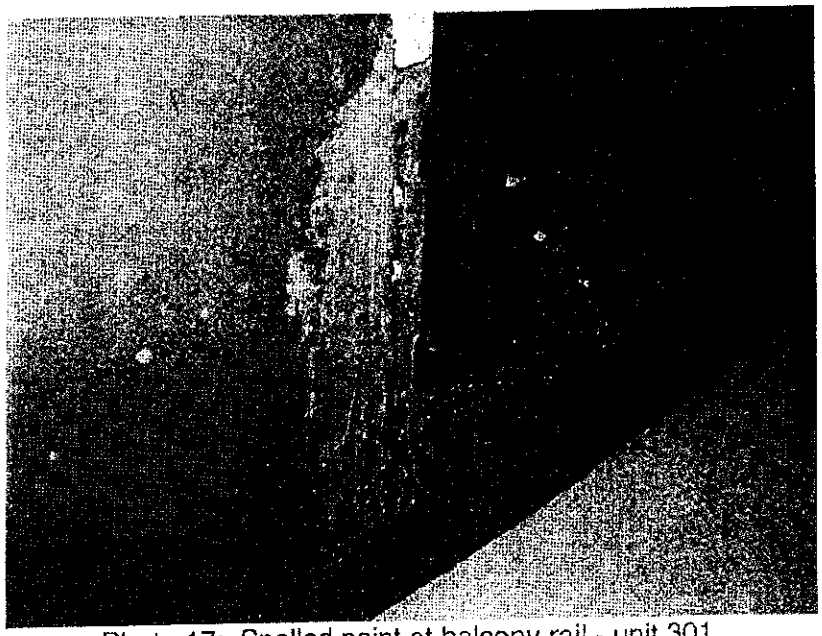


Photo 17: Spalled paint at balcony rail - unit 301.



Photo 18: Failed sealant at door jamb - TH 1059.

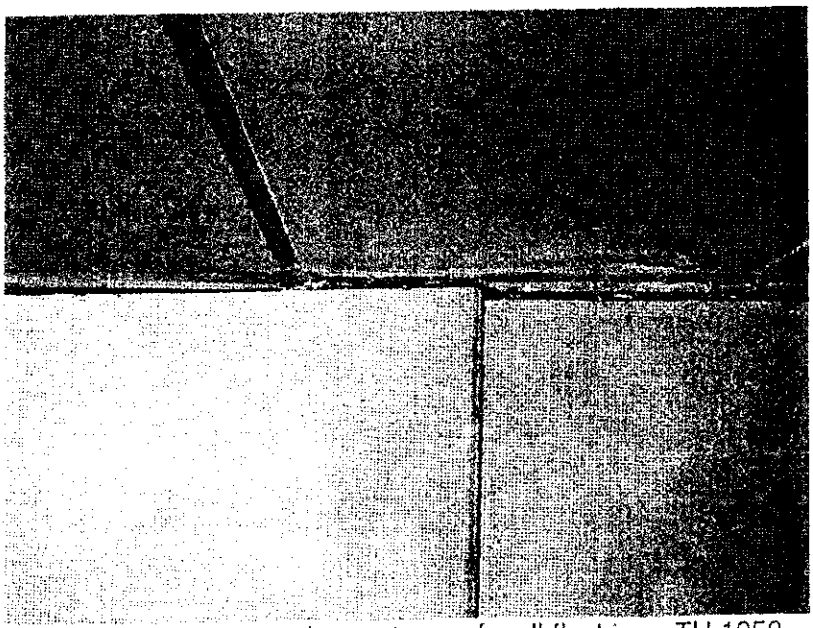


Photo 19: Missing sealant at base of wall flashing - TH 1059.



Photo 20: Open window wall mullion - Stairwell E.



Photo 21: Missing sealant at metal saddle flashings - Roof level 28.

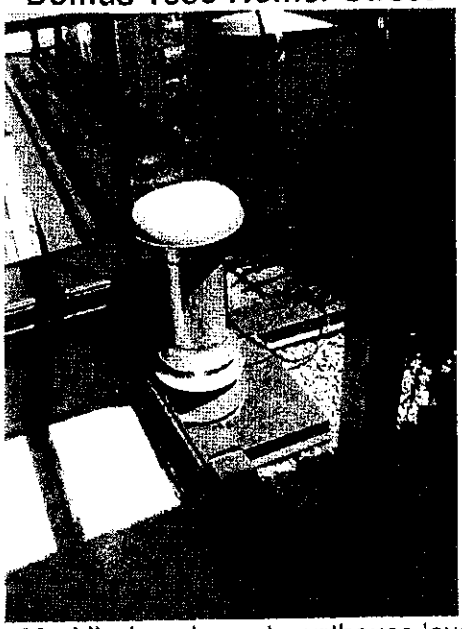


Photo 22: Missing glass at penthouse level 28.

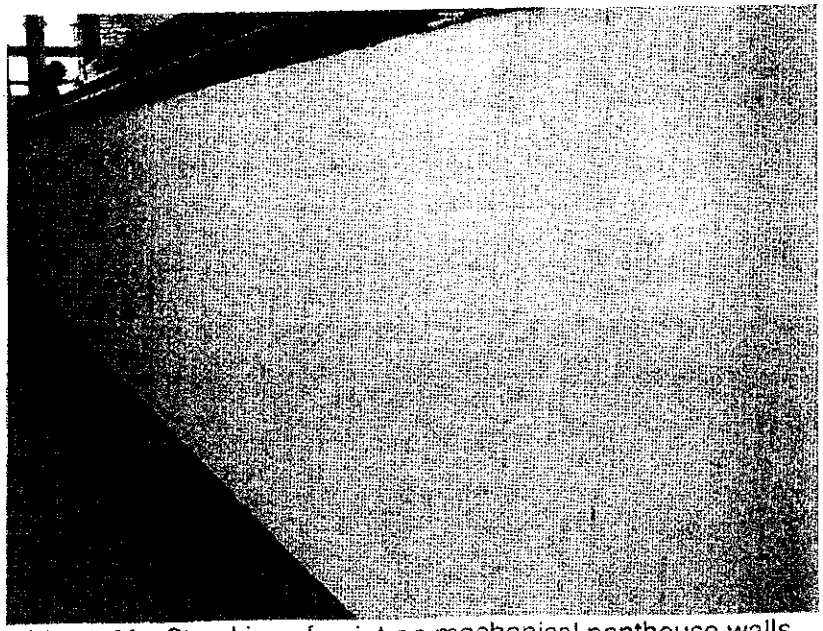


Photo 23: Streaking of paint on mechanical penthouse walls.



Photo 24: Missing plumbing vent extension - mechanical room roof.

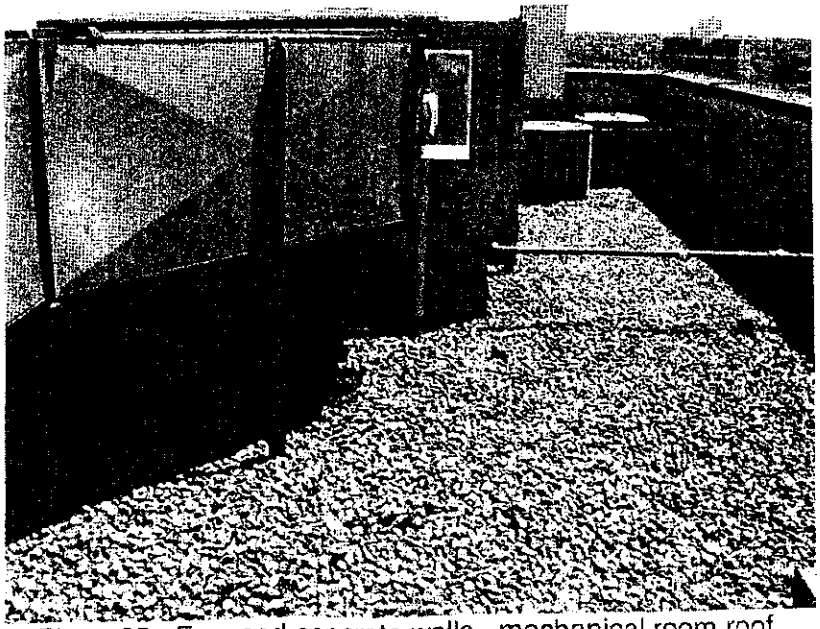


Photo 25: Exposed concrete walls - mechanical room roof.

Domus 1055 Homer Street

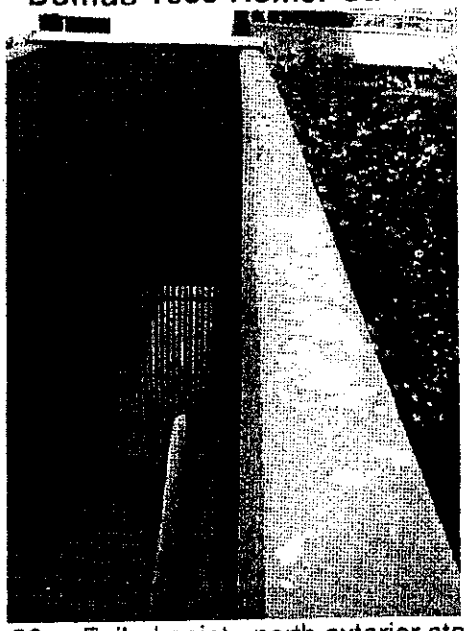


Photo 26a: Failed paint - north exterior stairwell.



