

Project No. 1801068.00  
*FINAL Report*

# The Mondrian

## Depreciation Report Update

Prepared for:

The Owners, Strata Corp. EPS 1502  
1090 Johnson Street, Victoria, BC

June 26, 2018



**DEPRECIATION REPORT UPDATE**



## EXECUTIVE SUMMARY

Morrison Hershfield Limited (MH) was retained to prepare a Depreciation Report Update for the Owners of The Mondrian, Strata Corporation EPS 1502, located at 1090 Johnson Street in Victoria, BC. Authorization to proceed with the assessment was provided by an Authorization to Proceed as signed by the Strata Agent Denise Brooks, dated November 29, 2017.

The purpose of a depreciation report update is to provide building owners with updated guidance regarding future potential costs associated with ongoing renewal or replacement of significant building elements. This report is intended to satisfy the provisions of the Strata Property Act 1999 with Amendments July 1, 2000, December 13, 2011 and December 12, 2013.

The Mondrian is a 10-storey residential tower constructed with a cast-in-place concrete structure with steel-stud infill walls. The superstructure has been built over two levels of cast-in-place concrete parkade. The parkade extends out past the foot print of the building on the north and south elevation creating podium areas. These assemblies have been waterproofed with a 2-ply SBS modified bitumen membrane.

Cladding consists primarily of metal and composite panels with isolated areas of painted cast-in-place concrete. Windows are aluminum framed assemblies. Balconies and roof decks are present on the upper floors. These assemblies are accessed through aluminum swing doors and have metal framed glazed railings around the perimeters. The main roof is a low sloped inverted roof assembly which has been waterproofed with a 2-ply SBS modified bitumen membrane.

Corridor floors have been finished with carpet. Limited areas of tile floor finishes are present in the lobby areas (main lobby and elevator lobbies). Walls and ceilings are primarily finished with painted gypsum wall board. An isolated area of wood paneling is present in the main lobby. Common facilities include a meeting room and washroom. Storage lockers and bike rooms are present in the parkade.

Common mechanical and electrical equipment includes power and water distribution, common lighting, parkade fire sprinklers, irrigation sprinklers, and sanitary and storm drainage. Two elevators are present.

Soft landscaping is limited to planters and a landscaped section on the north elevation. Hard landscaping is limited to concrete and interlocking paver walkways/drive aisles.

As part of this report, MH performed site reviews on January 19 and April 10, 2018. The general condition of individual building elements as noted in this report are based on observations made on that day.

Based on our site review and apparent level of maintenance of the building, elements listed in this report have been assigned a condition rating of "Good". This building is approximately 5 years old and most elements are in an "as new" condition.

We have not included for elevator repairs and upgrades as identified by the elevator service consultant/contractor as these were outside the scope of our services. These elements should be reviewed by an appropriate party and incorporated into this study.

The following table presents a summary of the **total projected costs** anticipated for each building element over the next ten year period. For brevity only elements with a **ten year total** in excess of \$10,000 are represented here. A more inclusive list is found in Section 2.7 of this report.

Building Component	Year to Replace /Renew	Est. Cost Incl. taxes
Main Switchgear - IR Scanning - Study	2019/2024	\$12,000
Overhead Garage Doors - Replacement	2021	\$12,000
Common Area Stair Finishes - Repaint	2023	\$42,000
HVAC Controls - Parkade Exhaust - CO Detection System - Replacement	2023	\$12,000
Joint Sealant - Replacement	2025	\$241,000
Depreciation Report - Required every three years	2021/2024/2027	\$15,000

Three funding scenarios are provided in this report for the Owners' consideration to accommodate the predicted expenditures (as follows).

### Scenario 1

Minimum Balance in year 2037 \$64,249.72

	2018	2019	2020	2021
Annual Reserve Contribution	\$58,144.00	\$59,306.88	\$60,493.02	\$61,702.88
% Increase to Contingency Only		2.0%	2.0%	2.0%
Average Increase per Unit per Year		\$11.99	\$12.23	\$12.47
Average Annual Contribution per Unit per Year	\$599.42	\$611.41	\$623.64	\$636.11
Average Monthly Contribution per Unit	\$49.95	\$50.95	\$51.97	\$53.01
Total Special Levies for the Report Timeline	\$1,160,000.00			

**Scenario 1:** This funding scenario represents the current contribution model, based on contributions of \$58,144 per year into the contingency fund and extrapolated over the thirty year funding horizon. Increases to contingency contributions are provided to match predicted inflation only. As a result, predicted expenditures from the contingency fund for renewal and replacements are covered by a mixture of monthly contributions and special assessments. The total amount of estimated special assessments over the thirty year timeline is \$1,160,000.

### Scenario 2

Minimum Balance in year 2038 \$82,653.98

	2018	2019	2020	2021
Annual Reserve Contribution	\$58,144.00	\$72,680.00	\$87,216.00	\$100,298.40
% Increase to Contingency Only		25.0%	20.0%	15.0%
Average Increase per Unit per Year		\$149.86	\$149.86	\$134.87
Average Annual Contribution per Unit per Year	\$599.42	\$749.28	\$899.13	\$1,034.00
Average Monthly Contribution per Unit	\$49.95	\$62.44	\$74.93	\$86.17
Total Special Levies for the Report Timeline	\$0.00			

**Scenario 2:** Proposes increasing the contribution rate to the contingency fund for the first three years by 25% in the first year, 20% in the second, and 15% in the third. After this point, contribution rates are increased by 2% annually to match inflation. No special assessments are predicted in this scenario.

**Scenario 3**

Minimum Balance \$144,268.08  
in year 2038

	2018	2019	2020	2021
Annual Reserve Contribution	\$58,144.00	\$66,865.60	\$76,895.44	\$84,584.98
% Increase to Contingency Only		15.0%	15.0%	10.0%
Average Increase per Unit per Year		\$89.91	\$103.40	\$79.27
Average Annual Contribution per Unit per Year	\$599.42	\$689.34	\$792.74	\$872.01
Average Monthly Contribution per Unit	\$49.95	\$57.44	\$66.06	\$72.67
Total Special Levies for the Report Timeline		\$0.00		

**Scenario 3:** Contributions to the contingency fund are increase by 15% for two years followed by four increases of 10%. After this point, contribution rates are increased by 2% annually to match inflation. No special assessments are predicted in this scenario.

**These scenarios are intended to demonstrate a range of funding options. The actual scenario adopted by the Owners may be one of these scenarios or a new scenario that incorporates elements from those presented. The Owners' own risk and financial profiles will govern what funding scenario best meets their need.**

# TABLE of CONTENTS

	<b>Page</b>
1. INTRODUCTION	1
1.1 Report Format	1
1.2 Objectives	1
1.3 Terms of Reference	2
1.4 Project Team and Qualifications	2
1.5 Limitations and Assumptions	3
2. PHYSICAL ASSESSMENT	4
2.1 General Facility Description	4
2.1.1 Component Inventory	4
2.1.2 Common Elements	5
2.1.3 Shared Facilities	5
2.2 Visual Review	5
2.3 Documents Review	6
2.4 Fiscal Year	6
2.5 Reporting	6
2.6 Condition Assessment Table – Column Description	6
2.7 Significant Capital Expense Forecasts	9
3. FINANCIAL FORECASTING	10
3.1 Interest	10
3.2 Inflation	10
3.3 Starting Balance	10
3.4 Contributions	11
3.5 Minimum Reserve Fund Balance	11
3.6 Requirements Under the Act	12



# TABLE of CONTENTS

	Page
4. SUMMARY	13
Appendix A Condition Assessment and Capital Plan	
Appendix B Cash Flow Tables	
Appendix C Glossary of Terms	
Appendix D Photosheet	
Appendix E Draft Changes	



# 1. INTRODUCTION

Morrison Hershfield Limited (MH) was retained to prepare a Depreciation Report Update for the Owners of The Mondrian, Strata Corporation EPS 1502, located at 1090 Johnson Street in Victoria, BC. Authorization to proceed with the assessment was provided by an Authorization to Proceed as signed by the Strata Agent Denise Brooks, dated November 29, 2017.

## 1.1 Report Format

The main report body includes an executive summary plus background, terms of reference, methodology, and definitions applicable to the facility.

Appendix A includes the Condition Assessment (including the information as identified in Section 2) and Capital Plan identifying anticipated future capital costs. As a threshold value provided by Strata, we have assumed for the purpose of this report that small capital expenditures below \$1,000 will be paid for out of the operating budget.

Capital expenditures below the threshold may still appear in the Condition Assessment table for future reference, but will not be calculated into the funding scenarios.

Appendix B contains the Cash Flow Tables showing possible funding strategies based on assumptions and calculations as described in Section 3, and a summary of the Scenarios provided.

Appendix C is a glossary of commonly used building terminology used in the report.

Appendix D is a photo sheet with images referenced in the Condition Assessment table. Photos depict issues or defects noted in the “Description and History” column of the Condition Assessment table.

Appendix E is a summary of the changes made from draft to final issue.

## 1.2 Objectives

The objective of this depreciation report update is to provide the Strata with sufficient information to enable them to:

- a) Provide a schedule for the anticipated repair and replacement of common element items.
- b) Identify a special account for major repair items and replacement of common elements and assets of the Corporation.
- c) To determine the annual financial contributions necessary to maintain an adequate contingency reserve fund balance for the 30 year period of this report.
- d) Satisfy the legislation regarding the *Strata Property Act 1999 with Amendments July 1, 2000 and December 13, 2011 and December 12, 2013*, that requires a depreciation report update be completed.

### 1.3 Terms of Reference

This depreciation report update was subject to the limitations of Section 1.5 and addressed the scope of service as outlined in our proposal dated October 29, 2017.

### 1.4 Project Team and Qualifications

As per section 6.2 of the Act, clause 1d, the report must provide the name of the person from whom the depreciation report update was obtained and a description of:

- (i) their qualifications
- (ii) the error and omission insurance, if any, carried by that person, and
- (iii) the relationship between that person and the strata corporation

(i) Morrison Hershfield Limited (MH) prepared this report. MH is a prominent, privately held, multi-disciplinary engineering and management firm. Our mandate is to provide services and solutions that will assist our clients in achieving their objectives in a cost effective, efficient, professional and friendly manner. The firm was established in 1946 and has a broad range of engineering, architectural and specialist skills that are used to serve clients in the public and private sectors.

Depreciation report projects at MH are carried out by the Building Specialty Services Business Unit. This group encompasses a staff of approximately 400 people across North America. We have worked on many types of buildings and structures for a diverse array of clients and have helped owners retrofit their buildings/structures and plan funds for future maintenance/capital works, since our inception in 1946. The team at Morrison Hershfield has the expertise to complete assessments on mechanical, electrical, life safety, building envelope and structural systems. Interrelationships between different building systems are understood and technically integrated solutions are provided to clients. We ensure consistency in assessments across large and diverse portfolios and across disciplines to assist our clients in making well-informed decisions.

This Depreciation Report Update has been prepared and/or reviewed by various personnel. The visual review of the building, mechanical and electrical systems, and site was conducted during our visits on January 19 and April 10, 2018. Units 404, 409, 501, 502, 503, 507, 608, 704, 804, 1002, and 1010 were entered as part of the review.

The following are the reviewers, their qualifications and the respective disciplines for which each was responsible:

- Chris Raudoy, B.Arch.Sci, LEEP AP, of MH is a Building Science Consultant experienced in the design, construction and assessment of both low-rise and high-rise construction. Chris supervised the overall scope of work and reviewed the draft report and tables.
- Tyler Brown, M.Sc, is a Building Science Consultant with over two years of experience in the building science field. Tyler completed the building review, preparation of capital tables and wrote the report.

(ii) We confirm that we carry professional liability insurance in the amount of \$2,000,000 per claim.



(iii) Morrison Hershfield is not associated with Strata Corp EPS 1502 beyond being retained to perform professional services. We are not aware of any conflicts of interest.

## 1.5 Limitations and Assumptions

This report is intended for the sole use of Strata Corp. EPS 1502 and must not be distributed or used by others without our knowledge. It is based on the documents and information provided to us and the findings at the time of our on-site investigation.

It is a basic assumption that any correspondence, material, data, evaluations and reports furnished by others are free of latent deficiencies or inaccuracies except for apparent variances discovered during the completion of this report.

Unless specifically noted in this report, no testing, verification of operation of systems, review of concealed elements, intrusive openings, opening of system components for internal inspection, detailed analysis or design calculations were conducted, nor were they within the scope of this review. If repairs are identified, further investigation should be conducted as the depreciation report is not intended to provide an in-depth assessment and/or design of the repair items.

Some of the findings herein are based on a random sampling visual review of the surface conditions, discussions with the Strata and/or their designated representatives, and review of relevant documents. Observations were made only of those areas that were readily accessible during our review. Deficiencies existing but not recorded in this report were not apparent given the level of study undertaken. Components not included have not been reviewed, and if their conditions need to be known, further study will be required. Finally, we have not undertaken a physical review of subsurface conditions or concealed structural systems.

It is possible that unexpected conditions may be encountered at the building/facility that have not been explored within the scope of this report. Should such an event occur, MH should be notified in order that we may determine if modifications to our conclusions are necessary.

