2013 Depreciation Report

Cypress Point ABC, 7511, 7531, & 7651 Minoru Boulevard, Richmond, BC

SUBMITTED TO The Owners, Strata Plan NW2050
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PROJECT # 2574.40

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1. Introduction

RDH Building Engineering Ltd. (RDH) was retained by The Owners, Strata Plan NW2050 (the Owners) to prepare a Depreciation Report (the Report) for the common property components and shared amenities (the Assets) at the residential low-rise buildings located at 7511, 7531, & 7651 Minoru Boulevard, Richmond, BC and known as Cypress Point ABC (Cypress D and the shared amenities within a neighbouring strata corporation, Woodridge Estates, is not included in this report).

The purpose of the Report is to help the Owners, the strata council, and the management team to make informed decisions about the allocation of resources to the common property assets (such as roofs, boilers, and carpets).

An original draft report and presentation was provided to Council on May 29th, 2013. After reviewing the draft report, the Strata Council provided RDH with feedback and questions on August 20th, 2013, November 20th, 2013, and April 3rd 2014. Feedback was incorporated into the report and the final report was sent to the Strata Council on June 13th, 2014.

In order to prepare the Report, RDH acknowledges that there is no relationship between the employees at RDH and the strata corporation.

The information provided in the Report satisfies the requirements stipulated in the Strata Property Act. In addition to the requirements outlined in the legislation, RDH has developed an interactive software tool that enables the Owners to proactively manage their funding requirements and maintenance obligations.

This Report is provided as a PDF so that it can be readily printed and distributed. It represents a synopsis of many hundreds of pages of information. The supporting data are posted on a secure website at http://bams.rdhbe.com. The purpose of the website is to provide a tool to empower the strata council and management team to:

- Track and monitor the health of the assets
- Generate alternative funding scenarios
- Keep the data current as projects are completed

The data is owned by the strata corporation and can be printed and/or exported to spreadsheets as required.

As the physical and financial status of the commonly owned assets changes, the Report will require updating. The BC legislation requires updates to the Report to be performed every three years.

A glossary of terms is included in the appendices.

2. Evaluation of Assets

A Depreciation Report should include two key parts: a "physical" assessment and a "financial" assessment. Together these two sets of data provide the baseline of information regarding the current status of the assets on the site. Once the status of the assets has been determined, the data can be used to generate operational, tactical and strategic plans. The strategic plan is used to help guide the creation of possible funding scenarios. This process is summarized in the graphic below:

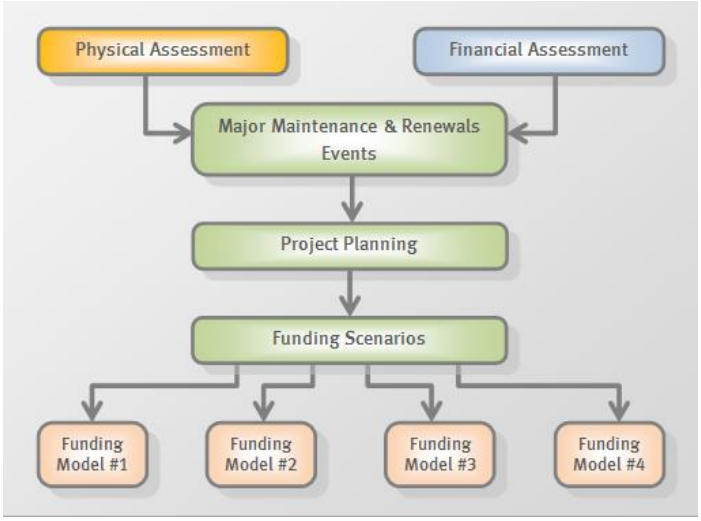


Fig. 2.1.1 Depreciation Report Process

The physical and financial assessments consider when major maintenance and renewals events are required, and how much they will cost.

Tentative project plans are developed for the next year, 10 years and 30 years.

Funding models are built based on the strategic plan (30 years). Owners will choose one model as the basis for the reserve fund contributions.

2.1. Physical Assessment

All assets are subject to physical deterioration as a result of the action of the elements, normal wear & tear, misuse & abuse and various other factors. Deterioration results in the need for maintenance, repair and renewal of assets. To this end, the physical assessment identifies the following:

- The inventory of common property assets.
- The effective age of the assets and the estimated remaining useful life of the assets.

The method of determining the physical health of the assets is based on discussions with facility representatives, a visual review of a representative sample of the assets in readily accessible locations, and review of readily available reference documents. No destructive testing was carried out on any of the assets, nor was the assets disassembled or subjected to confirmation of operational characteristics.