Photo 26b: Failed paint top of column.

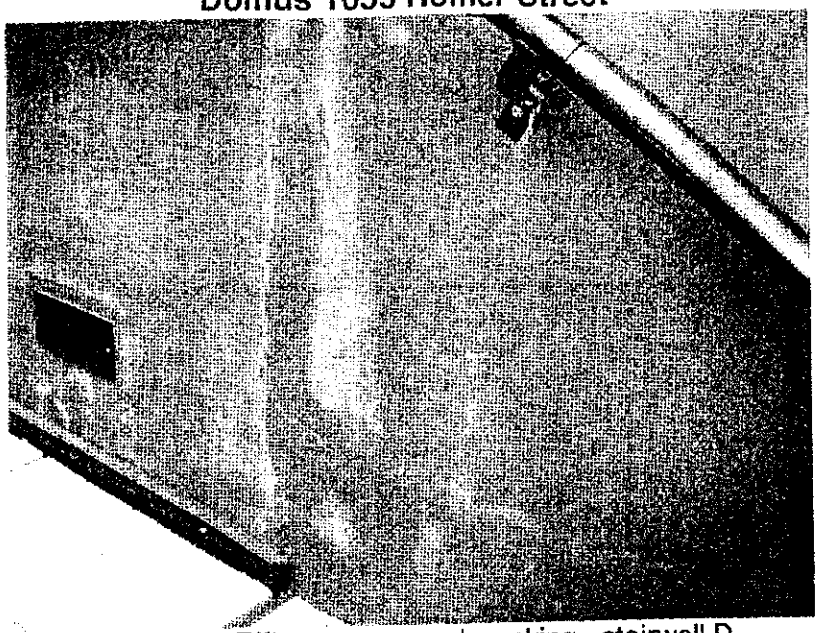


Photo 27 : Efflorescence and cracking - stairwell D.

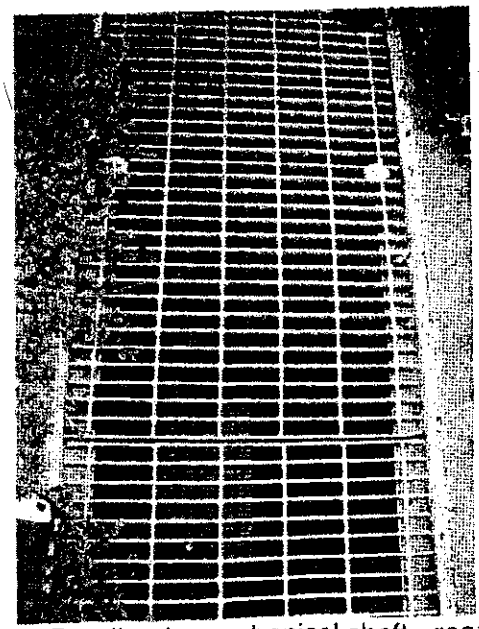


Photo 28a : Ponding in mechanical shaft - rear entrance.

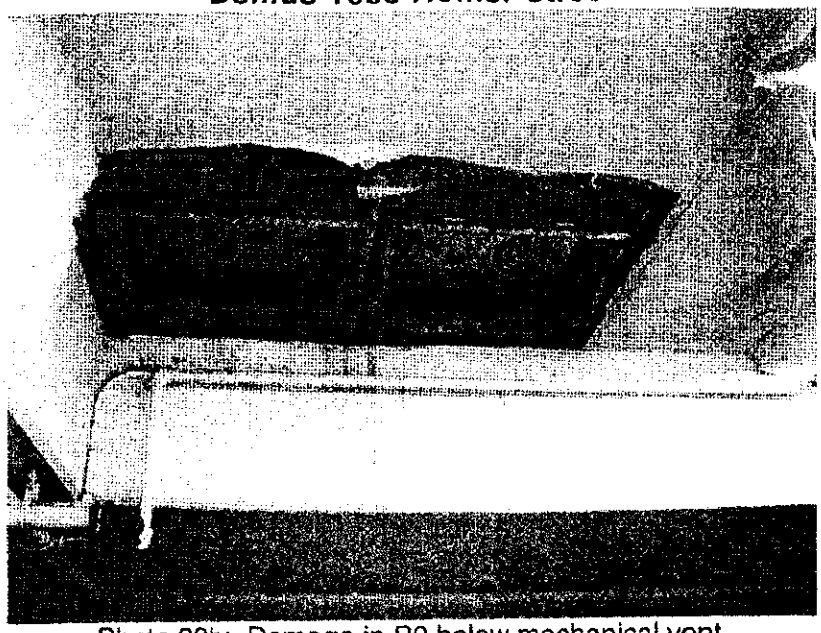


Photo 28b: Damage in P0 below mechanical vent.



Photo 29: Ponding in planter - rear entrance.

MORRISON HERSHFIELD
Suite 610, 3585 Graveley Street, Vancouver, British Columbia V5K 5J5
Tel. (604) 454-0402 Fax. (604) 454-0403 www.morrisonhershfield.com

July 31, 2007

MH Ref: 5075393.00

The Owners, Strata Corporation BCS 528
c/o Joseph Tsang
Senior Property Manager
Rancho Management Services (BC) Ltd.
701 – 1190 Hornby Street
Vancouver, B.C. V6Z 2K5

Fax: (604) 684-1956

Dear Mr. Tsang:

Re: 1055 Homer Street, Suite 705 Investigation

Morrison Hershfield was retained to perform an investigation at unit 705, 1055 Homer Street to address the owner's concerns regarding excessive condensation and associated damage. This letter report outlines our observations and recommendations.

1. Background

The owners of the suite, Anthony Tom and Sharon Bahadursingh reported that they have experienced various moisture related problems with their units since they moved in after construction. These include:

- Excessive condensation at all exterior windows and patio doors in the winter months when the heat is on. The owners provided photographs of water streaming down the inside of the glazing units.
- Damaged window sills and interior gypsum drywall resulting from the above moisture.
- Mold at the base of walls, including mushrooms growing under carpet in bedroom. Again, owners provided photographs of damage.
- White lines appearing on the exterior face of the concrete, growing over the winter months.

The owners reported the problems to the developer and they undertook investigative work that included scoping the ducts to ensure that there was no blockage. No repairs to their unit were undertaken.

The city of Vancouver reviewed the unit in April 2007. During their inspection, the city noted signs of moisture at drywall, condensation on the windows in the bedroom and signs of moisture staining on the bedroom carpet. The city mandated an engineering report providing recommended remedial repairs. We submit this report in response to the City of Vancouver's letter dated May 1, 2007, attached as Appendix A.

2. Methodology

Jacquelyn White, P.Eng. and Bereket Alazar of Morrison Hershfield inspected the unit on Monday July 9, 2007 as part of a warranty review (to be issued under separate cover). Ms. White returned on July 16 to perform test openings in the wall assemblies and again on July 19 to review the openings after a period of rain.

Exploratory openings consisted of cutting approximately 12" x 12" holes in the drywall, removing the poly and the insulation and observing the condition of the inside face of the exterior concrete wall and the steel stud wall assembly. Holes were temporarily repaired with tape. We have attached our observations from each test opening in Appendix B.

MH engaged KD Engineering to measure fan capacity of bathroom and dryer exhausts. Art Verkaik, AScT. Of K.D. Engineering performed the tests on July 17, 2007. We have attached K.D. Engineering's report in Appendix C.

3. Observations

We made the following observations during our investigation:

- Cracking at joint along sill stool at corners and along the back of the stool/frame interface;
- Drywall damage below window sill corners;
- Staining on the ceiling, NE corner of the living room;
- Staining and corroded fasteners on the carpet tack strip, NE corner of the master bedroom;
- Wet concrete and insulation at the top of the NE wall, adjacent to the balcony (test opening 2);
- Evidence of mold on the interior concrete at the base and top of wall in the master bedroom (test openings 4 and 5);
- No further water ingress was noted during our July 19th visit, during a period of rain;
- We did not observe any white lines on the exterior concrete. These were reportedly removed during a full exterior wall cleaning the previous year;
- Bathroom fan capacities of 44 CFM and 54 CFM (as measured by K.D. Engineering);
- Dryer exhaust of 29 CFM when connected to ducting. Exhaust of 80 CFM with dryer hose removed from vent (as measured by K.D. Engineering);
- Range hood was not operational at the time of K.D. Engineering's visit.

Refer to appendix B for complete observations and photographs at exploratory openings.

4. Conclusions and Recommendations.

Based on our investigation, it would appear as though there are several separate issues at 705, which in combination are contributing to the observed and reported damage.

1. Apparent leak in the building envelope.

   Exploratory opening two indicated that there is water ingress into the wall system. The most likely source of water ingress at this location is a crack in the reveal at the cold joint. Both rain water and water runoff from the balcony above is entering the crack and wetting the concrete wall and the insulation. The water ingress has caused damage to interior materials evidenced by staining of the ceiling. It is likely that the observed white streaking on the exterior wall is caused by efflorescence from wetting of the concrete in the cracks, dripping out of the reveals and down the outside face of the concrete. This is a water ingress issue and should be repaired under warranty. Repairs would include routing out the cracks and sealing from the exterior. Interior repairs to the ceiling will be required.