In issuing this report, MH does not assume any of the duties or liabilities of the designers, builders or owners of the subject property. 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 and the general visual inspection undertaken, and understand that MH cannot be held liable for damages they may suffer in respect to the purchase, ownership, or use of the subject property.

Professional judgment was exercised in gathering and analyzing the information obtained and in the formulation of the conclusions. Like all professional persons rendering advice, we do not act as insurers of the conclusions we reach, but we commit ourselves to care and competence in reaching those conclusions. No other warranties, either expressed or implied, are made.

## 2. PHYSICAL ASSESSMENT

### 2.1 General Facility Description

The Mondrian is a 10-storey residential tower constructed with a cast-in-place concrete structure with steel-stud infill walls. The superstructure has been built over two levels of cast-in-place concrete parkade. The parkade extends out past the foot print of the building on the north and south elevation creating podium areas. These assemblies have been waterproofed with a 2-ply SBS modified bitumen membrane.

Cladding consists primarily of metal and composite panels with isolated areas of painted cast-in-place concrete. Windows are aluminum framed assemblies. Balconies and roof decks are present on the upper floors. These assemblies are accessed through aluminum swing doors and have metal framed glazed railings around the perimeters. The main roof is a low sloped inverted roof assembly which has been waterproofed with a 2-ply SBS modified bitumen membrane.

Corridor floors have been finished with carpet. Limited areas of tile floor finishes are present in the lobby areas (main lobby and elevator lobbies). Walls and ceilings are primarily finished with painted gypsum wall board. An isolated area of wood paneling is present in the main lobby. Common facilities include a meeting room and washroom. Storage lockers and bike rooms are present in the parkade.

Common mechanical and electrical equipment includes power and water distribution, common lighting, parkade fire sprinklers, irrigation sprinklers, and sanitary and storm drainage. Two elevators are present.

Soft landscaping is limited to planters and a landscaped section on the north elevation. Hard landscaping is limited to concrete and interlocking paver walkways/drive isles.

#### 2.1.1 Component Inventory

The first step in preparing this report is identifying the component inventory for your complex. A component inventory is a list of each item of the common elements and assets of the corporation that requires, or is expected to require within at least 30 years of the date of the report, major repair or replacement. The Strata Property Act differentiates between operating fund expenses and reserve fund expenses as follows:

*Operating fund: common expenses that usually occur either once a year or more often than once a year.*

*Contingency reserve fund: common expenses that usually occur less often than once a year or that do not usually occur.*

It has been our experience that most Strata choose to cover small capital expenditures out of the operating budget. The threshold value of operating expenses was provided by the Strata. For the purpose of this report, we have assumed that capital expenses less than \$1,000 will be covered out of the operating budget, and expenses greater than that amount be budgeted for in the Reserve Fund.

### 2.1.2 Common Elements

We understand that the following building components are common elements at The Mondrian:

- Structural Systems
- Parkade slab-on-grade
- Exterior Walls, all components up to the back-side of the interior gypsum wall board
- Windows and Doors
- Roofing and associated Flashings and Soffits,
- Roof Decks
- Balconies, Railings and Soffits
- Common Corridor Finishes
- Common Meeting Room and Washroom
- Common Storage Areas
- Mechanical Systems (components that serve more than one unit)
- Electrical Systems (components that serve more than one unit)
- Fire Suppression and Alarm Systems
- Common Area Soft and Hard Landscaping
- Entrance Drive and Parking Areas

Two elevators are present in the building. While not reviewed as part of this study, elevators can represent a significant expense as the equipment begins to age. It is recommended that a review be conducted by the current service provider.

### 2.1.3 Shared Facilities

We understand that The Mondrian has no facilities that are shared with another Strata or property owners.

## 2.2 Visual Review

A visual review of the subject complex was conducted on January 19 and April 10, 2018. The reviewers and the respective disciplines are listed above in section 1.4.

Property Caretaker Howard Avery accompanied MH during our review of the building and provided access to all areas of the facility including representative suites. The review included units 404, 409, 501, 502, 503, 507, 608, 704, 804, 1002, and 1010.

Our evaluation of the building, and the building systems and components was based on a random sampling visual review of areas that were readily accessible at the time of our visit, and components that were exposed. No destructive openings, testing, or design reviews were conducted in completing our report.

Our site visit consisted of a visual review of a sampling of readily accessible, exposed structural components in an attempt to identify the symptoms of structural distress (i.e., excessive cracks, movement or displacement, and/or cracked finishes and glazing). Given that our review has been made on a random sampling basis and that structural members were generally not subjected to their full design

live loads (including wind and seismic effects), this type of review is very limited in identifying hidden or latent structural defects.

### 2.3 Documents Review

The following documentation was provided for our review to assist with the creation of this report:

- Depreciation Report Questionnaire as completed and returned by the Property Manager
- Original Depreciation Report by Morrison Hershfield, dated December 14, 2015
- Architectural drawings prepared by de Hoog & Kierulf Architects, dated June 24, 2013
- Strata Property Act Bylaws, dated June 25, 2013

### 2.4 Fiscal Year

The fiscal year of the corporation is from December 1, 2017 to November 30, 2018. Following accounting standards, in this report we identify the fiscal year by the year in which it ends. For example, the 2017/2018 fiscal year is referred to throughout as 2018.

### 2.5 Reporting

The Condition Assessment is included in Appendix A. A detailed description of the table contents and our approach to assigning ratings is described below:

#### TABLE 2.1 – CONDITION ASSESSMENT SPREADSHEET

The Building Condition Assessment/Capital Plan table is provided in Appendix A and shows our opinion of the probable cost to carry out the recommendations (in current fiscal year dollars) during the planning horizon. The repairs and replacements we have forecasted do not represent a fixed schedule for replacements; repairs or replacements may be required sooner or later than we have anticipated, or may not be required at all during the term of the report.

### 2.6 Condition Assessment Table – Column Description

COLUMN	DESCRIPTION
Item #	Provides numerical reference to representative photographs included in Appendix D.
Component ID	The component number, as per the ASTM Unifomat II Classification for Building Elements (E1557-09)
Location / Type	Location or other modifier as needed to assist in identifying the specific component.
Description & History	A brief description of the component, deficiencies observed by MH (if any), and problems or previous repairs reported by site staff.

COLUMN	DESCRIPTION
Condition Rating	<p>Good Functioning as intended; limited (if any) deterioration observed.</p> <p>Fair Function and operation exhibiting wear or minor deterioration, normal maintenance frequency.</p> <p>Poor Function and operation failing; significant deterioration and distress observed; increased maintenance attention has been required.</p>
Year of Acquisition	This is assigned based on available data from drawings or reports, readily accessible nameplate information on equipment, or interviews with site staff. Where the year is not known, MH provides an estimate based on observed condition. This may also be the year when a particular building element was replaced or renewed (i.e. roof).
Recommendation	Based on MH's assessment. If there are no anticipated repairs, replacements, studies over the planning horizon, there will be no recommendation. A single component can have multiple recommendations.
Type	<p>Replacement: Replace like with like, allowing for changing contemporary standards.</p> <p>Repair Allowance: Preliminary allowance for repairs where the scope is not yet defined.</p> <p>Contingency: For repairs likely to be required where the timing and scope cannot be assessed without additional study; or where failure is unpredictable</p> <p>Study: Further study is required to assign more accurate repair/replacement costs or timing for a Contingency item</p> <p>Upgrade: Replace to a higher standard (more efficient, higher quality, etc.)</p>
Priority	<p>1 Immediate: items that require immediate repair or replacement because of either a code deficiency or a safety concern</p> <p>2 Deferred Maintenance: items that currently require repair or replacement to restore functionality (where repair or replacement has been deferred).</p> <p>3 Renewal: items that will require future repair or replacement to maintain functionality (life cycle replacement).</p> <p>4 Discretionary Renewal: items where the timing and scope of work is at the owner's discretion.</p>

COLUMN	DESCRIPTION
Age in Current Fiscal Year	The age at the time of the assessment. Where the exact age is unknown, MH provides an estimate based on observed condition.
Typical Lifecycle	Standard lifespan, assuming normal maintenance, based on our experience and manufacturer's recommendations. A piece of equipment may have a typical lifespan for complete replacement, as well as a typical lifespan for a recommended repair with a much shorter frequency.  A lifecycle of 99 shows a one-time project.
Remaining Life Expectancy (Est. Life Rem)	Remaining life of component and/or time to the next major repairs. Based on Age subtracted from Typical Lifespan, but confirmed and adjusted as needed depending on observed condition.  A negative value is used to show phased projects already partially complete.
Years Over Which Project is Phased (Proj. Dur. (yrs.))	Normally projects are completed in one year. Larger projects may be phased over several consecutive years.
Opinion of Probable Cost	Identifies approximate quantities for capital budgeting purposes only, and applies unit rates, contingencies, and consulting fees, as appropriate.
Percent Allocated	Our estimate of the extent requiring repair or replacement. Typically 100%, however; some items such as structural systems are constructed to last the life of the building and do not need to be replaced in their entirety. However, it is reasonable to assume that some repairs to these components may be required within the terms of the report. For these items an allowance based on a percentage of replacement cost has been allocated. This column is also used to accommodate items that may be shared with an adjacent property (i.e. fences, driveways, parking lots).
Included, Yes or No	Occasionally, the dollar value of a capital expenditure item is below the threshold value that Strata has chosen as the minimum cost eligible to be paid from the contingency (reserve) fund. Below this threshold, lower cost expenditures may be funded directly from the operating budget. All appropriate capital cost items are presented in the Condition and Capital Plan Table for the benefit of Strata planning but only those with a total dollar value above the threshold are included in the Capital Plan and funding scenarios (as denoted with a "Y").
Estimated Budget	In current fiscal year dollars including consulting, contingencies and taxes where we feel it is appropriate. See the following discussion regarding Opinions of Probable Cost.

**Opinions of Probable Cost (OPCs)** are provided only as an indication of the possible cost of remedial work. The repair or replacement costs are based on published construction cost data, recent bid prices on similar work, and information provided by the owner. More precise opinions of probable cost would require more detailed investigation to define the scope of work.

The major repair or replacement of building components is based on using components that are equivalent in quality and cost. Therefore, the allowance for the major repair or replacement is typically based on a “like-for-like” component. In some instances, the component may have become obsolete and in no longer available at reasonable cost. Hence, the replacement would involve an item that is equivalent or greater in performance and function. Unless circumstances dictate, no additional allowance is made for “upgrading” building components.

The OPC we have presented can vary due to a number of reasons including changing market conditions, updated Codes and Standards, availability of newer materials and systems, and increased or decreased scope of work than we have identified.

We recommend that costs for consulting services, including design, tendering and construction review, be included in the reserve fund plan. The cost for these services can vary significantly depending on the size, scope and degree of complexity of the project. We have included a variable allowance for consulting fees and contingencies where we believe it is appropriate, and the 5 percent GST. All costs in the Condition Assessment and Capital Plan tables are identified in current fiscal year Canadian dollars.

Review of the Tables reveals several contingencies that occur in a single year of the report period. Though these repairs and replacements will not all take place in one year, and may not be required at all, it is prudent to budget for such repairs since failure of some components is unpredictable.

All OPCs assume that regular annual maintenance and repairs will be performed to all elements at the facility.

## **2.7 Significant Capital Expense Forecasts**

The Mondrian is approximately five years old and, although in good condition, there are items of repair and renewal that are predicted to occur over the next 10 years given the predicted lifespan of some of the components.

The following items are forecast to have some impact on the reserve (contingency) fund over the next ten years (listed in order of estimated expense):

1. Replacement of joint sealant between dissimilar materials, around windows and doors.
2. Repaint and update interior stairwell finishes.
3. Updates of the depreciation report every three years
4. Conduct infrared scans on major switchgear.
5. Replacement of overhead garage door and motor as required.
6. Installation of new CO detection system.
7. Replacement or overhaul of parkade exhaust fans at end of service life.
8. Periodic camera inspection of foundation drainage system.
9. Replacement of hot water recirculating pumps at end of service life.
10. Relaying of isolated pavers as required.

### 3. FINANCIAL FORECASTING

The Cash Flow Tables are included in Appendix B. A detailed description of our assumptions and our analysis approach is described below:

#### 3.1 Interest

The assumed interest rate used in the Cash Flow Tables is 2%, as proposed in the questionnaire provided to Strata EPS 1502.

The interest earned on the Reserve Fund for each year is based on a Mid-Year Interest Calculation. It is our understanding from previous discussions with clients involved in long-term financial planning that this interest calculation is accepted for long-term financial planning. Over the 30-year period, the calculated interest is lower than calculating Simple Interest; therefore it is a more conservative method for calculating interest.

With the Mid-Year Interest Calculation, the interest earned on the Reserve Fund is calculated at the middle of the fiscal year assuming that half the expenses have been taken out of the Reserve Fund and half the annual contribution has been deposited into the Reserve Fund. Therefore, interest is calculated as follows:

$$\text{Interest} = \text{Interest Rate} \times \left( \text{Starting Balance} - \frac{\text{RFS Expenses}}{2} + \frac{\text{Annual Contribution}}{2} \right)$$

#### 3.2 Inflation

The Government of Canada and the Bank of Canada inflation-control policy is aimed at keeping inflations at agreed to target values. At present the target range is 1 to 3 per cent, with the Bank's monetary policy aimed at keeping inflation at the 2 per cent target midpoint. This policy has continued to be renewed since implementation in 1991, and currently extends to December 31, 2021.