The table below contains a summary of some of the key physical parameters of Cypress Point.

Table 2.1.1 Key Physical Parameters

Physical Parameters (2013)	
Date of Original Construction (approximate)	1983
Approximate Gross Floor Area (ft^2)	166,800
Stories Above Grade	4
Number of Suites	106
Asset Age (Average Years)	20
Remaining Service Life (Average Years)	11

Fig. 2.1.2 Aerial View of Cypress Point

Over time, all assets move through a series of life cycle stages. In this regard, Cypress Point can be considered a "middle-aged" complex where the majority of the assets date from original construction and some significant major maintenance activities or renewals projects has occurred such as:

Table 2.1.2 Summary of Completed Projects

Summary of Completed Projects – Listed by System	
Electrical System ⇢ Replacement of enterphone panels (2005, 2007, 2009) ⇢ Retrofit of energy efficient ballast in light fixtures (ongoing) ⇢ Localized replacement of electrical panel at Building A (2010)	**Interior Finishes** ⇢ Replacement of porcelain wall tiles in change rooms (2005 & 2008) ⇢ Repainting of interior walls (2008 and touch ups every 3-4 months)

Enclosure System

- Replacement of roofing membrane (2000)
- Partial building enclosure rehabilitation at various elevations (2003), see fig.2.2.1 for general location.
  - Replacement of face-seal stucco with rainscreen stucco
  - Replacement of wood windows with vinyl windows
  - Replacement of wood sliding glass doors with vinyl sliding glass doors
  - Replacement of wood balcony guardrails with metal guardrails
  - Replacement of balcony waterproofing membrane to liquid-applied urethane membrane
  - Replacement of wood panels at bay window stack
  - Replacement of podium waterproofing membrane between building A and B
- Repairs to wood doors, windows, and frames (2004 & 2008)
- Repairs and cleaning of SBS roof and decks (2008 & 2013)
- Localized water ingress repairs at planter wall cap flashing (2010)
- Partial building enclosure rehabilitation at various elevations (2011), see fig.2.2.1 for general location.
  - Replacement of face-seal stucco with rainscreen stucco
  - Replacement of wood windows with vinyl windows
  - Replacement of wood balcony guardrails with metal guardrails
  - Replacement of wood panels at bay window stack
  - Replacement of balcony waterproofing membrane with vinyl membrane
- Replacement of wood decking with Playfall rubber tiles at rooftop decks. (2013, in progress at the time of the report)

Sitework System

- Installation of storm sump in front of Building A (1998). Sump was upgraded in 2005.
- Replacement of the irrigation controller (2005)
- Refurbished soft landscaping (2003, 2013, and annually)
- Repairs to the concrete deck around pool (2009)
- Repairs to exterior porcelain tiles (2010 & 2012)
- Repairs to asphalt roadway (2013)
- Localized tree removal and planting of new trees (various years)
- Repaired floor tiles at amenity deck (2010 & 2012)

Mechanical System

- Replacement of pool and spa boilers (2002)
- Replacement of pool and spa pumps (2002)
- Replacement of domestic cold water and hot water recirculation piping (2008)
- Replacement of garage door operators (2008)
- Replacement of hot water heaters (2011-2013)
- Partial replacement of domestic hot water piping in building C (2011)
- Replacement of hot water heaters in building C (2013)

Amenities

- Refinished interior surface of pool (1990)
- Replacement of wood flooring at squash court (2000)
- Refinished mens sauna (2005)
- Renovated Cypress Point amenity room (2011/2012)
- Replacement of computer equipment (2013)
- Replacement of sand filter (2013)
- Repaired hot tub, grout and tiles (2013)

Other

- Amendments to the Shared Facility Agreement (2010)

Elevator System

- No significant major maintenance or renewals

Fire Safety System

- Overhaul of fire hydrant (2005 & 2011)
- Retrofit of LED bulbs in exit signs (2011)

2.2. Shared Assets

There are assets that are the property of Cypress Point ABC but are also shared with other Strata Corporations. Listed below is a summary of the shared assets.

Samples of Shared Assets				
Category 1	**Category 2**	**Category 3**	**Category 4 (not included in this Report)**	**Category 5**
Exclusive Assets to Cypress Point ABC.	Shared exclusively with Cypress Point D.	Shared with the other Strata Corporations as noted in the Shared Facility Agreement, see section 2.3.	Shared with the other Strata Corporations as noted in the Shared Facility Agreement, see section 2.3.	Shared exclusively with adjacent Strata Corporations (Woodridge Estates & One Tree Lane).
Roofs, hallway carpets, etc.	Entry roadway, parking podium, landscaping.	Shared Amenities at Cypress Point ABC (outdoor pool, etc).	Shared Amenities at Woodridge Estates (Indoor spas, etc).	Fire lane - Turf Block Porous Paving.