   It is possible that damage observed at openings four and five can be partially attributed to water ingress. All exterior walls should be closely inspected from the exterior for cracking, likely in the concrete reveals, and repair as indicated above.

2. Elevated Humidity.

   Condensation at windows, as seen on provided photographs, was over the entire window surface, not just at frames. Condensation at frames is fairly typical, however it is generally accepted that the condensation resistance of the center of double glazed window units is adequate for normal residential conditions, and condensation should not be observed to be "streaming" down the glass surface. The pattern of condensation suggests that there is either excessive humidity in the unit or isolation of windows from heat by drapes or blinds, not inadequate window performance.

   Exploratory openings one and three were made at areas of gypsum drywall damage below windows. There were no signs of external moisture ingress in either location. This would indicate that damage at drywall is a result of interior moisture (condensation at windows pooling at the sill and overflowing down the wall).

   Exploratory openings four and five both had evidence of mold on the inside face of the concrete. In addition, evidence of mold was found on the outside face of the gypsum drywall at exploratory opening four (base of wall). The mold appeared to follow the pattern of the steel studs and track. It was at this location that mushrooms had reportedly grown and carpet tack strips are stained with corroded fasteners. The poly, steel studs and insulation were clean and dry. The clean interior wall components in combination with the evidence and pattern of mold on the drywall would suggest that the source of moisture is again from the interior. The evidence of mold suggests that warm air is condensing at the cold surfaces such as the vapour barrier in contact with steel studs at the base of the wall and the concrete adjacent to slabs.

While no measurement of winter relative humidity (RH) levels were done, the physical evidence documented above suggests that the interior RH values are well above what would be reasonably expected as "normal".

Additionally, the observed resistance in the dryer exhaust may be contributing to the elevated RH levels. It is possible that moisture from the dryer is not being adequately vented and there is some leakage back through the ducts.

Another contributing factor to the excessive condensation observed on windows is the use of blinds tight to the window surface. Warm air in unable to circulate behind the blinds and condensation can form on the cold glass surface.

To reduce the RH levels in the unit, we recommend:

- The installation of a booster fan for the dryer;
- The use of a dehumidifier in the winter months;
- The continued use of bathroom fans, cleaned regularly;
- Providing a space between the blinds and the window surface to allow air flow. Alternatively, keeping blinds several inches above the sill.

3. Insufficient Ventilation

The results of the fan capacity tests indicate that the bathroom fans are exhausting close to the VBBL requirements (50 CFM) and ASHRAE Standard 62 (15 CFM/person). However, the amount of fresh air being supplied is unknown. We recommend that a CO2 indicator be installed in the unit during the fall months to determine if sufficient make up air is being circulated into the suite.

However, ventilation effectiveness is typically poor in our climate as the outdoor air has high moisture content in winter months. The use of a dehumidifier will minimize the dependence on ventilation to lower RH values.

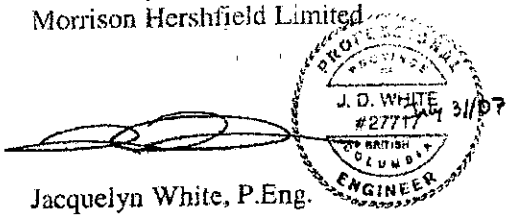
5. Summary

The results of our observations indicate that there is an exterior source of water ingress at cracks in cold joints/reveals, in addition to source(s) of interior moisture. We recommend that the exterior concrete walls be reviewed for cracking, and cracks sealed. Elevated humidity can be controlled with the use of fans, a dehumidifier and a dryer booster fan. Keeping furniture and drapes off of the exterior walls will encourage air flow, which should reduce condensation.

In our opinion, the extent of mold observed in the bedroom warrants remediation. We recommend that an industrial hygienist provide further comment. It is likely that the risk of exposure is small, however, it is not best practice to leave large amounts of mold in buildings. Remediation will include removing the drywall and cleaning the effected areas of concrete. The full extent of damage will need to be assessed, as we only performed a limited amount of openings.

We trust that this report meets the Strata and the City's requirements. Please contact the undersigned should you have any questions.

Yours very truly,
Morrison Hershfield Limited



Jacquelyn White, P.Eng.
Project Engineer

Mark D. Lawton, P.Eng.
Building Envelope Specialist, Principal

M:\PROJ\5075393\LEAK INVESTIGATION.DOC

APPENDIX A
Letter from the City of Vancouver

CITY OF VANCOUVER
COMMUNITY SERVICES GROUP
Licences and Inspections
Coordinated By-law Enforcement

PLEASE REFER TO:
Mr. E. Neufeld
Manager,
Building Inspections Branch
at 604.873.7560
I.R. No. BI 31335/EN 037968

May 1, 2007

The Owners, Strata Plan BCS528
c/o Rancho Management Services
701 - 1190 Hornby Street
Vancouver, BC, V6Z 2K5

and

Sharon A. Bahadursingh and Kerwyn A. Tom
705 - 1055 Homer Street
Vancouver, BC, V6B 1G3

Dear Sirs/Mesdames:

RE: **1047, 1049, 1051, 1053, 1055, 1057, 1059, 1061 and 1063 Homer Street - (Suite #705 - 1055 Homer Street)**

A recent inspection of Suite #705 - 1055 Homer Street in the above building revealed the following:

1. The area along the windows on the north wall show signs of moisture and the drywall against the window at the bottom is in a state of disrepair.

2. There is condensation on the windows in the bedroom.

3. The carpeting in the bedroom shows signs of rust from the steel stud plate, which would indicate quite a bit of moisture in the wall.

This is in contravention of the Vancouver Building By-law.

You are required to obtain the services of a Building Envelope Professional to investigate with regard to the moisture condition, submit a report and recommend remedial repairs.

City Hall 453 West 12th Avenue Vancouver BC V5Y 1V4 vancouver.ca
Coordinated By-law Enforcement tel: 604.871.6234 fax: 604.873.7100

In accordance with the By-law and to avoid further action, you are to:

1. Submit a report from a Building Envelope Professional concerning the moisture condition and the recommended remedial repairs to the attention of the District Building Inspector, on or before June 1, 2007.

Yours truly,

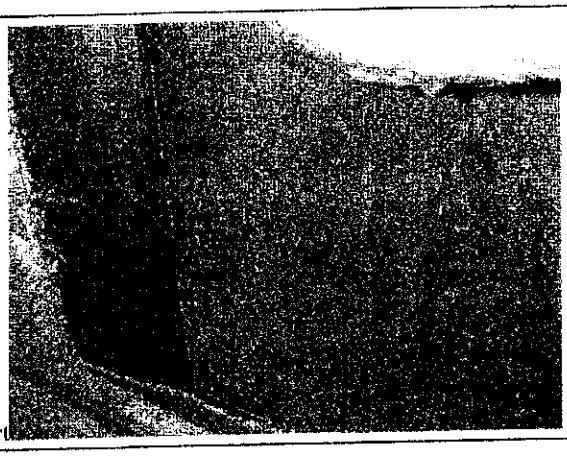
E. Neufeld, for
City Building Inspector and
Chief Building Official

EN/cf

APPENDIX B
Exploratory Openings

Opening No. 1

Location	East elevation, base of wall at north most window in living room
Detail Addressed	Base of wall/window sill
Reason location selected	Previous opening in drywall



Insert

Photo 1

Opening clean and dry

Construction: (interior to exterior)

- Gypsum drywall
- Poly vapour barrier
- Steel studs with batt insulation
- Concrete

Observations:

- Drywall clean
- Poly intact
- Insulation clean and dry
- Steel studs clean
- Concrete clean and dry

Opening No. 2

Location	North Elevation, top of wall, east of balcony
Detail Addressed	Cold joint
Reason location selected	Stained ceiling finishes

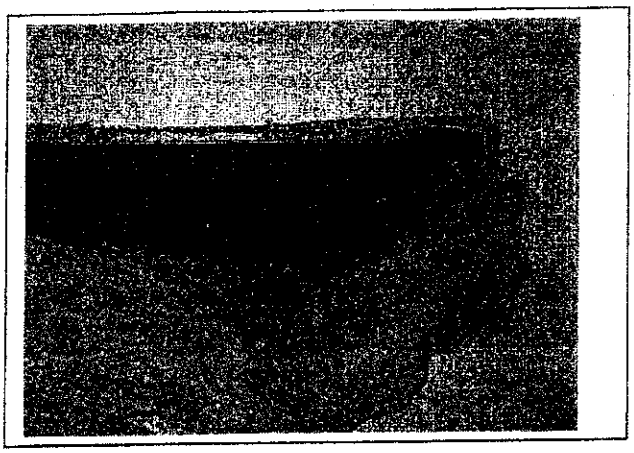


Photo 2a

Wet insulation and concrete

Construction: (interior to exterior)

- Gypsum drywall
- Poly vapour barrier
- Steel studs with batt insulation
- Concrete