The assumed inflation rate used in the Cash flow Tables is 2%, as proposed in the questionnaire provided to Strata EPS 1502.

The total annual estimated expenditures are shown in the Capital Plan in current fiscal year dollars. The expenditures shown in the Cash Flow Table are inflated annually by the inflation percentage show.

#### 3.3 Starting Balance

The Reserve Fund balance at the start of the current fiscal year was provided by the Strata Council (Current balance = \$106,548.29)



### 3.4 Contributions

The present annual contribution to the Reserve Fund was provided by the Strata Council. (Current total annual contribution = \$58,144 per year).

Future annual contributions are calculated based on the estimates of life expectancy and opinions of probable cost, Minimum Reserve Fund Balance, and the assumptions for inflation and interest. Sample annual contributions that would result in an adequate Reserve Fund are indicated in the Cash Flow Scenarios in Appendix B.

When large expenses are anticipated in the near future and the existing Reserve Fund Balance is relatively low, increases to the annual contribution may not be sufficient. Increasing the annual contribution to an amount that can accommodate the major expenses is typically not considered a suitable funding plan since the Reserve Fund Balance often becomes relatively high for the remainder of the report period. This is not recommended as the Strata Property Act limits expenditures from the reserve fund to those:

- (a) *consistent with the purposes of the fund as set out in Section 92 (b), and*
- (b) *first approved by a resolution passed by a majority vote at an annual or special general meeting, or authorized under section 98.*

In such cases, Other Contributions are considered in the Cash-Flow Plan. These contributions can be in the form of special levies or surplus funds that the Strata have indicated will be available from other sources (i.e. transferred from operating budgets or contingency funds).

We note that there is a risk of relying on Special Levies as they must be approved by a resolution passed by a majority vote.

### 3.5 Minimum Reserve Fund Balance

The Act (as described in 3.6 below) sets out guidelines for maintaining a minimum balance based on the annual budget, however such a minimum balance may not be sufficient to meet projected and unexpected expenditures for a given year. Capital expenditures tend to be more proportional to the size and type of development than just the annual operating budget, therefore there will be instances when the recommended minimum balance will be substantially higher than what is set forth under the Act.

From the questionnaire we provided to the Strata, the Strata has indicated the following preferences for a minimum reserve fund balance:

Depreciation report Period	Target Minimum Reserve Fund Balance
Years 1 to 10	\$65,000
Years 11 to 20	\$65,000
Years 21 to 30	\$65,000

Where practical, we attempt to maintain these minimum balances in each scenario, however occasionally it is reasonable to allow the reserve fund to drop below these minimums if there is a reasonable expectation that the fund will fully restore within the next fiscal year.

### **3.6 Requirements Under the Act**

The Annual Reserve Contribution for the first year of this report is indicated in Section 3.4 above. Future annual contributions are calculated based on the estimates of life expectancy and opinions of probable cost, Minimum Reserve Fund Balance, and the assumptions for inflation and interest. Sample annual contributions are indicated in the Scenarios shown in Appendix B.

Contributions may be limited by the Strata Property Act as provided by Section 6.1 of the Strata Property Regulation, which indicates that the amount of the annual contribution to the contingency reserve fund must be determined as follows:

- (a) if the amount of money in the contingency reserve fund at the end of any fiscal year after the first annual general meeting is less than 25% of the total annual budgeted for the contribution to the operating fund for the fiscal year that has just ended, the annual contribution to the contingency reserve fund for the current fiscal year must be at least the lesser of:
  - i. 10% of the total amount budgeted for the contribution to the operating fund for the current fiscal year; and
  - ii. The amount required to bring the contingency reserve fund to at least 25% of the total amount budgeted for the contribution to the operating fund for the current fiscal year.
- (b) if the amount of money in the contingency reserve fund at the end of any fiscal year after the first annual general meeting is equal to or greater than 25% of the total annual budgeted for the contribution to the operating fund for the fiscal year that has just ended, additional contributions to the contingency reserve fund may be made as part of the annual budget approval process after consideration of the depreciation report update, if any, obtained under section 94 of the Act.

## 4. SUMMARY

Morrison Hershfield Limited has reviewed and assessed the reserve fund requirements of Strata Corp. EPS 1502 in accordance with the Scope of Services and Limitations outlined in Section 1 of this report.

This depreciation report update presents possible funding strategies that will provide adequate funding to cover anticipated major repairs and renewals expected in the next 30 years. It has been developed based on the information provided to us by the Strata and our review of the site.

The depreciation report update is a dynamic document that will change over time as repairs/renewals are carried out on the common elements and interest/inflation rates change. The repairs and renewals we have forecasted do not represent a fixed schedule for renewals; repairs or renewals may be required sooner or later than we have anticipated. Similarly, the opinions of probable cost we have presented can vary due to a number of reasons including changing market conditions, availability of newer materials and systems, and increased or decreased scope of work than we have identified. As such, regular updates to this depreciation report update are necessary to re-assess the needs of your building.

The Strata is required to conduct an update within three years of the date of this report. Consideration should be given to an inspection at an earlier date (prior to the three-year anniversary of this report) if there are any significant changes to the cash flow due to unforeseen conditions.

If you have any questions regarding the information contained herein, please contact the undersigned.

### MORRISON HERSHFIELD LIMITED



**Tyler Brown, M.Sc**  
*Building Science Consultant*



**Chris Raudoy, B.Arch.Sci., LEED AP**  
*Principal, Building Science Consultant*

**Appendix A**  
Condition Assessment and Capital Plan



Item # (*Photo Ref.)	COMPONENT		CONDITION ASSESSMENT			RECOMMENDATION			LIFECYCLE DATA						
	ID	Location / Type	Description & History	Condition	Act. or Est. Year New	Recommendation	Type	Priority	Age in 2018	Typ Life Cycle	Est Life Rem	5% Tax	% Allo-cation	Incl. Yes/No	Est. Budget in 2018 Dollars
1	A1	Foundations - Isolated Repairs	Extensive below grade foundation walls support the building and form the parkade areas.	Good	2013	Allowance to repair isolated areas of the foundation walls.	Contingency	4 - Discretionary	5	20	15	5%	100%	Y	\$7,000
2	A101001	Wall Foundations - Crack Injection - Contingency	Extensive below grade foundation walls support the building and form the parkade areas. Some areas of minor cracking and efflorescence were noted during the site review but no active leaks were noted.	Good	2013	If water ingress is noted chemical grout injection should be considered to seal limited cracks as necessary.	Contingency	4 - Discretionary	5	20	15	5%	100%	Y	\$4,000
3	A103001	Standard Slab on Grade - Contingency	The lowest floor of the parkade is a slab on grade. This is a non-structural item.	Good	2013	Budget for repairs at isolated locations on a periodic basis.	Contingency	4 - Discretionary	5	20	15	5%	100%	Y	\$6,000
4	A103006	Foundation Drainage - Study	Typically perimeter drainage is installed around the perimeter of the building and under the parkade slab. These systems can be prone to clogging with debris and root ingress. No issues reported during site visit.	Not Applicable	2013	Periodic camera inspection to identify issues as they arise.	Study	4 - Discretionary	5	10	5	5%	100%	Y	\$3,000
5	A103006	Foundation Drainage - Repair Contingency	Typically, perimeter drainage is installed around the perimeter of the building and under the parkade slab. These systems can be prone to clogging with debris and root ingress. No issues reported during site visit.	Not Applicable	2013	Contingency to remove and replace damaged or failed perimeter weeping tile as required.	Contingency	3 - Renewal	5	35	30	5%	100%	Y	\$29,000
6	B101004	Fencing and Gates - Aluminum Railings w/ Glass Panel - Replacement	Balcony railings are a glazed aluminum rail, with coloured glass. Bolts are showing signs of premature rusting. Nuts at some locations could be removed by hand. Gaskets are drying out and not in proper position at some locations.	Fair	2013	Review of these assemblies is recommended.  Budget for replacement at end of service life. Repainting and repairs assumed to be a maintenance item.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$153,000
7	B2	Suspended Slab - Slab & Column Repair Contingency	The below-grade parkade is a suspended concrete slab system. Concrete columns provide the support system for major loads.	Good	2013	Localized slab and column repairs as required.	Contingency	4 - Discretionary	5	20	15	5%	100%	Y	\$8,000
8	B2010	Exterior Walls - Painted Concrete - Repair Contingency	Areas of the lower levels (above grade) exterior cast-in-place concrete walls are painted.	Good	2013	Contingency for concrete repairs at painted walls as necessary. This line item is provided for localized repairs of 25% the wall surface.	Contingency	4 - Discretionary	5	25	20	5%	25%	Y	\$13,000
9	B201001	Exterior Enclosure - Rain screen Metal Panels - Mechanical Penthouse - Replacement	Corrugated metal panels are installed on the mechanical penthouse walls. Penetrations through these walls are limited to the roof access doors and vents.	Good	2013	Install new corrugated metal panels at end of service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$92,000
10	B201001	Exterior Enclosure - Rain screen Accent Composite Panel - Replacement	Composite panels are installed at various locations on all elevations of the building.	Good	2013	Install new composite panels as required at end of service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$930,000
11	B201001	Exterior Enclosure - Rain screen Prefinished Metal Panels - Replacement	Prefinished metal panels are installed on all elevations.	Good	2013	Install new metal panels as required at end of service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$2,064,000
12	B201001	Glass Block Masonry - Level 1 (main entrance) - Replacement	Glass block masonry has been installed at the main entrance. MH notes that blocks are typically well protected by overhangs above.	Good	2013	Replace glass block at the end of service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$12,000
13	B201008	Exterior Soffits - Repair Contingency	Exterior soffits include the underside of balconies and the underside of the roof overhangs. These areas are a painted concrete surface.	Good	2013	A budget has been provided for repair of soffits. This has been provided at a 10% budget of the total area of soffits.	Contingency	3 - Renewal	5	15	10	5%	10%	Y	\$27,000
14	B201010	Exterior Coatings - Paint Concrete Soffits - Repaint	Exterior soffits include the underside of balconies and the underside of the roof overhangs. These areas are painted concrete surfaces.	Good	2013	A budget has been provided for repainting all soffits and completing localized repairs to soffits.	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$64,000

COMPONENT			CONDITION ASSESSMENT			RECOMMENDATION			LIFECYCLE DATA						
Item # (*Photo Ref.)	ID	Location / Type	Description & History	Condition	Act. or Est. Year New	Recommendation	Type	Priority	Age in 2018	Typ Life Cycle	Est Life Rem	5% Tax	% Allo-cation	Incl. Yes/No	Est. Budget in 2018 Dollars
15	B201010	Exterior Coatings - Concrete Paint - Repaint	Exterior areas of concrete walls are finished with paint.	Good	2013	Paint all exterior concrete walls.	Replacement	3 - Renewal	5	15	10	5%	100%	Y	\$16,000
16	B201011	Joint Sealant - Replacement	Exterior doors and windows are sealed at dissimilar material junctions with sealants. Sealant replacements are ongoing maintenance items on a building.	Good	2013	Replace sealant between dissimilar materials, around windows and doors.	Replacement	3 - Renewal	5	12	7	5%	100%	Y	\$241,000
17	B202001	Window Wall Assembly - Replacement	A window wall system, complete with spandrel panels, make up the large window units on this building.	Good	2013	Replace windows (window wall system).	Replacement	4 - Renewal	5	35	30	5%	100%	Y	\$1,351,000
18	B202001	Window Wall Assembly - Repair Operable Vents	Operable windows installed at various areas. Issues with closing/locking and drafts were reported at multiple locations.	Good	2013	Replace or repair isolated components at operable windows as required. Complete a window survey for each unit to assess which units need repair/adjustment.	Replacement	3 - Renewal	5	15	10	5%	100%	Y	\$29,000
19	B202002	Curtain Wall Assembly - Ground Floor (storefronts) - Replacement	Commercial ground floor units have storefront systems installed.	Good	2013	Replace storefront curtain wall system.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$207,000
20	B203002	Exterior Glazed Doors - Commercial Grade - Replacement	Exterior glazed doors have been used throughout the ground floor building and commercial entrances.	Good	2013	Replace doors at end of service life. Replace weatherstripping and complete minor repairs and adjustment as part of maintenance.	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$11,000
21	B203002	Glazed Doors - Balcony Swing - Replacement	Glazed balcony swing doors provide access to individual balconies. Multiple doors reviewed were difficult to close/lock.	Good	2013	Replace exterior balcony swing doors at end of useful service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$188,000
22	B203002	Glazed Doors - Balcony Sliding - Replacement	Glazed balcony sliding doors provide access to individual balconies. Multiple doors reviewed were difficult to close/lock.	Good	2013	Replace exterior balcony swing doors at end of useful service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$73,000
23	B203001	Exterior Metal Doors - Replacement	Exterior metal doors are used on the generator room, mechanical room access (main roof) and rear fire escape/access door.	Good	2013	Exterior doors are expected to last the life of the building. This is a 33% contingency provided for the potential repair of these doors for replacement of locking mechanisms and handles.	Replacement	3 - Renewal	5	25	20	5%	33%	Y	\$2,000
24	B203004	Overhead Garage Doors - Replacement	One single access gate provides security for the below grade parkade. Motor: LiftMaster, 1/2 HP	Good	2013	Replace overhead garage doors and motor. Depending on usage the door may be able to be retained.	Replacement	3 - Renewal	5	8	3	5%	100%	Y	\$12,000
25	B301002	Suspended Slab Podium Membrane - Replacement	An portion of the below grade parkade extends outside of the building's footprint. The topside (podium) of the parkade is waterproofed with an SBS membrane at landscaped and pavement areas.	Not Applicable	2013	Replace podium membrane at end of service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$397,000
26	B301002	Intermediate Suspended Slab - Traffic Coating - Replacement	The parkade suspended slab has been waterproofed with a liquid applied traffic membrane. This item will help to prolong the repair cycle to the suspended slabs.	Good	2013	Apply vehicular traffic coating to intermediate suspended slabs. Cost for membrane replacement at end of service life. Cost of localized repairs assumed to be taken from operating budget.	Replacement	3 - Renewal	5	15	10	5%	100%	Y	\$51,000
27	B301002	Roofing - Low Sloped Roof Deck Membrane System - SBS - Replacement	Roof deck areas and patios are waterproofed with an SBS membrane. Patio pavers provide the wear course to these areas.	Not Applicable	2013	Replace roofing system including flashings, sealants, etc. as required. Patio pavers assumed to be reused after roof renewal.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$96,000
28	B301002	Roofing - Low Sloped Main Roof Membrane System - SBS - Replacement	The low slope main roof of the building is an inverted system, where the waterproofing membrane is covered by insulation and stone ballast.	Good	2013	Replace roofing system including flashings, sealants, etc. as required. Ballast and insulation assumed to be reused.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$258,000