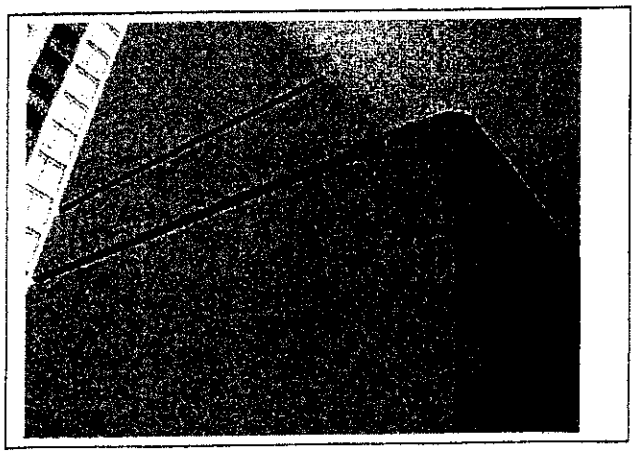


Photo 2b

Exterior reveals at location of opening

Observations:

- Drywall clean
- Ceiling stained
- Poly intact
- Insulation wet at top of wall
- Minor corrosion on outside face of top track
- Concrete wet to touch, Moisture content 80%
- Location of exterior reveals at cold joints
- Balcony above

Opening No. 3

Location	East elevation, base of wall, north sill of dining room window
Detail Addressed	Base of wall, window sill
Reason location selected	Damaged drywall

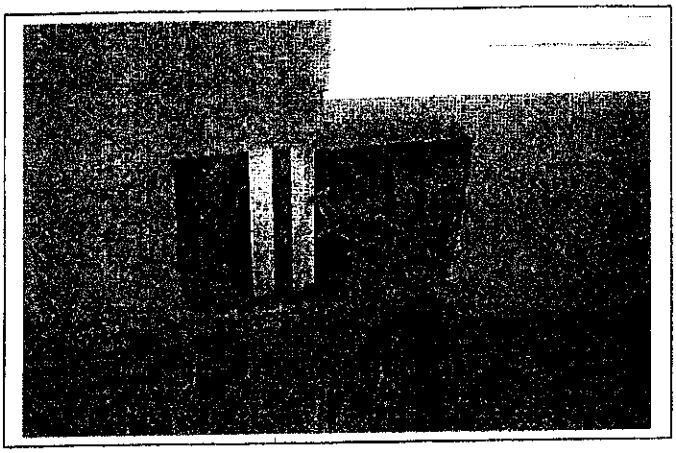


Photo 3

Clean and dry opening

Construction: (interior to exterior)

- Gypsum drywall
- Poly vapour barrier
- Steel studs with batt insulation
- Concrete

Observations:

- Drywall finishes blistered and cracked
- Exterior face of drywall clean
- Poly intact
- Insulation clean and dry
- Steel studs clean
- Concrete clean and dry
- Random pieces of wood in wall cavity with some signs of moisture, however these could be from construction

Opening No. 4

Location	Base of wall, north of bedroom window
Detail Addressed	Cold joint, window sill
Reason location selected	Reported mold in winter at base of wall, mushroom growth and signs of moisture at carpet



Photo 4a

Evidence of mold on exterior face of interior drywall

Construction: (interior to exterior)

- Gypsum drywall
- Poly vapour barrier
- Steel studs with batt insulation
- Concrete



Photo 4b

Evidence of mold on concrete

Observations

- Evidence of mold on exterior face of gypsum drywall. Mold appears to be present at steel stud locations only.
- Poly intact
- Insulation clean and dry
- Minimal corrosion on bottom track

- Evidence of mold on concrete
- Carpet tack strips were stained with corroded fasteners
- Reported growth of mushrooms in this area

Opening No. 5

Location	Top of wall, north of bedroom window
Detail Addressed	Cold joint
Reason location selected	Random



Photo 5a

Evidence of mold on concrete

Construction: (interior to exterior)

- Gypsum drywall
- Poly vapour barrier
- Steel studs with batt insulation
- Concrete

Observations

- Gypsum drywall clean
- Poly intact
- Insulation clean and dry
- Steel studs clean
- Evidence of mold on concrete

APPENDIX C
K.D. Engineering Report

K.D. ENGINEERING CO.

MECHANICAL ENGINEERS AND TECHNOLOGISTS
239 EAST 6th AVENUE, VANCOUVER, BC V5T 1J7

SYSTEM ANALYSIS REPORT

PROJECT: 1055 Homer Street - Suite # 705 "Testing Of Suite Fans"

ARCHITECT: --- --- ---

ENGINEER: --- --- ---

CLIENT: Morrison Hershfield Ltd

Certification:

THE SYSTEMS HAVE BEEN TESTED & VERIFIED WITH REFERENCE TO THE REQUIREMENTS OF THE SPECIFICATIONS. THE RESULTS OF THE SITE INVESTIGATIONS ARE TABULATED WITHIN THIS DOCUMENT.

Applied Science Technologist 3559 ART VERKAIK A.Sc.T. Province of British Columbia

KD PROJECT #: 1107370

BY: Art Verkaik, AScT.

DATE: July 18, 2007 **APPROVED BY:** A. TATTO, AScT.

PHONE: (604) 872-8651 FAX: (604) 872-0281 WEB SITE: WWW.TEAMKD.COM

Field Notes

Date: July 17, 2007

Re: *1055 Homer Street – Suite # 705 "Testing of Suite Fans"*

As requested the fans in the above named suite have been tested to determine their performance. Please note the following:

1. The washroom and ensuite fans were measured in two conditions. They were measured with both the suite windows and doors open, and with the doors and windows shut. At present they are exhausting 44 CFM and 54 CFM with the doors and windows shut. We noted that the fan wheels in these washroom fans were dirty which could affect their performance. Please also find attached the manufacturers performance sheet and our "spread" Sheet which indicates our measured performance for the various conditions.

2. The air exhausted by the dryer was measured by Pitot Tube traverse of the dryer vent. It indicated that the dryer was exhausting 29 CFM. The discharge pressure was measured to be 0.22" W.G. With the dryer hose removed from the vent, the dryer fan by itself was measured to be exhausting 80 CFM.

3. The Range Hood exhaust fan could not be tested as it was not operational at the time of testing. The occupant indicated that the motor needed replacing.

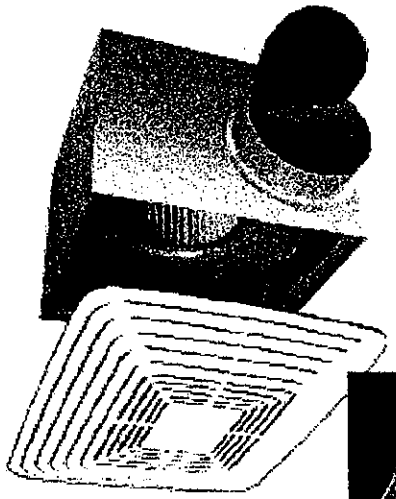
K.D. Engineering Co.

Grille & Diffuser Sheet

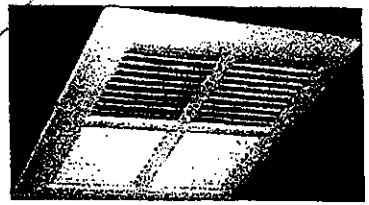
Job # 1107370
Location: 1055 Homer Street - Suite 705 "Testing of Suite Fans"

	Outlet/Inlet				Spec. CFM	Final CFM	%				
Washroom Fan		outside windows & doors open									
	1				-	44					
					-	44					
Washroom Fan		outside windows & doors shut									
	1				-	35					
					-	35					
Ensuite Fan		outside windows & doors open									
	1				-	54					
					-	54					
Ensuite Fan		outside windows & doors shut									
	1				-	58					
					-	58					
Dryer Vent		Hose attached to dryer vent									
	1				-	29					
					-	29					
Dryer Vent		Hose not attached to dryer vent									
	1				-	80					
					-	80					
Range Hood		not operational at time of testing									
	1				-	0					
					-	0					

QCF-110
ULTRA SUPER QUIET EXHAUST FAN
1.0 SONES



WHITE HIGH IMPACT STYRENE GRILLE

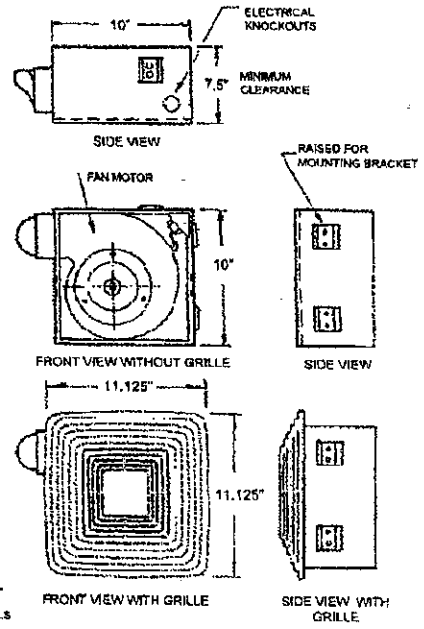


OFF WHITE ALUMINUM GRILLE

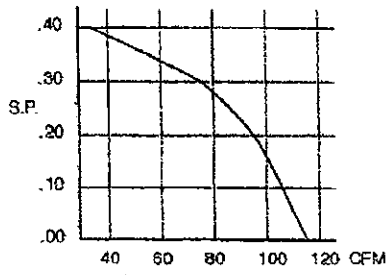
ACCESSORIES

STANDARD
INSULATED HOUSING
WHITE GRILLE
DAMPER
MOUNTING BRACKETS
ALUMINUM OR
STYRENE GRILLE

OPTIONAL
VARIABLE SPEED
CONTROL
ALUMINUM BACK
DRAFT DAMPER



THE QCF-110 FAN IS DESIGNED FOR HI PERFORMANCE AND QUIET OPERATION. THIS FAN IS EQUIPPED WITH ESPECIALLY DESIGNED MOUNTING SLOTS THAT ALLOW FOR EASY INSTALLATION ON CONCRETE CEILING OR WOODEN JOISTS. THE QCF-110 IS CONSTRUCTED WITH CORROSION RESISTANT, HEAVY GAUGE SATIN COAT STEEL.



FAN DATA

FAN MODEL	MOTOR 120 VAC 60 Hz			CUBIC FEET PER MINUTE								
	RPM	AMPS	HP	S.P.	.0	.05	.10	.15	.20	.25	.30	.40
QCF110	1050	0.6	1/90	CFM	115	110	105	100	93	84	74	37

RPM (Revolutions per minute) shown is nominal and performance is based on actual speed of test.
Unit was tested with inlet grille, backdraft damper and outlet duct.

SOUND RATING

OCTAVE	1	2	3	4	5	6	7	8
CENTRE FREQUENCY Hz.	63	125	250	500	1000	2000	4000	8000
FULL-OCTAVE BAND SOUND PRESSURE LEVEL (dB)	93	47	49	45	44	33	33	24

HVI CERTIFIED RATING 1.0 SONE

MORRISON HERSHFIELD
Suite 610, 3585 Graveley Street, Vancouver, British Columbia V5K 5J5
Tel. (604) 454-0402 Fax. (604) 454-0403 www.morrisonhershfield.com

November 16, 2007

MH Ref: 5075219.00

The Owners, Strata Corporation BCS 528
c/o Joseph Tsang
Senior Property Manager
Rancho Management Services (BC) Ltd.
701 – 1190 Hornby Street
Vancouver, B.C. V6Z 2K5

Fax: (604) 684-1956

Re: Townhouse Building Envelope Warranty Review
Domus – 1055 Homer Street, Vancouver, BC

Morrison Hershfield (MH) was retained by the Owners of Domus (Strata Plan BCS 528) to undertake a visual review of the building envelope of their building complex located at 1055 Homer Street, Vancouver. The purpose of the review was to identify possible deficiencies that may be covered by the five-year warranty, which expires October 28, 2008. A letter report itemizing deficiencies, dated August 14, 2007 was provided, however, the owner of townhouses 1051, 1053, 1061 and 1063 had some concerns and requested further review.

Jacquelyn White of MH performed the review of the townhouses on November 8, 2007 in the company of Joseph Tsang (Rancho) and the homeowner, Combiz Jelveh.

Building Description and Project History

Domus consists of one 26-storey tower and eight townhouses for a total of 134 residential units over a three level underground parking garage. The townhouses are brick clad, concrete framed 2 storey units. The glazed systems consist of thermally broken aluminum framed windows and sliding doors. Each townhouse has a patio/deck. The configuration of the building is such that above the townhouses is a combination of living space and roof top decks/walkways and planters. The roof system is an inverted 2 ply SBS membrane protected with insulation, ballast and/or pavers.

The building was developed by Qualex Landmark Developments and constructed by Intertech Construction Group under the direction of Rafii Architects. Domus was substantially completed on October 24, 2003.

Based on the information provided to us, the following warranties are applicable for this project:

1. St. Paul Travelers 5 year Building Envelope Warranty
2. Starline Windows 5 year building envelope warranty and 10 year structural defect warranty
3. Villa Roofing 5 year warranty against leakage (ground, podium, terraces and roofs)
4. Sonneborn HLM 5000 10 year warranty (material only) (waterproofing)
5. Soprema 10 year limited warranty (roof membrane)
6. Villa Roofing 5 warranty against leakage (parkade and balcony traffic membrane)

It is our understanding that past repairs to the roof membrane have been performed under warranty at the main roof, 3rd floor roofs and penthouse levels.

Observations and Recommendations

Townhouse 1051 and 1061: Both of these units had shadow lines (ghosting) on the ceiling in the back northwest facing bedrooms. Unit 1051 also had ghosting along the exterior wall and ghosting at the ceiling was significant. Additionally, fasteners were observed along the ghosting lines. Refer to photographs 1 and 2.

Ghosting is caused by thermal bridging across the steel studs in the wall and ceiling cavity. Steel studs, due to their high conductivity, allow heat loss and uneven surface temperatures. Moist air and dirt particles are attracted to the cold surface. The ghosting is in fact dirt particles that have deposited on the wall/ceiling surface.

Ghosting is often seen in steel stud construction where all of the insulation is in the wall/ceiling cavity. It is recommended to install a portion of the wall's insulation outboard of the exterior sheathing. This keeps the steel studs warm and reduces thermal bridging across walls and ceilings. At Domus, the drawings indicate that there is some insulation above the concrete roof slab, and the level of ghosting observed, particularly at 1051, is unusual.

However, ghosting is predominately an aesthetic issue, and not a water ingress concern. We note that the ghosting can be removed with regular cleaning and reduced by eliminating the production of carbon emissions (burning of candles, incense and cigarettes). Furthermore, increased ventilation will reduce particle loads from settling at these locations. We recommend regular cleaning and repainting of the affected surfaces.

Townhouse 1053: A stain was observed mid ceiling in the second bedroom. Refer to photo 3. The location of the stain and the fact that this unit is completely below living space indicates that the stain is from an internal plumbing leak from the unit above. As such, this is not a water ingress concern.

Townhouse 1063: This unit has signs of a water leak in the corner of the back room. The drywall wall and ceiling appear to have some black mold at this location. Refer to photos 4 and

5. The condition has reportedly worsened from a yellow stain in March 2007 to the black mold observed during this review.

The damage is located under a concrete parapet curb and the intersection of the curb and concrete stairwell is adjacent. Refer to photo 6. The exterior wall close to this location houses an in slab exhaust duct. There has been a history of roof leaks at this complex and a breach in the membrane at the walkway or planter above (photo 7) is a possible cause of the leak.

Further investigation is required to determine the source of water ingress, and repairs required. This should be covered by the five-year water ingress warranty.

Summary

Based on our review of the four townhouses, 1063 is the only one where the damage appears to be water ingress related. Ghosting is due to thermal bridging and would not be covered by a water ingress warranty.

We trust the above meets the Strata's requirement. Please do not hesitate to contact the undersigned should you have any questions.

Sincerely,

MORRISON HERSHFIELD LIMITED

PROFESSIONAL ENGINEER PROVINCE OF BRITISH COLUMBIA J.D. WHITE #27717 2007/04/26

Jacquelyn White, P.Eng.
Project Engineer

Mark Lawton, P.Eng.
Technical Director, Building Engineering

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APPENDIX A:

Photographs

DOMUS TOWNHOUSES

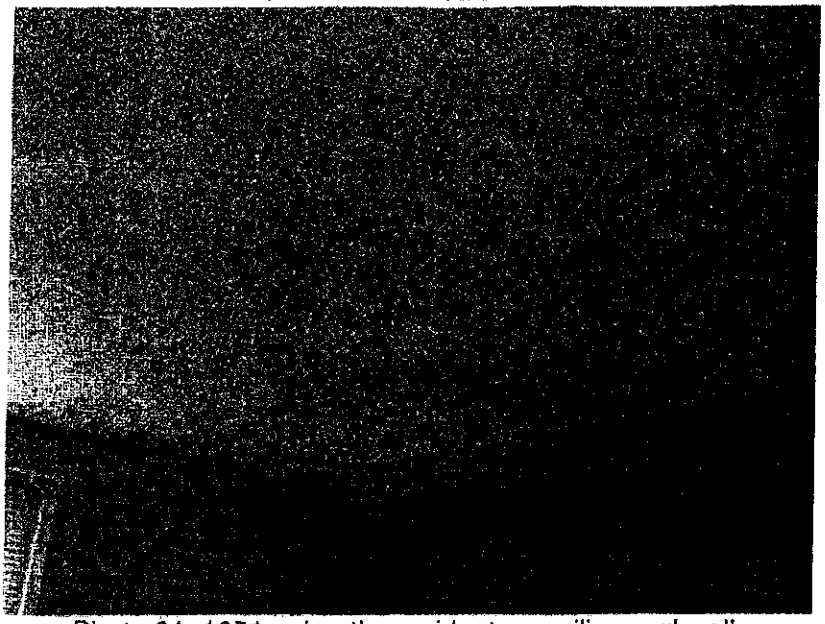


Photo 01 1051: ghosting evident on ceiling and wall.