COMPONENT			CONDITION ASSESSMENT			RECOMMENDATION			LIFECYCLE DATA						
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29	B301002	Liquid applied urethane membrane on cantilevered balconies - Replacement	Liquid applied urethane membrane has been installed on the cantilevered balconies.	Good	2013	Replace liquid applied urethane membrane at the end of its service life. Costing assumes only top coat is reinstalled.	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$161,000
30	B301002	Level 1 Glass Overhangs - Replacement	Metal framed glass overhangs are present over the commercial level.	Good	2013	Replace overhangs at the end of their service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$26,000
31	C102001	Various Common Area Doors and Thresholds - Replacement	Various storage doors, access doors, stairwell doors and lobby doors throughout the building.	Good	2013	For replacement of common area doors. Doors are expected to last the life of the building. A contingency of 20% replacement has been included for localized replacement as required.	Contingency	3 - Renewal	5	25	20	5%	20%	Y	\$10,000
32	C102001	Suite Entry Doors and Thresholds- Replacement	Suite entry doors to units from common areas.	Good	2013	For replacement of thresholds and suite doors. Doors are expected to last the life of the building. A contingency of 20% replacement has been included for localized replacement as required.	Contingency	3 - Renewal	5	35	30	5%	20%	Y	\$12,000
33	C202001	Stair Finishes - Common Areas- Paint	Interior stairwell walls are finished with paint.	Good	2013	Repaint and update interior finishes.	Replacement	3 - Renewal	5	10	5	5%	100%	Y	\$42,000
34	C301005	Gypsum Board Wall Finishes Common Areas- Paint	All other interior common areas painted areas.	Good	2013	Repaint interior common walls.	Replacement	3 - Renewal	5	15	10	5%	100%	Y	\$93,000
35	C301005	Wood Paneling - Lobby - Replacement	Wood paneling has been installed around the elevators in the main lobby.	Good	2013	Replace wood paneling as required.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$7,000
36	C302001	Tile Floor Finishes - Main lobby and parkade elevator lobbies - Replacement	Lobby areas and elevator lobby areas have a ceramic tile floor finish.	Good	2013	Replace lobby and main entrance tile floors.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$29,000
37	C302005	Carpeting - Corridors and Meeting Room - Replacement	Carpeting is present in the corridors as well as the common meeting room.	Good	2013	Replace corridor carpeting and meeting room carpet	Replacement	4 - Discretionary	5	15	10	5%	100%	Y	\$47,000
38	C103009	Storage Lockers - Replacement	Metal wire storage lockers are present on level P2.	Good	2013	Replace storage lockers at the end of their service life. Lockers are anticipated to last beyond the scope of this report and do not appear in the capital table calculations.	Replacement	4 - Discretionary	5	50	45	5%	100%	Y	\$177,000
39	C103002	Toilet and Bath Accessories - Upgrade	Common area washroom in meeting room (one toilet and one sink).	Good	2013	Update washroom as required.	Upgrade	4 - Discretionary	5	20	15	5%	100%	Y	\$12,000
40	C103002	Kitchen - Upgrade	A small kitchen is present in the meeting room (cupboards and sink).	Good	2013	Update kitchen as required.	Upgrade	4 - Discretionary	5	20	15	5%	100%	Y	\$6,000
41	C1030	Fittings - Upgrade	Interior art and movable furnishings.	Good	2013	Replace at end of service life.	Upgrade	4 - Discretionary	5	20	15	5%	100%	Y	\$6,000
42	D202003	Domestic Water Equipment - Replacement	Hot water storage and expansion tanks. Storage Tanks: Rheem ST120 - 115 gal.	Good	2013	Replace DHW storage tanks.	Replacement	3 - Renewal	5	30	25	5%	100%	Y	\$11,000
43	D202003	Domestic Water Equipment - Boiler - Replacement	Raypak Raytherm atmospheric boiler provides hot water for the building.	Good	2013	Replace boiler at end of service life.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$6,000
44	D202099	Other Domestic Water Supply - Backflow Preventer - Replacement	Backflow preventers are a CRD requirement to avoid water from various systems back drafting into the city water supply. Watts-709 (4") & Watts-009M2 2"	Good	2013	Replace or install new backflow preventer in existing water entry room.	Replacement	3 - Renewal	5	30	25	5%	100%	Y	\$6,000

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45	D203001	Potable Water and Waste Pipe and Fittings - Repair Contingency	Plastic and copper type piping provides potable water supply and cast-iron and plastic piping provides waste water services to units throughout the building.	Not Applicable	2013	Maintain a contingency for capital repairs and partial replacement of pipe as required.	Contingency	3 - Renewal	5	25	20	5%	100%	Y	\$18,000
46	D302002	Hot Water Boilers - Circulating Pumps, small frac. Hp - Replacement	Hot water system circulating pumps.	Good	2013	Replace hot water recirculating pumps at end of service life (recirculation on same level).	Replacement	3 - Renewal	5	10	5	5%	100%	Y	\$3,000
47	D304007	Ventilation Systems- replace frac. Hp exhaust fans - Replacement	Small fans servicing ventilation in the elevator room, storage rooms, and garbage areas.	Good	2013	Replace common area, fractional horsepower exhaust fans.	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$6,000
48	D304007	Ventilation Systems - In-Suite Exhaust - Replacement	In-suite exhaust fans service the bathrooms.	Good	2013	Replace all in-suite bathroom style exhaust fans.	Replacement	3 - Renewal	5	15	10	5%	100%	Y	\$30,000
49	D304007	Ventilation Systems - Parkade Exhaust - Replacement	Axial fans installed throughout the parkade to provide ventilation during higher concentrations of car use.	Good	2013	Replace or overhaul standard, four-blade, belt-drive parkade exhaust fans at end of service life.	Replacement	3 - Renewal	5	8	3	5%	100%	Y	\$7,000
50	D304008	Air Handling Units - Gas MUA under 100 MBU - Replacement	Roof top mounted air handling unit (located in the mechanical penthouse).	Good	2013	Replace at end of service life.	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$24,000
51	D304008	Space Heater at Main Entrance - Replacement	A space heater / fan is present over the main entrance doors.	Good	2013	Replace at end of service life.	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$2,000
52	D306001	HVAC Controls - Parkade Exhaust - Replacement	CO detectors are linked to the axial fan systems, allowing automated fans to operate during high gas concentrations. Honeywell system	Good	2013	Install new CO detection system with tie in to one fan.	Replacement	3 - Renewal	5	10	5	5%	100%	Y	\$12,000
53	D401002	Fire Sprinkler Water Supply and Piping - Repairs	Building is protected with a sprinkler system. Main controls in Mechanical Room.	Not Applicable	2013	Sprinkler system is expected to last the life of the building. Maintain a contingency for capital repairs and partial replacement of equipment and piping as required.	Repair Allowance	3 - Renewal	5	25	20	5%	100%	Y	\$6,000
54	D401003	Main Switchgear - IR Scanning - Study	An IR scan will determine if an electrical system requires maintenance or replacement.	Not Applicable	2013	With regular maintenance switchgear and panels are expected to last the life of the building. Conduct Infra-red (IR) scan on major switchgear and panels.	Study	4 - Discretionary	5	5	1	5%	100%	Y	\$6,000
55	D402001	Fire Alarm System - Fire Pumps - Replacement	Jockey pump for the fire sprinkler system. Torna Tech JP3-600/2/3/60	Good	2013	Replace jockey pump and overhaul fire pump as required.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$24,000
56	D502002	Lighting Equipment - Corridor, Common Areas - Replacement	Lighting equipment includes pot lights (corridors and common room), florescent lights (corridor), ceiling mounted lights (lobby and meeting room) and pendent lights (lobby).	Good	2013	Upgrade with LED or replace at end of service life.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$47,000
57	D502002	Lighting Equipment - Parkade Levels - Replacement	Lighting equipment includes florescent lights.	Good	2013	Upgrade with LED or replace at end of service life.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$26,000
58	D503001	Fire Alarm Systems - > 12 Zones Replacement	Fire alarm panel in main lobby with remote annunciator.	Good	2013	Budget for repair of fire alarm control panel and remote annunciator panel.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$12,000



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59	D503007	Video Surveillance System - Upgrade	A video monitoring system is present and controlled from the communications room.	Good	2013	Upgrade video surveillance system.	Upgrade	3 - Renewal	5	20	15	5%	100%	Y	\$14,000
60	D503008	Access Control/Entry System - Upgrade	Security access system installed at the front entrance of the building. Mircom TX3 Series	Good	2013	Upgrade access system at main entrance.	Upgrade	3 - Renewal	5	20	15	5%	100%	Y	\$6,000
61	D509002	Emergency Exit Signs and Emergency Lighting - Replacement	Emergency lighting systems provide temporary light throughout the building in case of loss of power.	Good	2013	Replace emergency lights at end of service life.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$6,000
62	D509002	Emergency Lighting and Power - Replacement	Emergency exit signs indicate exit areas throughout the building in case of emergency.	Good	2013	Replace at end of service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$174,000
63	D509002	Emergency Generator - Replacement	This building has a back up generator. Kohler 200 Power Systems	Good	2013	Replace emergency generator at end of service life.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$145,000
64	G201003	Concrete Paved Surfaces - Replacement	Exterior paved areas at street access levels.	Good	2013	Contingency for the repair of the patterned or broom finished concrete areas around the site.	Replacement	3 - Renewal	5	35	30	5%	100%	Y	\$18,000
65	G201005	Guardrails and Barriers - Replacement	Steel fencing is installed throughout the site.	Good	2013	Budget for replacement of at end of service life. Repainting and repairs assumed to be a maintenance item.	Replacement	3 - Renewal	5	40	35	5%	100%	Y	\$16,000
66	G203000	Pedestrian Paving - Unit Pavers Replacement	Unit pavers installed at street level.	Good	2013	Re-laying of isolated pavers, as required. A 30% contingency for releveling of pavers has been provided.	Replacement	3 - Renewal	5	10	5	5%	30%	Y	\$2,000
67	G204001	Metal Trellis Work - Lower Levels - Replacement	Painted steel trellis work is present throughout the lower levels.	Good	2013	Metal trellis work is expected to last the life of the building. Budget for repainting.	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$14,000
68	G205007	Irrigation Systems - Replacement Contingency	Irrigation systems service the planted areas over the podium membrane at street level.	Not Applicable	2013	Contingency for isolated replacement. Replacement of various heads and piping as part of ongoing maintenance.	Contingency	3 - Renewal	5	15	10	5%	100%	Y	\$6,000
69	G303003	Water & Sewer - Sanitary and Storm Water Pumps - Replacement	Duplex pumps lift water from the lower parkade levels to the street perimeter drainage, connecting to the city storm water system.	Not Applicable	2013	Replace sanitary and storm water lift pumps and controls (over 1/3 Hp, >50' lift)	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$12,000
70	G402006	Landscape Lighting - Walkway - Replacement	Light posts throughout landscaped walkway.	Good	2013	Replace landscaping lights as required.	Replacement	3 - Renewal	5	20	15	5%	100%	Y	\$4,000
71	G402006	Exterior Lighting Fixtures and Controls - Wall-Mounted - Replacement	Exterior light fixtures at balcony area and lower exterior street level lighting.	Good	2013	Replace wall-mounted outdoor lighting at the end of service life.	Replacement	3 - Renewal	5	18	13	5%	100%	Y	\$47,000
72	G204005	Exterior Signage and Art - Replacement	Exterior signage and art is present on the main floor.	Good	2013	Replace at the end of service life.	Replacement	3 - Renewal	5	25	20	5%	100%	Y	\$6,000
73	P100005	Professional Services for Depreciation Report update, with Site Visit	The strata act currently requires the update of the depreciation report every 3 years.	Not Applicable	2018	Depreciation Report update with site inspection.	Study	3 - Renewal	0	3	3	5%	100%	Y	\$5,000