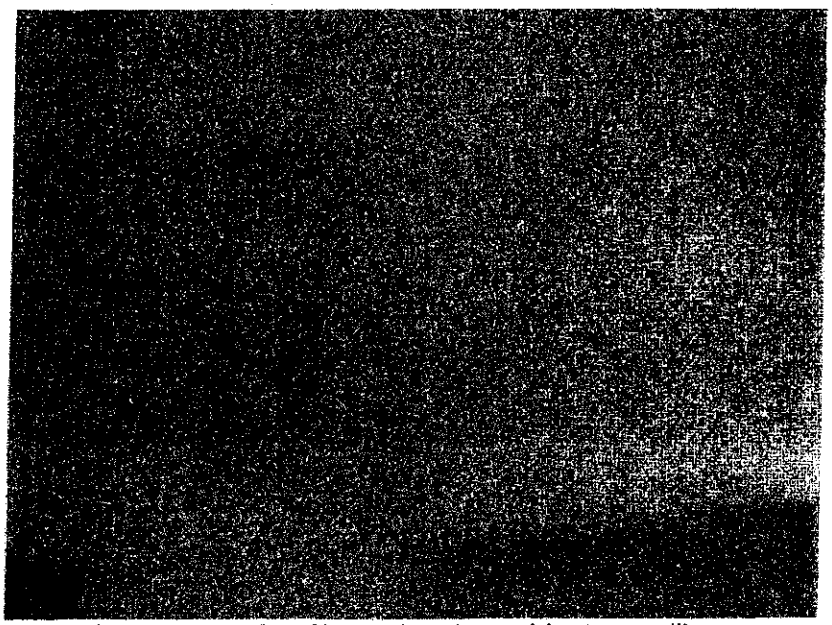


Photo 02 1061: Faint ghosting evident on ceiling.

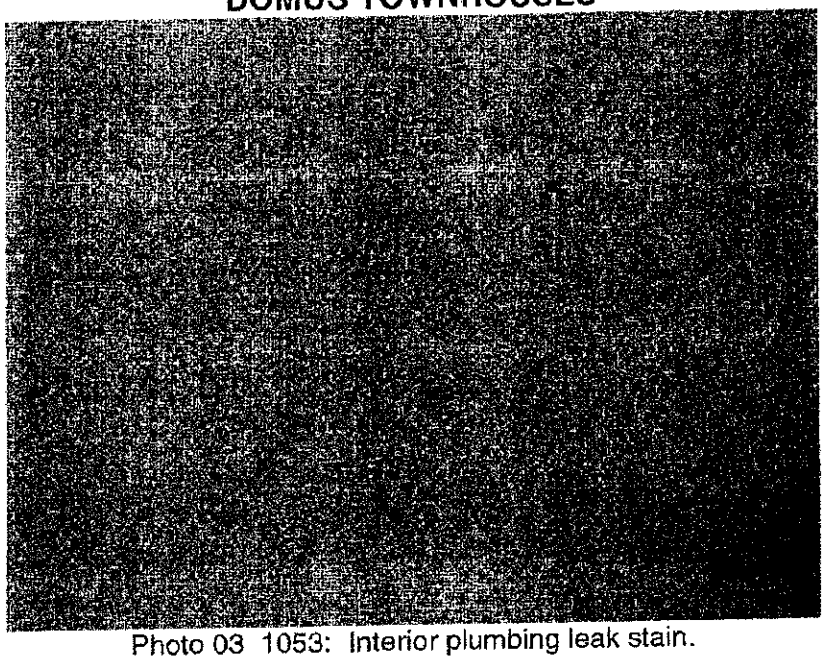


Photo 03 1053: Interior plumbing leak stain.

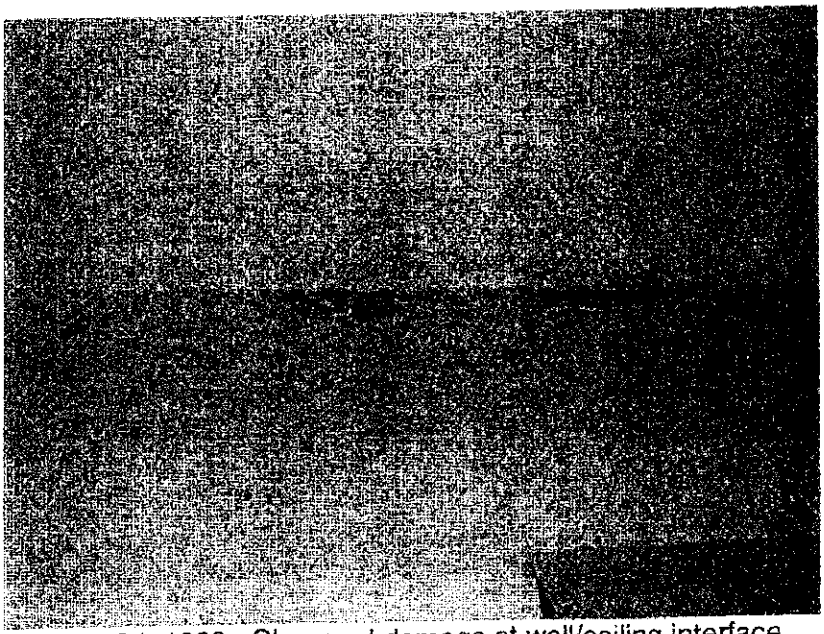


Photo 04 1063: Observed damage at wall/ceiling interface.

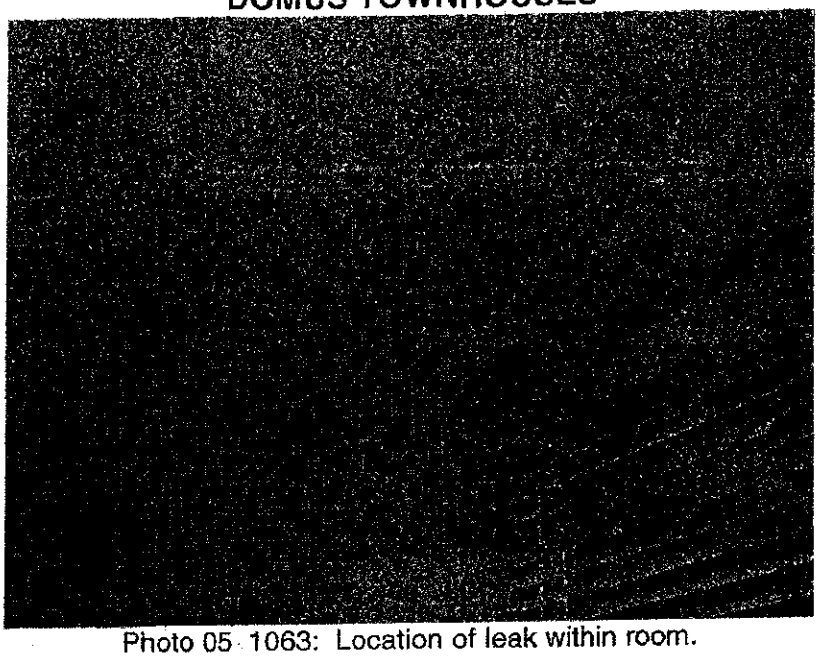


Photo 05 1063: Location of leak within room.

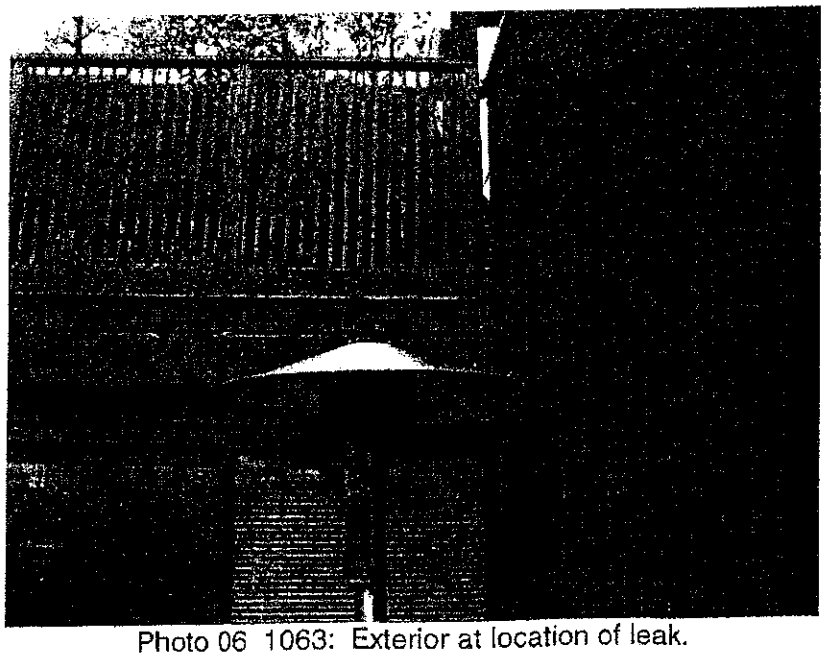


Photo 06 1063: Exterior at location of leak.

DOMUS TOWNHOUSES

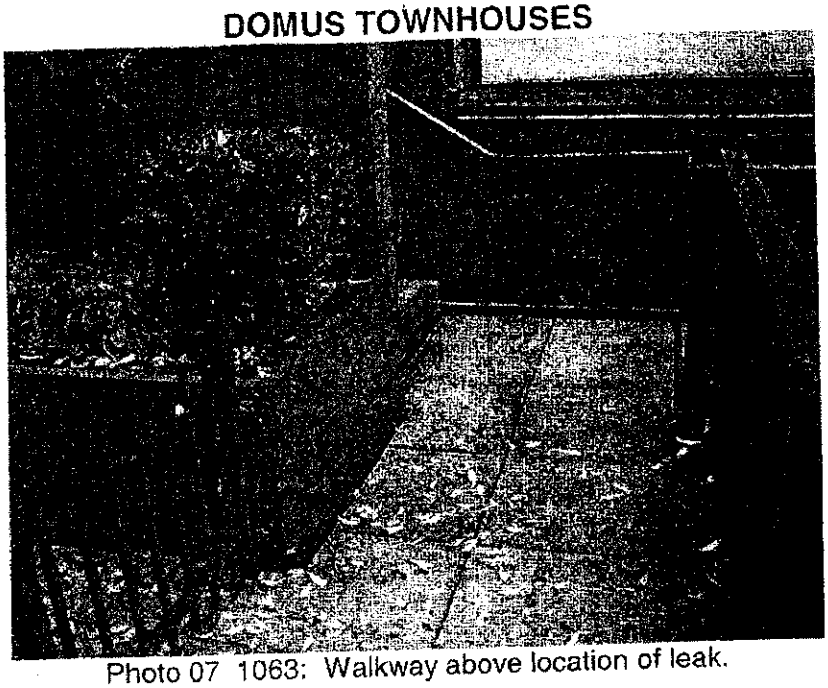


Photo 07 1063: Walkway above location of leak.

Warranty Review Survey
Summary of Comments
Domus BCS528

Unit	Comments	Where	Problem	Rooms	Water Ingress
300	Mstr bthrm poor ventilation & mildew growth. Windows don't open	master bath	Air leaks DR, K	a) c) h) i) M. Bath b)kitchen, LR	
301	condensation on window & sliding door unless windows are kept open	mildew in mstr bath & other	Den door difficult to lock	h)LR, Den	
302			patio door difficult to lock		
303	main bath fan always covered with dust. Window/Sliding doors very cold in fall and winter		LR, Mstrbdrm operating difficulties		
305		Mildew M.Bath			
310	Water pools on top of the dryer	M.Bedroom		c) den, main bath, M bed	Previous leaks fixed.
402	No dryer; no parking stall				
503	M.Bath muggy; hallway ventilation poor, fans inadequate, window condensation; water damage to bathroom walls (soft)				
601	small stain on shower door. Bthrm sink water very hot, can't always get cold water				
704		shower		e) i) LR, M.Bath	
705	Lots of mold and mildew at numerous locations including under carpet. Food odors from other units noticable in M.Bath. READ COMMENTS	LR, DR, Mbed, patio doors	finishes deteriorated around interior of door.	c) h) LR, DR, M.Bed Rm, Other	Ceiling leak LR
802				windows make loudpopping noise when temperature changes.	
902		Mstrbdrm windows		mold Mstrbdrm window	
1001	Bathroom fan makes scratchy sound				

Warranty Review Survey
Summary of Comments
Domus BCS528

Unit	General Comments	Mildew/Mold	Door Concerns	Window Concerns	Wall/Ceiling/Floor Concerns
1002	Cold wall in Mstrbdrm			c) M.Bd Rm - during cold weather	
1004				h) LR, DR, M BED RM.	
1049	Ghosting on ceiling of Mstrbdrm				
1063	water damage in bdrm ceiling reportd to Owner and Bldg Mngr in March				Leak reported at wall and ceiling in M.bedroom
1051			needs paint		Leak reported at wall and ceiling in bedroom 1
1104				waterstains in bathrooms & Mstrbdrm	
1106	dryer vent needs cleaning				
1201	dryer vents drips on balcony			c) h) LR, K, Den	
1306			sill cracks at the wall of solarium	h) LR, Bed 1, Solarium	Main bathroom wall
1406				f)h) LR, Bed rm 2	Unspecified ceiling leak
1506	condensation from dryer vent stains patio floor				
1702		shower of M Bath			
2003			Interior door to suite sticks to door frame near the top		
2101	concerned about fitness of roof; concerned about monitoring of water ingression over time				
2103				New Owner: water ingress from DR window to be repaired per sale agreement. Result unknown	
2203				Page 1-2 of survey not submitted.	
2301	Ceilings flaking in master bedroom				

Warranty Review Survey
Summary of Comments
Domus BCS528

Suite	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2401		balcony			
2403				h) LR, Den, Bed rooms	
2501	SEE Comments of Survey: Smoking and cooking odors come through from neighbor's suite into master bath could not sleep in Master bedroom. Design or ventilation flaw?		air leaks and wind noise M.Bed Room		Dining room wall and ceiling leak Burst pipes in storage room
2601	SEE Comments on survey. Previous leaks remain of concern to this Owner			e) LR, DR, kitchen, Bed2	Ceiling leaks LR, DR, kitchen, den
2603	bthrms steam up after showers. Dust buildup around exterior dryer vents; Not sufficient air flow to units.		air leaks and wind noise Main door to suite	cracks on edges of window sills	

Window Legend (from survey, section 3)

a) water leaks
b) air leaks
c) condensation
d) broken glass
e) difficulty closing/locking
f) misalignment
g) wind noise
h) deteriorated finishes

DOMUS
STRATA CORPORATION BCS528
1055 HOMER STREET
VANCOUVER, B.C.

MINUTES OF THE STRATA COUNCIL MEETING OF THE OWNERS OF STRATA PLAN BCS528, "DOMUS", HELD IN THE LOUNGE AREA, 2ND FLOOR, 1055 HOMER STREET, VANCOUVER, B.C., ON MONDAY, OCTOBER 6TH, 2008 AT 7:00 P.M.

PRESENT

Charles Bilash, President
Noel Evans, Treasurer
Nathan Hall, Vice President/Landscaping Committee
Tyson March

REPRESENTING RANCHO MANAGEMENT SERVICES (B.C.) LTD.

Joseph Tsang, Senior Strata Agent

REGRETS

Niknaz Kahnamoui

1. **CALL TO ORDER**

There being a quorum present, the meeting was officially called to order at 7:05 p.m.

2. **PREVIOUS MEETING MINUTES**

There being no errors or omissions, Council adopted the minutes of the previous Council Meeting held on August 25th, 2008, as presented.

3. **RESIDENT MANAGER'S REPORT**

David Lam, Resident Manager, was in attendance and briefed Council on the following:

a) **Painting:** Floors 14, 15 and 16 were recently painted. The Manager also painted the concrete island housing, the bamboo plants and the stripes on the rear lobby steps. Additionally, the floors in storage rooms 5, 6 and 7 were also painted. In terms of hallway painting, there are only four (4) floors left which require painting.

b) **Mechanical Contractor:**
The strata's mechanical contractor has recently conducted their preventative maintenance services and the filters for the make up air unit were changed.

c) **Fire Inspection:** has been scheduled for October 27th, 2008 and the relevant notice has been posted in the elevator cabs.

3. RESIDENT MANAGER'S REPORT – CONT'D

d) **Window Cleaning:**
Window cleaning has been scheduled for the end of October. In closing, Mr. Lam informed Council that the convex mirrors in the fire lane have been adjusted as per the Council's request.

Council then thanked Mr. Lam for attending the meeting and excused him from the meeting at 7:10 p.m.

4. COMMITTEE REPORTS

No new issues to report.

5. FINANCIAL REPORT

The Treasurer informed Council that he has reviewed the August financials and that everything is in order and recommends that the financials statements be approved as presented.

Arrears

The Strata Agent informed Council that those Owners who owed the Strata Corporation's insurance deductible money have all paid. The accounts receivable as of October 6th, 2008 was then reviewed and it was noted that, as of August 31st, only one (1) Owner was in arrears. This Owner has since provided Rancho's office with post dated cheque to cover his monthly strata fees.

6. BUSINESS ARISING FROM PREVIOUS MEETING

a) **2010 Olympics:**
A questionnaire was sent to Owners regarding issues related to the Olympics. 38 responses were received. Key issues were as follows:

i. **Guest Suite**: Owners expressed overwhelming support for leasing out the Guest Suite at market rates during the Olympics period. Since this is considered a change to the bylaws, a ¾ vote resolution of all Owners will be required. Mr. Joseph Tsang will draft the resolution for Council's approval, and it will be presented at the December AGM.

ii. **Renting out individual Suites:** Approximately 40% of Owners who currently occupy their Suite expressed interest in renting out their Suite during the Olympics period. Furthermore, a majority of Owners supported the idea of requiring that those who rent their Suite during the Olympics pay a nominal fee to cover increased Security and other Olympics-related costs. This will also require a ¾ vote resolution, which Mr. Tsang will draft for Council's approval.

6. **BUSINESS ARISING FROM PREVIOUS MEETING – CONT'D**

a) **2010 Olympics – Cont'd:**

iii. **Security:** Owners expressed support for increasing Security during the Olympics period. Mr. Tsang mentioned that most downtown buildings are also looking at increased security, and that it may be difficult to secure extra patrols. However, because "Domus" has an existing contract with a Security company, we have a higher likelihood of getting extra security shifts assigned. Council will address this issue in 2009, and budget accordingly in 2010.

7. **CORRESPONDENCE**.

Correspondence received from Owners was presented to Council for review/discussion and instructions were given on how to respond.