Item # (*Photo Ref.)	COMPONENT ID Location / Type		Est. Budget in 2018 Dollars	CAPITAL PLAN																								Yr. 30 2047							
				Yr. 10										Yr. 20										2047											
				2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037		2038	2039	2040		2041	2042	2043	2044	2045	2046	
			\$0	\$6,000	\$0	\$24,000	\$0	\$62,000	\$11,000	\$241,000	\$0	\$5,000	\$299,000	\$25,000	\$5,000	\$47,000	\$0	\$434,000	\$6,000	\$0	\$5,000	\$260,000	\$537,000	\$11,000	\$0	\$0	\$5,000	\$378,000	\$6,000	\$24,000	\$0	\$0			
1	A1	Foundations - Isolated Repairs	\$7,000																\$7,000																
2	A101001	Wall Foundations - Crack Injection - Contingency	\$4,000																\$4,000																
3	A103001	Standard Slab on Grade - Contingency	\$6,000																\$6,000																
4	A103006	Foundation Drainage - Study	\$3,000					\$3,000											\$3,000																
5	A103006	Foundation Drainage - Repair Contingency	\$29,000																																
6	B101004	Fencing and Gates - Aluminum Railings w/ Glass Panel - Replacement	\$153,000																																
7	B2	Suspended Slab - Slab & Column Repair Contingency	\$8,000																\$8,000																
8	B2010	Exterior Walls - Painted Concrete - Repair Contingency	\$13,000																						\$13,000										
9	B201001	Exterior Enclosure - Rain screen Metal Panels - Mechanical Penthouse - Replacement	\$92,000																																
10	B201001	Exterior Enclosure - Rain screen Accent Composite Panel - Replacement	\$930,000																																
11	B201001	Exterior Enclosure - Rain screen Prefinished Metal Panels - Replacement	\$2,064,000																																
12	B201001	Glass Block Masonry - Level 1 (main entrance) - Replacement	\$12,000																																
13	B201008	Exterior Soffits - Repair Contingency	\$27,000																\$27,000																
14	B201010	Exterior Coatings - Paint Concrete Soffits - Repaint	\$64,000																\$64,000																
15	B201010	Exterior Coatings - Concrete Paint - Repaint	\$16,000																\$16,000																
16	B201011	Joint Sealant - Replacement	\$241,000								\$241,000													\$241,000											
17	B202001	Window Wall Assembly - Replacement	\$1,351,000																																
18	B202001	Window Wall Assembly - Repair Operable Vents	\$29,000																\$29,000																







**Appendix B**  
Cash Flow Tables

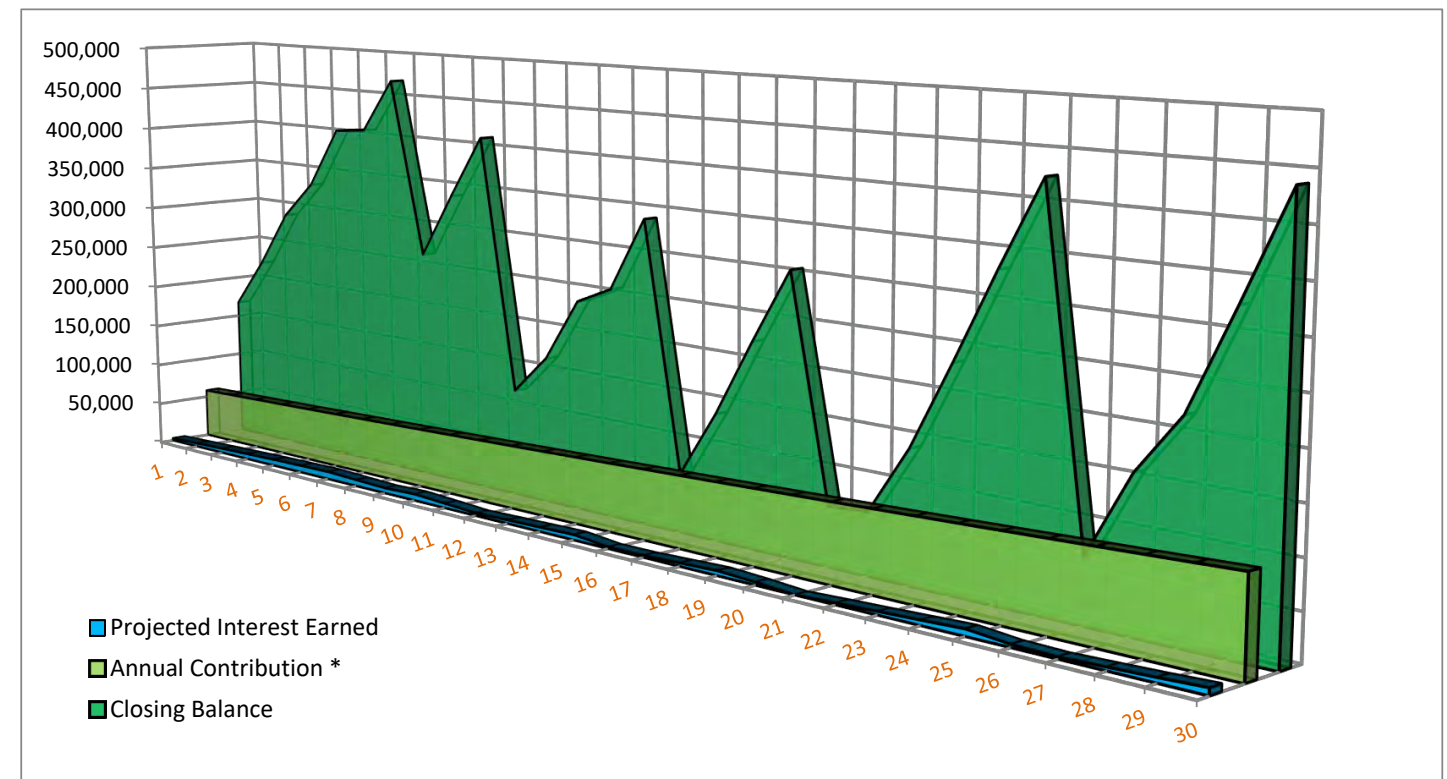
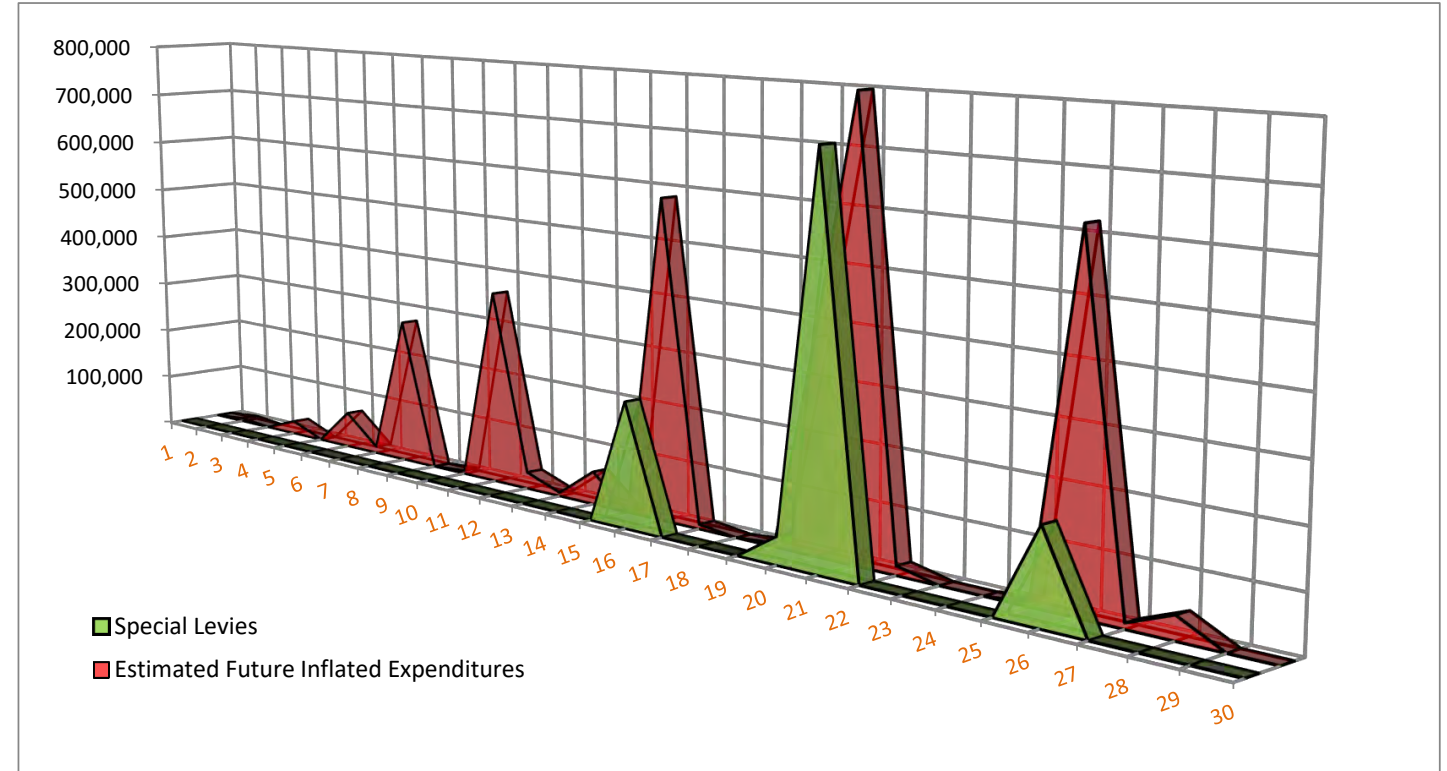


**30 Year Reserve Fund Cash Flow Table**  
**Scenario 1 - FINAL - June 26, 2018**

Assumed Interest Rate 2.0%  
 Assumed Inflation Rate 2.0%  
 Reserve Fund Balance at Start of 2018 Fiscal Year \$106,548.29  
 Present Annual Contribution to the Reserve Fund \$58,144.00  
 Minimum Reserve Fund Balance \$64,249.72

Year Ending In	Report Year	Opening Balance	Annual Contribution *	Percent Increase over Previous Year	Special Levies	Estimated Future Inflated Expenditures	Projected Interest Earned	Closing Balance
2018	1	106,548	58,144				2,712	167,405
2019	2	167,405	59,307	2.0%		6,120	3,880	224,472
2020	3	224,472	60,493	2.0%			5,094	290,059
2021	4	290,059	61,703	2.0%		25,469	6,164	332,456
2022	5	332,456	62,937	2.0%			7,278	402,672
2023	6	402,672	64,196	2.0%		68,453	8,011	406,425
2024	7	406,425	65,480	2.0%		12,388	8,659	468,177
2025	8	468,177	66,789	2.0%		276,833	7,263	265,396
2026	9	265,396	68,125	2.0%			5,989	339,510
2027	10	339,510	69,487	2.0%		5,975	7,425	410,447
2028	11	410,447	70,877	2.0%		364,479	5,273	122,118
2029	12	122,118	72,295	2.0%		31,084	2,854	166,183
2030	13	166,183	73,741	2.0%		6,341	3,998	237,580
2031	14	237,580	75,215	2.0%		60,800	4,896	256,891
2032	15	256,891	76,720	2.0%			5,905	339,516
2033	16	339,516	78,254	2.0%	230,000	584,107	1,732	65,395
2034	17	65,395	79,819	2.0%		8,237	2,024	139,002
2035	18	139,002	81,416	2.0%			3,594	224,011
2036	19	224,011	83,044	2.0%		7,141	5,239	305,153
2037	20	305,153	84,705	2.0%	50,000	378,771	3,162	64,250
2038	21	64,250	86,399	2.0%	715,000	797,954		67,695
2039	22	67,695	88,127	2.0%		16,672	2,068	141,218
2040	23	141,218	89,889	2.0%			3,723	234,831
2041	24	234,831	91,687	2.0%			5,613	332,131
2042	25	332,131	93,521	2.0%		8,042	7,497	425,108
2043	26	425,108	95,391	2.0%	165,000	620,149	3,255	68,604
2044	27	68,604	97,299	2.0%		10,041	2,245	158,108
2045	28	158,108	99,245	2.0%		40,965	3,745	220,133
2046	29	220,133	101,230	2.0%			5,415	326,778
2047	30	326,778	103,255	2.0%			7,568	437,601

\* The term "Annual Contribution" refers to the amount contributed each year to the reserve fund from the monthly expenses.

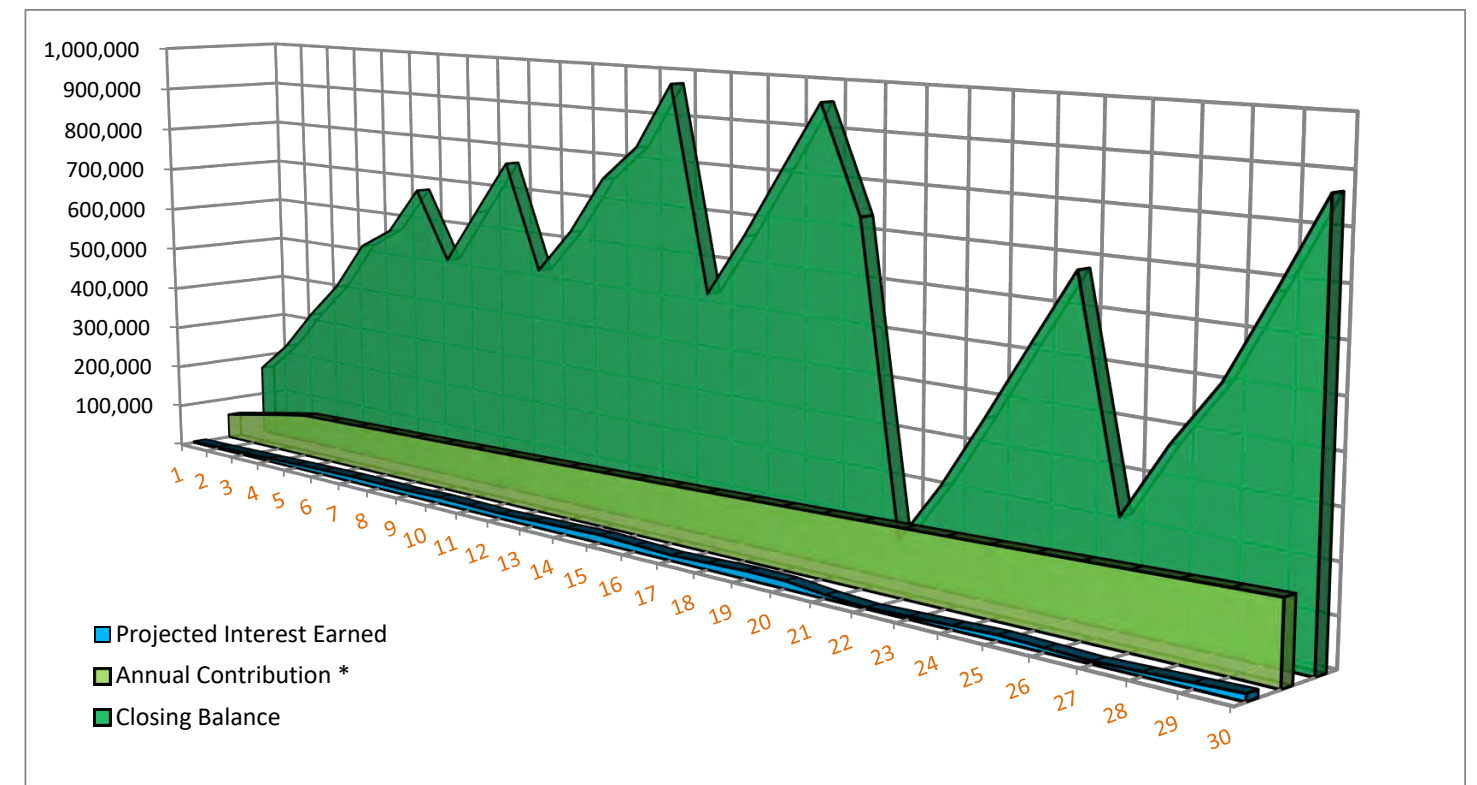
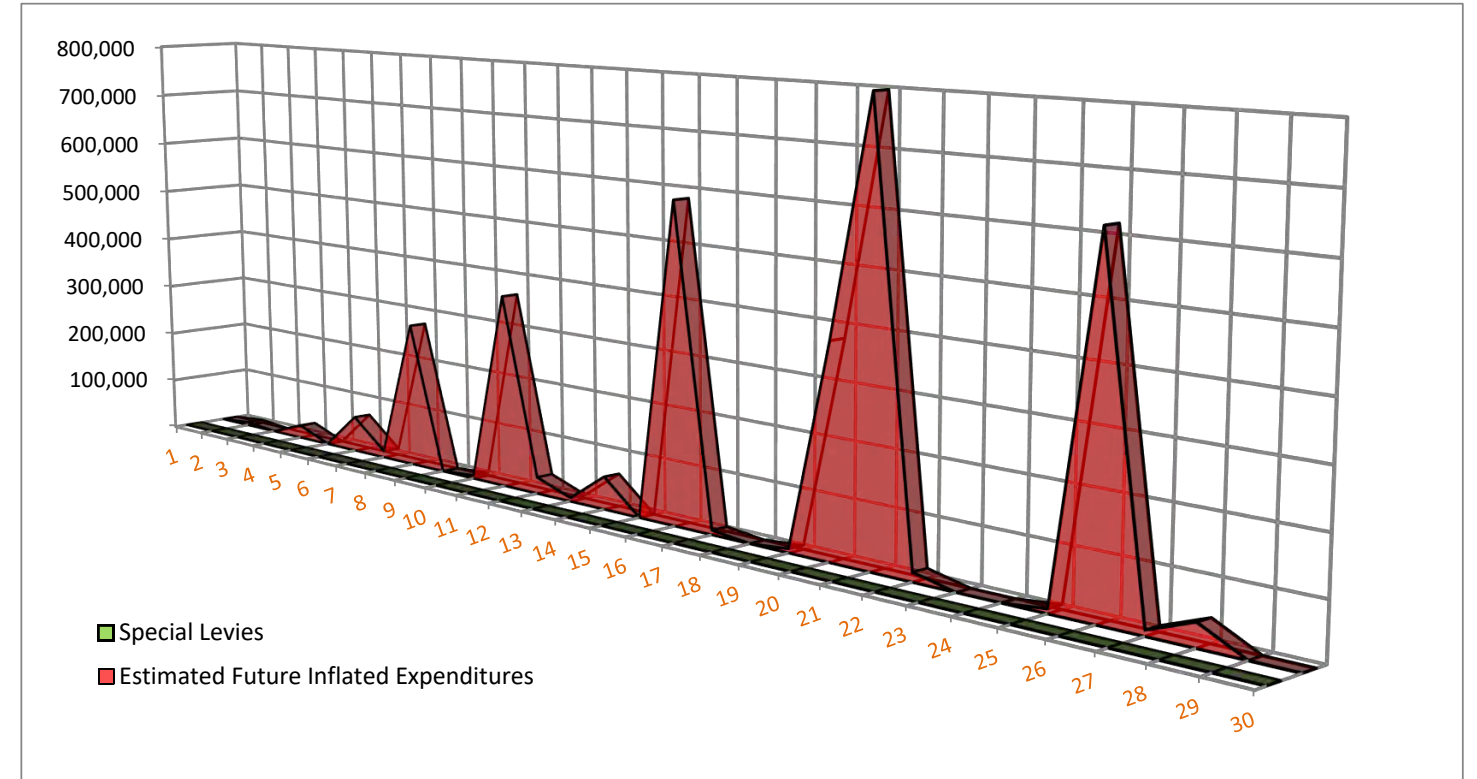


**30 Year Reserve Fund Cash Flow Table**  
**Scenario 2 - FINAL - June 26, 2018**

Assumed Interest Rate 2.0%  
 Assumed Inflation Rate 2.0%  
 Reserve Fund Balance at Start of 2018 Fiscal Year \$106,548.29  
 Present Annual Contribution to the Reserve Fund \$58,144.00  
 Minimum Reserve Fund Balance \$82,653.98

Year Ending In	Report Year	Opening Balance	Annual Contribution *	Percent Increase over Previous Year	Special Levies	Estimated Future Inflated Expenditures	Projected Interest Earned	Closing Balance
2018	1	106,548	58,144				2,712	167,405
2019	2	167,405	72,680	25.0%		6,120	4,014	237,978
2020	3	237,978	87,216	20.0%			5,632	330,826
2021	4	330,826	100,298	15.0%		25,469	7,365	413,020
2022	5	413,020	102,304	2.0%			9,283	524,608
2023	6	524,608	104,350	2.0%		68,453	10,851	571,357
2024	7	571,357	106,437	2.0%		12,388	12,368	677,774
2025	8	677,774	108,566	2.0%		276,833	11,873	521,380
2026	9	521,380	110,738	2.0%			11,535	643,652
2027	10	643,652	112,952	2.0%		5,975	13,943	764,572
2028	11	764,572	115,211	2.0%		364,479	12,799	528,103
2029	12	528,103	117,516	2.0%		31,084	11,426	625,960
2030	13	625,960	119,866	2.0%		6,341	13,654	753,139
2031	14	753,139	122,263	2.0%		60,800	15,677	830,281
2032	15	830,281	124,708	2.0%			17,853	972,842
2033	16	972,842	127,203	2.0%		584,107	14,888	530,825
2034	17	530,825	129,747	2.0%		8,237	11,832	664,167
2035	18	664,167	132,342	2.0%			14,607	811,115
2036	19	811,115	134,988	2.0%		7,141	17,501	956,463
2037	20	956,463	137,688	2.0%		378,771	16,718	732,099
2038	21	732,099	140,442	2.0%		797,954	8,067	82,654
2039	22	82,654	143,251	2.0%		16,672	2,919	212,151
2040	23	212,151	146,116	2.0%			5,704	363,971
2041	24	363,971	149,038	2.0%			8,770	521,779
2042	25	521,779	152,019	2.0%		8,042	11,875	677,631
2043	26	677,631	155,059	2.0%		620,149	8,902	221,443
2044	27	221,443	158,160	2.0%		10,041	5,910	375,473
2045	28	375,473	161,324	2.0%		40,965	8,713	504,545
2046	29	504,545	164,550	2.0%			11,736	680,831
2047	30	680,831	167,841	2.0%			15,295	863,968

\* The term "Annual Contribution" refers to the amount contributed each year to the reserve fund from the monthly expenses.