8. **NEW BUSINESS**

a) **Proposed 2009 Operating Budget:**
Council reviewed and discussed the first draft of the proposed 2009 operating budget prepared by the Strata Agent, including the capital budget. The Strata Agent was asked to prepare a 2nd draft of the proposed 2009 budget with the changes discussed and provide Council with a copy by October 15, 2008 for Council's perusal. Council Members were advised to think of other issues which they wish to include on the agenda for discussion at the upcoming Annual General Meeting, such as a potential bylaw dealing with the duration of tenancy in the building, etc.

9. **NEXT MEETING**

The next meeting will be a Strata Council Meeting, to be held on **Monday, November 3rd, 2008** at **7:00 p.m.** in the lounge area, 2nd floor, 1055 Homer Street, Vancouver, B.C.

10. **TERMINATION**

There being no other business to discuss, it was **MOVED, SECONDED,** and **CARRIED** to terminate the meeting at 8:45 p.m.

Respectfully Submitted,

Joseph Tsang, Strata Agent
Rancho Management Services (B.C.) Ltd.
701-1190 Hornby Street, Vancouver, BC, V6Z 2K5
Phone: 684-4508 **(24 HOUR EMERGENCY SERVICES)**
Direct Line: (604) 331-4253
E-mail: josephtsang@ranchogroup.com

STRATA FEES/PRE-AUTHORIZED PAYMENT

Should you ever have any questions regarding your strata account, please feel free to contact our Strata Accounts Receivables Department at: 604 331-4258. Owners who are not yet on Pre-Authorized Payment (P.A.P.) Program, our preferred payment option, should contact the same number to obtain a form. The P.A.P. Program is a convenient payment method whereby we can debit your account with your monthly strata fees on the first of every month.

DOMUS
STRATA CORPORATION BCS528
1055 HOMER STREET
VANCOUVER, B.C.

MINUTES OF THE STRATA COUNCIL MEETING OF THE OWNERS OF STRATA PLAN BCS528, "DOMUS", HELD IN THE LOUNGE AREA, 2ND FLOOR, 1055 HOMER STREET, VANCOUVER, B.C., ON MONDAY, NOVEMBER 3RD, 2008 AT 7:00 P.M.

PRESENT

Charles Bilash, President
Noel Evans, Treasurer
Nathan Hall, Vice President/Landscaping Committee
Niknaz Kahnamoui

REPRESENTING RANCHO MANAGEMENT SERVICES (B.C.) LTD.

Joseph Tsang, Senior Strata Agent

REGRETS

Tyson March

1. **CALL TO ORDER**

There being a quorum present, the meeting was officially called to order at 7:05 p.m.

2. **PREVIOUS MEETING MINUTES**

There being no errors or omissions, Council adopted the minutes of the previous Council Meeting held on October 6th, 2008, as presented.

3. **RESIDENT MANAGER'S REPORT**

David Lam, Resident Manager, was absent from the meeting but provided a written report detailing the following:

a) **Water Damage:** a flood occurred on October 12th, 2008 as a result of a washing machine overflow in unit 2104 and eight (8) other suites were affected.

b) **Annual Fire Alarm Inspection:** the required annual testing of the building's fire safety alarm system was conducted with the following suites failing to provide access:

TH1049, 404, 702, 803, 806, 1106, 1206, and **1406**

c) **Window Cleaning:** has been completed by Champion Window Cleaning.

d) **Gutter:** in front of the rear lobby was cleaned by the Building Manager.

3. RESIDENT MANAGER'S REPORT – CONT'D

e) **Painting:** Floors 17th and 18th, and the doors on level 2, as well the floor surface of level P0 lobby have recently been painted. The brown concrete flower beds in front of townhouses were also painted.

f) **Break and Enter:** There were two criminal incidents to report. On October 12th, a parkade gate was pried open resulting in the break-in of two vehicles. And on October 27th, an attempted break-in occurred at the front entrance, resulting in the shattering of the front door.

Council discussed upgrading the door with shatter proof materials at a cost of $4,000. However, given the rarity of this type of incident, Council decided to replace the damage with standard glass.

4. COMMITTEE REPORTS

The Landscaping Committee recently conducted a walk through with the Strata's gardener. One issue discussed was replacement of "annual" flowers with "perennials" in the large planters flanking the rear lobby. In the long run, this could save up to $1,000 per year in planting costs. However, the upfront cost is approximately $5,000. Due to current budget constraints, Council voted to continue planting "annuals" in the noted areas as well as the two planters in front of the main entrance on Homer Street.

Council also approved 2009 budgeting for the planting of "Mondo" grass for the 4th level planters located on the east and west elevation, as well as the replacement of three dead "Japanese Maple" trees in the rear courtyard.

5. FINANCIAL REPORT

The Treasurer informed Council that he has reviewed the September financials and that everything is in order. Council approved the financial statements as presented.

Arrears

The accounts receivable as of October 28th, 2008 was reviewed and it was observed that only one (1) Owner is in arrears in Strata payments, but the Owner has since signed onto pre-authorized payment plan.

Proposed 2009 Operating Budget and Capital Budget

Council made relevant changes to the proposed 2009 operating budget after receiving the 1st draft from the Strata Agent. In addition, changes were also made to the capital budget. Both documents will be submitted for Owner's consideration at the AGM to be held on December 1st.

6. BUSINESS ARISING FROM PREVIOUS MEETING

a) **¾ Vote Resolution:**
Council reviewed the various ¾ vote resolutions which will be presented to the General Membership for consideration and made relevant changes.

7. CORRESPONDENCE.

Owners are encouraged to write Strata Council, via Rancho Management Services, on any strata related matter (*i.e. suggestions, concerns, etc.*). Correspondence can be sent to Rancho's office at #701-1190 Hornby Street, Vancouver, B.C., V6Z 2K5, or by Fax to (604) 684-1956 or by Email to josephtsang@ranchogroup.com.

Strata Council reviewed all correspondence and instructed Rancho on which units should be fined as per Section 135 of the *Strata Property Act.*

8. NEW BUSINESS

a) **Flood in Unit 2104:**
As stated in the Resident Manager's report, there was a flood originating from Suite 2104, with damages sustained in approximately eight (8) units and several common areas. Two estimates for the remedial work in the amount of approximately $37,000 were presented to Council for consideration. Council awarded the job to Phoenix Restoration, who has successfully completed other emergency work for the Strata.

The remediation work is covered by the Strata's insurance, subject to a $10,000 deductible, which will be assessed against the Owner of Suite 2104. As a result of this claim, the Strata's insurance broker has informed us that the water damage deductible will be increased to $25,000. The Strata Agent recommended that all Owners check with their own insurance broker to be sure the $25,000 deductible is fully covered by their personal Condo insurance policy if the damage results from a covered event originating in their unit.

b) **Hot Water Tank Failure:**
Council was informed that two (2) hot water tanks have recently failed. Both had exceeded their original 5 year life span. The replacement costs for two (2) new tanks is approximately $15,000, including an extended warranty providing full replacement costs if the tanks fail within 5 years of installation. This $15,000 will be funded from the Strata's contingency reserves, subject to Owner approval at the AGM.

Before moving forward on tank replacement, it was suggested that Council consider switching to a boiler system instead of individual hot water tanks. There are larger upfront costs involved in such a switch, and the timing to complete the installation could be several months. However, in the long run, such as system could save money. It was agreed that Council should obtain a proposal to switch over to a boiler system. If the conversion process is determined to take longer than two (2) months, Council will consider replacing one of the two leaky tanks as an interim solution.

8. NEW BUSINESS – CONT'D

c) **Transients:**
It was brought to Council's attention that there has been an increase in illegal activity by transients in the alley behind Richards on Richards. Council agreed to draft a complaint letter that Owners can sign and send to the City and to the developer of the Richards property, demanding they take action to immediately curb these activities. Council will also contact Councils of neighboring Strata buildings to enlist their help in the letter writing effort.

d) **Car Wash Area:**
It has been observed that the concrete floor in the carwash area has become slippery due to built-up soapy water. Council requested the Building Manager apply a new coat of paint with sand sprinkle on the surface to reduce the slipperiness.

9. NEXT MEETING

The next meeting will be an **Annual General Meeting**, tentatively scheduled for **Monday, December 1, 2008** at **7:00 p.m.** in the 2nd floor lounge of Domus.

Notice of the meeting will be sent out to all Owners in accordance to the provisions in *Strata Property Act.*

10. TERMINATION

There being no other business to discuss, it was **MOVED, SECONDED,** and **CARRIED** to terminate the meeting at 9:35 p.m.

Respectfully Submitted,

Joseph Tsang, Strata Agent
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HOLIDAY GREETINGS

At this time, Rancho Management Services would like to wish everyone the best of the Holiday Season!

Please note that during the Christmas Holidays and the New Year period any emergency situations can be handled by contacting Rancho's 24 hour emergency number.

RANCHO'S CHRISTMAS HOURS

FRIDAY, DECEMBER 12	**CLOSED AT 1:00 PM**
WEDNESDAY, DECEMBER 24	**CLOSED AT 3:00 PM**
THURSDAY, DECEMBER 25	**CLOSED**
FRIDAY, DECEMBER 26	**CLOSED**
WEDNESDAY, DECEMBER 31	**CLOSED AT 3:00 PM**
THURSDAY, JANUARY 1	**CLOSED**