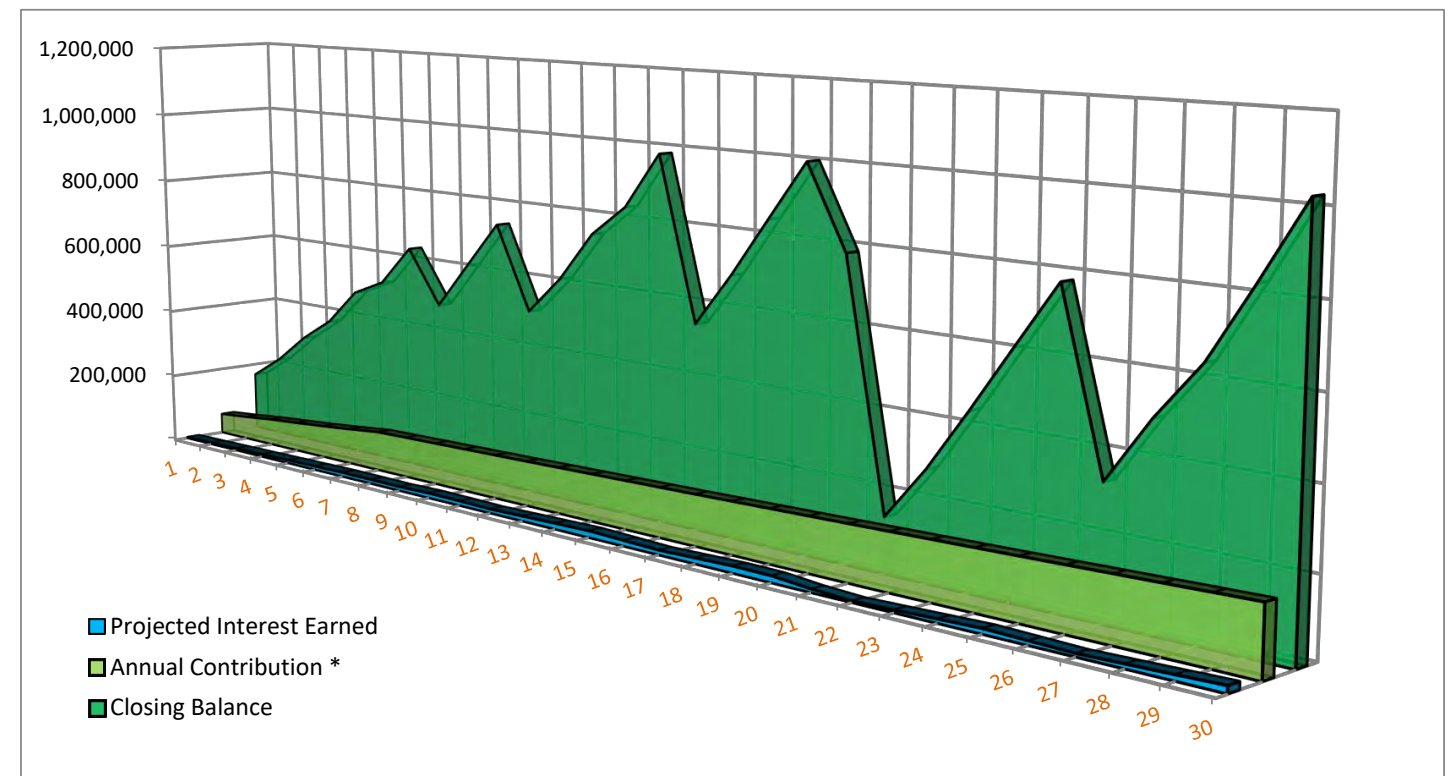
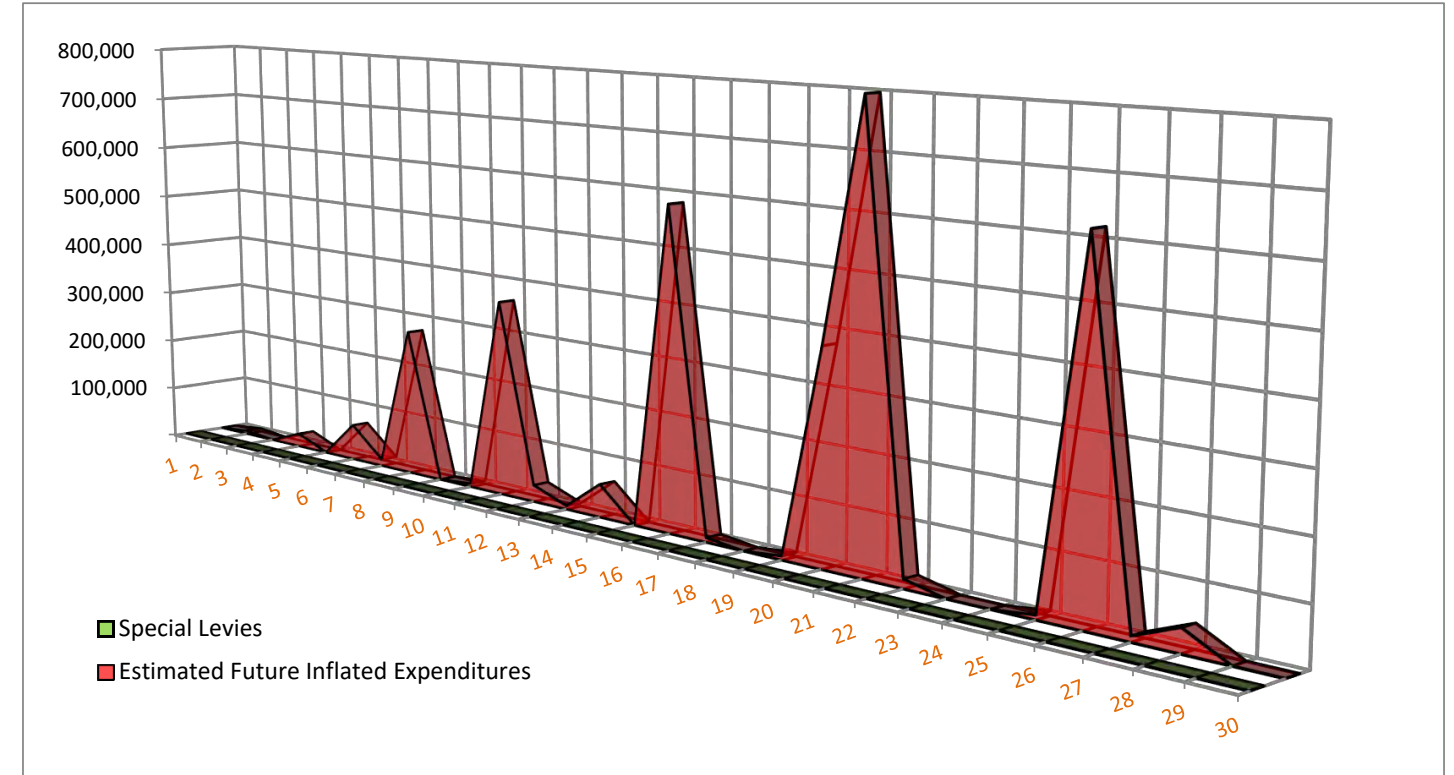


**30 Year Reserve Fund Cash Flow Table  
Scenario 3 - FINAL - June 26, 2018**

Assumed Interest Rate 2.0%  
 Assumed Inflation Rate 2.0%  
 Reserve Fund Balance at Start of 2018 Fiscal Year \$106,548.29  
 Present Annual Contribution to the Reserve Fund \$58,144.00  
 Minimum Reserve Fund Balance \$144,268.08

Year Ending In	Report Year	Opening Balance	Annual Contribution *	Percent Increase over Previous Year	Special Levies	Estimated Future Inflated Expenditures	Projected Interest Earned	Closing Balance
2018	1	106,548	58,144				2,712	167,405
2019	2	167,405	66,866	15.0%		6,120	3,956	232,106
2020	3	232,106	76,895	15.0%			5,411	314,412
2021	4	314,412	84,585	10.0%		25,469	6,879	380,408
2022	5	380,408	93,043	10.0%			8,539	481,990
2023	6	481,990	102,348	10.0%		68,453	9,979	525,863
2024	7	525,863	112,583	10.0%		12,388	11,519	637,577
2025	8	637,577	114,834	2.0%		276,833	11,132	486,710
2026	9	486,710	117,131	2.0%			10,906	614,746
2027	10	614,746	119,474	2.0%		5,975	13,430	741,674
2028	11	741,674	121,863	2.0%		364,479	12,407	511,466
2029	12	511,466	124,300	2.0%		31,084	11,161	615,843
2030	13	615,843	126,786	2.0%		6,341	13,521	749,809
2031	14	749,809	129,322	2.0%		60,800	15,681	834,013
2032	15	834,013	131,908	2.0%			17,999	983,921
2033	16	983,921	134,547	2.0%		584,107	15,183	549,544
2034	17	549,544	137,238	2.0%		8,237	12,281	690,825
2035	18	690,825	139,982	2.0%			15,216	846,024
2036	19	846,024	142,782	2.0%		7,141	18,277	999,942
2037	20	999,942	145,638	2.0%		378,771	17,668	784,476
2038	21	784,476	148,550	2.0%		797,954	9,195	144,268
2039	22	144,268	151,521	2.0%		16,672	4,234	283,351
2040	23	283,351	154,552	2.0%			7,213	445,115
2041	24	445,115	157,643	2.0%			10,479	613,237
2042	25	613,237	160,796	2.0%		8,042	13,792	779,783
2043	26	779,783	164,012	2.0%		620,149	11,034	334,680
2044	27	334,680	167,292	2.0%		10,041	8,266	500,197
2045	28	500,197	170,638	2.0%		40,965	11,301	641,170
2046	29	641,170	174,050	2.0%			14,564	829,784
2047	30	829,784	177,531	2.0%			18,371	1,025,687

\* The term "Annual Contribution" refers to the amount contributed each year to the reserve fund from the monthly expenses.



**Summary of Funding Scenarios**  
**FINAL - June 26, 2018**

**Current Fiscal Year 2018**  
**from July 1, 2017 to June 30, 2018**

Number of Units  
**97**

**Scenario 1**

Minimum Balance      \$64,249.72  
in year                              2037

	2018	2019	2020	2021
Annual Reserve Contribution	\$58,144.00	\$59,306.88	\$60,493.02	\$61,702.88
% Increase to Contingency Only		2.0%	2.0%	2.0%
Average Increase per Unit per Year		\$11.99	\$12.23	\$12.47
Average Annual Contribution per Unit per Year	\$599.42	\$611.41	\$623.64	\$636.11
Average Monthly Contribution per Unit	\$49.95	\$50.95	\$51.97	\$53.01
Total Special Levies for the Report Timeline		\$1,160,000.00		

**Scenario 2**

Minimum Balance      \$82,653.98  
in year                              2038

	2018	2019	2020	2021
Annual Reserve Contribution	\$58,144.00	\$72,680.00	\$87,216.00	\$100,298.40
% Increase to Contingency Only		25.0%	20.0%	15.0%
Average Increase per Unit per Year		\$149.86	\$149.86	\$134.87
Average Annual Contribution per Unit per Year	\$599.42	\$749.28	\$899.13	\$1,034.00
Average Monthly Contribution per Unit	\$49.95	\$62.44	\$74.93	\$86.17
Total Special Levies for the Report Timeline		\$0.00		

**Scenario 3**

Minimum Balance      \$144,268.08  
in year                              2038

	2018	2019	2020	2021
Annual Reserve Contribution	\$58,144.00	\$66,865.60	\$76,895.44	\$84,584.98
% Increase to Contingency Only		15.0%	15.0%	10.0%
Average Increase per Unit per Year		\$89.91	\$103.40	\$79.27
Average Annual Contribution per Unit per Year	\$599.42	\$689.34	\$792.74	\$872.01
Average Monthly Contribution per Unit	\$49.95	\$57.44	\$66.06	\$72.67
Total Special Levies for the Report Timeline		\$0.00		



**Appendix C**  
Glossary of Terms



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## Appendix C: Glossary of Terms

The following is a list of terms and abbreviations which may have been used in the report produced for the noted project. All of the terms and abbreviations used are standard within the industry, but the glossary may be of some aid for those not familiar with construction terms.

Air Barrier:	An assembly of one or more materials, including joints, that prevents the continuous passage of air, and whatever it contains, between different environments under a difference of pressure.
Ampere (A):	The unit of measurement of electric current. The greater the amperage, the larger the size of the conductor required to carry the current.
Annunciator Panel:	A lighted panel that provides information about the location of an activated fire alarm in a building, typically located near the main entrance of a building.
Backflow Preventer:	A device used in plumbing systems to prevent potentially contaminated water from moving back into the clean water supply.
Bitumen:	The term covering numerous mixtures of hydrocarbons such as those found in asphalt and mineral pitch.
Built-Up Roof:	Waterproof membrane constructed of multiple felt layers mopped down with bitumen.
Caulking:	Material with widely different chemical compositions used to make a seam or joint air-tight or watertight.
CCTV:	Closed Circuit Television, a video camera system that transmits video images to specific monitors as opposed to broadcasting the signal over air waves. Typically used in security applications.
CFM	Cubic feet per minute, the common unit of air flow measurement.
Cladding:	Any material that covers an interior or exterior wall.
Control Joint:	Also Movement Joint, a continuous joint in a structure or element, used to regulate the amount of cracking and separation resulting from relative movement.
Condenser:	A device used to remove heat from refrigerating equipment by circulating hot refrigerant gas through coils in the unit and blowing outdoor air across the coils with a fan. Cooling the gas causes it to condense back into a liquid.
Cooling Tower:	A device used to cool condenser water in a chiller by evaporation. Condenser water is sprayed into the top of the cooling tower. The droplets fall through the tower as air is blown upward through the tower, partly evaporating the droplets, which cools the remaining water. Water leaving the cooling tower is typically 10 degrees cooler than when it entered.
Delamination:	A separation along a plane parallel to a surface.
Direct expansion:	A refrigeration method in which an air cooling coil contains refrigerant rather than a secondary coolant glycol or brine.
Drip Edge:	A projection detailed to direct water run-off away from the wall or window face below.

Efflorescence:	Deposits of salt, usually white, due to the migration of salt-laden (in solution) water through concrete or masonry units.
EPDM:	Synthetic rubber membrane usually applied in single-ply applications.
Exhaust Air:	Air mechanically removed from a building to reduce the concentration of moisture, cooking odours and other contaminants from the building.
Fan Coil Unit:	A device consisting of a fan and water coil that can heat an area by circulating hot water through the coil and cool by circulating chilled water through the coil.
Fire Detector:	A fire alarm system component which senses the presence of a possible fire through the presence of smoke particles or heat (i.e. smoke detector, heat detector).
Flashing:	A thin waterproof sheet material, flexible or rigid, used to direct water out of, or away from, the structure.
Glazing:	A generic term for the transparent, or sometimes translucent, material in a window or door. Often, but not always, glass.
Glazing Bead:	A molding or stop around the inside of a frame to hold the glass in place.
Glazing Unit:	That part of a window which includes more than one glazing layer sealed around the outside edge to prevent air or moisture from entering the airspace and eliminating dirt and condensation between glazings. Also called insulated glazing unit or IGU.
Hard Landscaping:	A broad definition for exterior landscaping items that could include but is not necessarily limited to; pavements; pavers; patio pavers; privacy fencing and perimeter fencing; retaining walls; trellises; front entry or rear area structures; traffic bollards; or gated community feature entrances.
Heat Exchanger:	A device used to heat a fluid or gas with another fluid or gas without the two streams coming in direct contact with each other and mixing. For example a radiator heats air using hot water. The air and water circulate through the heat exchanger (the radiator) but are prevented from coming in contact with each other by the radiator.
Heat Pump:	A mechanical device designed to provide both winter heating and summer cooling.
HID:	High Intensity Discharge, a generic term for mercury, vapour, metal halide and high pressure sodium light fixtures. Light in these fixtures is produced by an electric arc between two electrodes.
House Panelboard:	A panelboard which supplies power to common area loads
Hydronic Heating:	A means of heating a space through the use of hot water circulated through heating coils or a radiator in the space
Initiating Device:	A fire alarm system component which initiates a fire alarm (i.e. pull station).
Inverted Roof:	Where the roof membrane is located below the insulation and ballast (also Protected Membrane Roof).
Joist:	One of several parallel, horizontal and relatively closely spaced concrete, wood or steel members directly supporting a floor or roof slab or deck.

kVA:	Kilo-Volt-Ampere, the unit used to measure apparent power. This is what is charged by the utility.
kW:	Kilowatt, the unit used to measure real power. This is power that is actually used by the customer.
Lintel:	A horizontal structural support above an opening in a wall.
Makeup Air:	Fresh, outdoor air that is mechanically introduced to a building to make up for the air removed from buildings by exhaust systems.
Mechanical Systems:	Refers to any type of mechanical system that services more than one unit. This could possibly include, but is not necessarily limited to; waste water plumbing; potable water supply systems; storm water drainage systems; perimeter water drainage systems; gas supply services; sprinkler irrigation supply services; fire sprinkler supply services. This list of items is dependent on the types of services each complex features.
Panelboard:	A component of an electrical distribution system which divides an electrical power feed into subsidiary circuits, while providing a protective fuse or circuit breaker for each circuit all contained in a common enclosure.
Refractory:	A ceramic insulating material used in boilers and similar equipment because it can withstand very high temperatures.
Retaining Wall:	A wall constructed to hold back earth, water or other backfill.
Riser:	Pipes or ductwork used to transport water, effluent, air or service cables vertically through a multi-storey building for distribution of services.
Roof Structural Deck:	An elevated platform consisting of a variety of materials such as wood planks or metal pans, often supported by structural joists, beams and columns made of steel or wood, all structurally designed to support loads such as a roofing system.
Scaling:	A degradation of the surface of a concrete element, consisting of local flaking or peeling away of the near-to-surface sand and cement portion of hardened concrete or mortar.
Sealant:	A flexible material used on the inside (or outside) of a building to seal gaps in the building envelope in order to prevent uncontrolled air infiltration and exfiltration.
Sealed Units:	Two pieces (lites) of glass sealed around the perimeter, increasing the thermal resistance of the window.
Shear Wall:	A wall that resists horizontal forces applied in the plane of the wall, usually due to wind or seismic effects (also Flexural Wall).
Signaling Device:	A fire alarm system component which visually or audibly alarms (i.e. bell, strobe).
Slab-on-Grade:	A concrete floor slab placed directly on compacted fill and deriving its support from this fill (also Slab-on-Ground).
Spall:	A fragment of concrete or masonry detached from a larger mass by a blow, weather action, internal pressure, or efflorescence within the mass (sub flourescence).

Stucco:	A finish consisting of cement plaster, used for coating exterior building surfaces.
Switchgear:	A major electrical panel equipped with apparatus for turning on or off significant portions of power distribution to the complex or site.
Terminal Board:	An insulating base on which terminals for wires or cables have been mounted
Thermographic Scanning:	Also known as infra-red scanning. A photograph that detects hot spots of electrical equipment or temperature differences at building surfaces.
Tuckpointing:	Also Repointing, the process of removing deteriorated mortar from the joints of masonry and replacing it with new mortar.
Uninterruptible Power Supply (UPS):	A power electronic device primarily used as a back-up power source for computers and computer networks to ensure on-going operation in the event of a power failure. Sophisticated units also have power conditioning and power monitoring features.
Vapour Barrier:	A material or combination of materials having a high resistance to water vapour diffusion, used to separate a high water vapour pressure environment from a low water vapour pressure environment.
Vent:	An opening placed in a facing wall or window assembly to promote circulation of air within a cavity behind the facing, usually to encourage drying of the cavity and/or to moderate the pressure across the facing.
Volt (V):	A unit of potential energy equal to the potential difference between two points on a conductor carrying a current of 1 ampere.
VRLA:	Valve Regulated Lead-Acid, low maintenance batteries which use much less battery acid than traditional lead-acid batteries typically used in UPS applications.
Weather-strip:	A strip of material placed around an operating window or door to reduce air leaks.
Weephole:	An opening placed in a wall or window assembly to permit the escape of liquid water from within the assembly. Weepholes can also act as vents.
Weeping Tiles:	Drainage pipes placed at the base of foundation walls.

**Appendix D**  
Photosheet







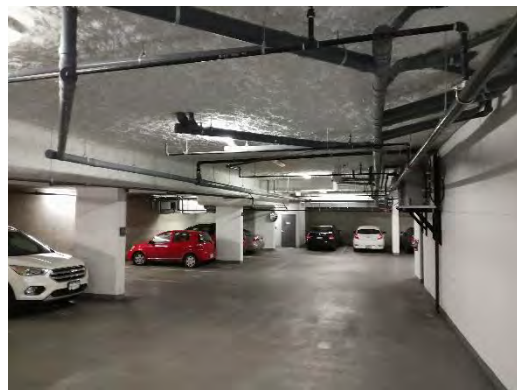
Item 1/2 - Below grade foundation walls



Item 3 - Standard Slab on Grade



Item 6 - Aluminum Railings w/ Glass Panel



Item 7 - Suspended Slab and Columns



Item 8/15 - Painted Concrete



Item 9 - Mechanical Penthouse



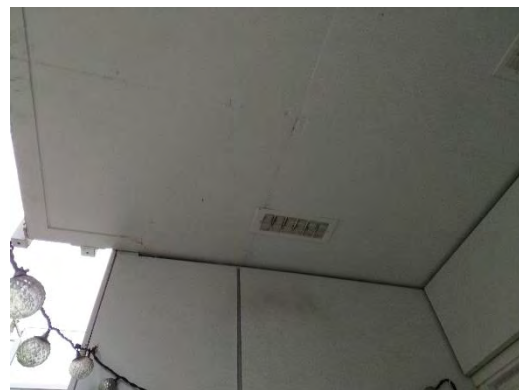
Item 10 - Accent Composite Panels



Item 11 - Prefinished Metal Panels



Item 12 - Glass Block Masonry



Item 13/14 - Exterior Painted Soffit



Item 16 - Joint Sealant



Item 17 - Window Wall Assembly



Item 19 - Storefront Curtain Wall



Item 20 - Exterior Glazed Door



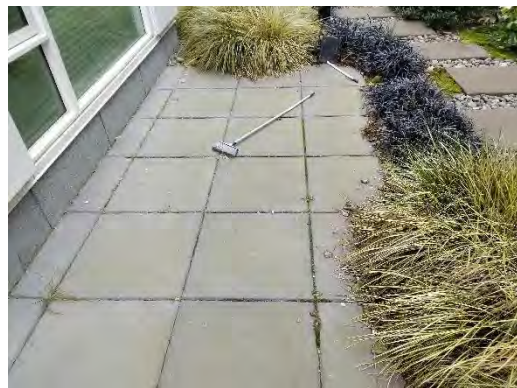
Item 21 - Balcony Swing Doors



Item 23 - Exterior Metal Doors



Item 24 - Overhead Garage Door



Item 25/27 - Podium Membrane



Item 28 - Low Sloped Main Roof Membrane



Item 29 - Liquid Applied Urethane Membrane -  
Balconies



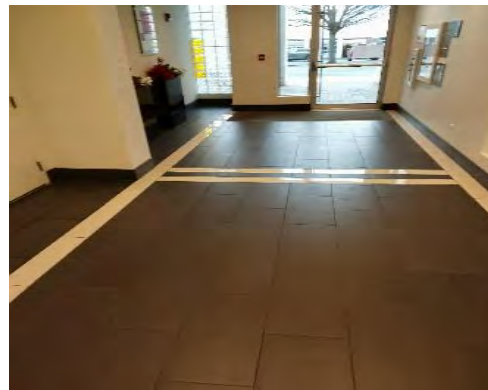
Item 30 - Glass Overhangs



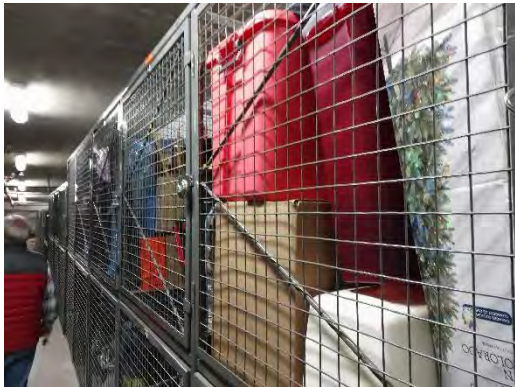
Item 32 - Suite Entry Doors



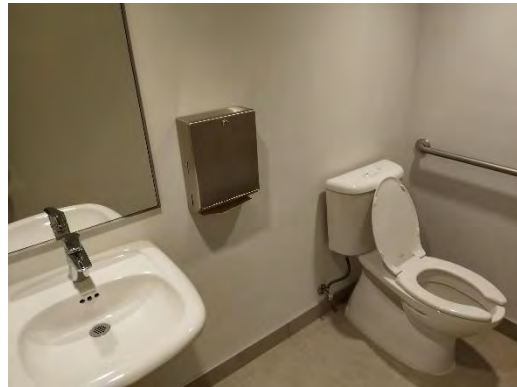
Item 33 - Common Wall Finishes - Paint



Item 36 - Lobby Tile Finishes



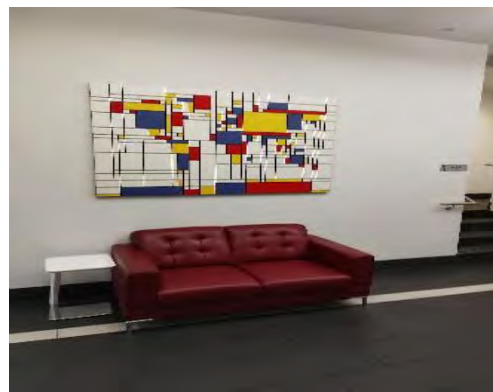
Item 38 - Storage Lockers



Item 39 - Meeting Room Washroom



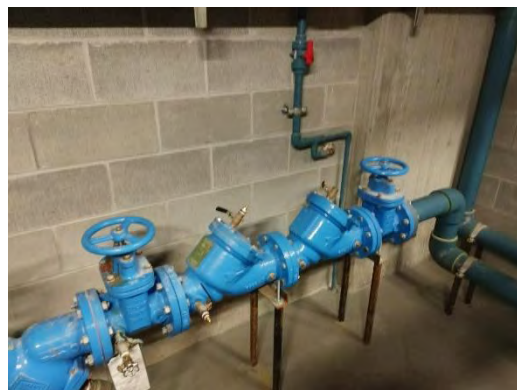
Item 40 - Meeting Room Kitchen



Item 41 - Interior Art and Furnishings



Item 42 - Domestic Hot Water Equipment



Item 44 - Backflow Preventer



Item 45 - Waste Water Piping



Item 48 - In Suite Exhaust



Item 52 - CO Detectors



Item 54 - Main Switchgear



Item 55 - Fire Pumps



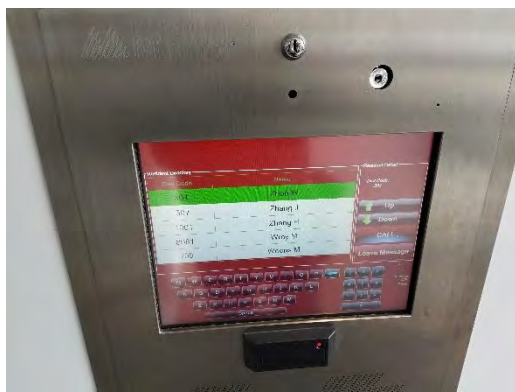
Item 57 - Parkade Lighting



Item 58 - Fire Alarm Panel



Item 59 - Video Surveillance System



Item 60 - Entry System



Item 63 - Emergency Generator



Item 65 - Guardrails and Barriers



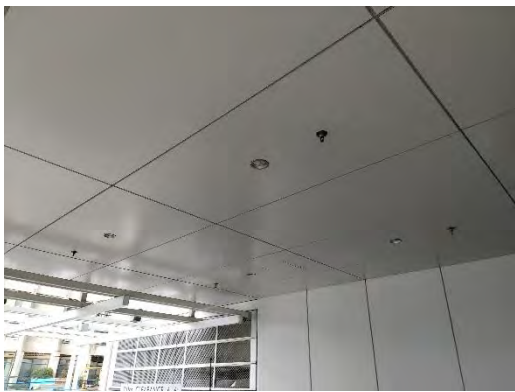
Item 66 - Pedestrian Paving



Item 67 - Metal Trellis Work



Item 70 - Landscape Lighting



Item 71 - Exterior Lighting



Item 72 - Exterior Signage



**Appendix E**  
Draft Changes



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## Appendix E: Draft Changes

No changes to the draft report were requested by Strata.