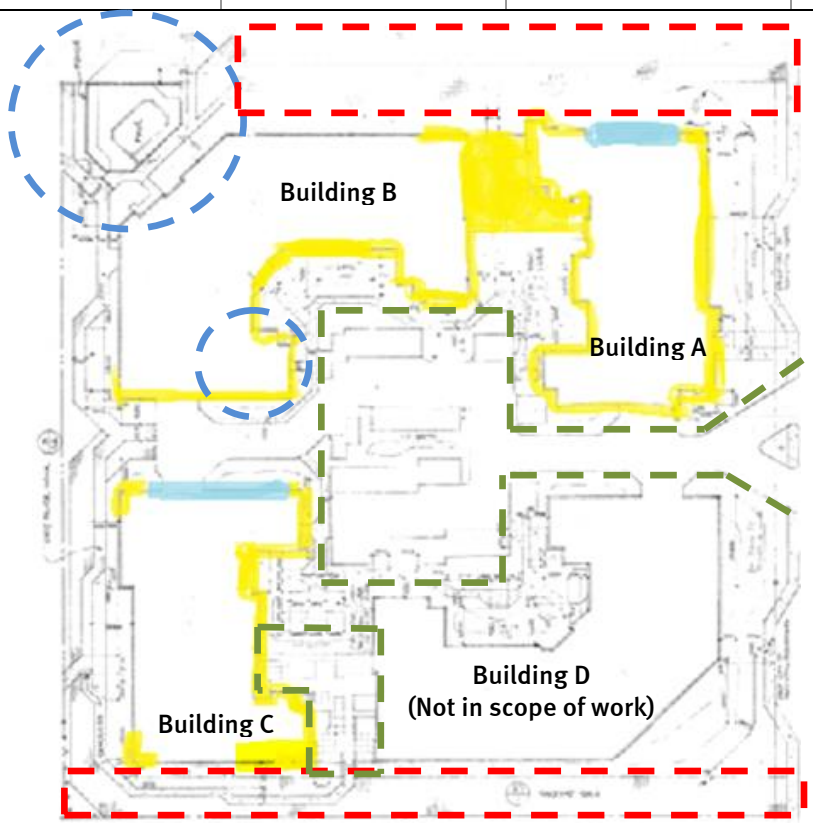


Fig. 2.2.1 Diagram of Cypress Point to illustrate general locations of rehabilitation and shared assets

2.3. Shared Amenities

Under the Shared Facility Agreement, Cypress Point ABC (Strata Plan NW2050), Cypress Point D (Strata Plan NW2090), Woodridge Estates (Strata Plan NW1942), and Ashford Place (Strata Plan NW1868) collectively are responsible for major maintenance and renewals and operational cost for the shared amenities located at Cypress Point ABC and Woodridge Estates. Listed below are summaries of the operating budget and shared amenities.

Table 2.3.1 Operating Budgets for Shared Amenities

Category 3 & 4 - Shared Amenities			
Strata Corporations	Estimated Percentage (%)	2013 contribution to the operating budget for the shared amenities at Cypress Point ABC	Estimated 2013 contribution to the operating budget for the shared amenities at Woodridge Estates
Cypress Point ABC (NW2050)	29.4	$25,949.84	$16,875
Cypress Point D (NW2090)	13.8	$12,241.32	$7,960
Woodridge Estates (NW1942)	39.1	$34,523.18	$22,450
Ashford Place (NW1868)	17.7	$15,670.66	$10,190
Total	**100**	**$88,385.00**	**$57,475**

Table 2.3.2 Shared Amenities at Cypress Point ABC and Woodridge Estates

Category 3 & 4 - Assets in Shared Amenities	
Amenities at Cypress Point ABC includes: ⇢ Outdoor pool and spa ⇢ Amenity room ⇢ Squash Court ⇢ Mens and womens change rooms with showers and saunas ⇢ Games room ⇢ Exercise room	Amenities at Woodridge Estates includes*: ⇢ Two indoor spas ⇢ Mens and womens change rooms with showers and saunas ⇢ Exercise room

*The major maintenance and renewal expenditures for the shared amenities at Woodridge Estates are not included in this Report.

2.4. Operating Policies of the Strata Council

Cypress Point ABC has been dedicated to administering and optimizing its repair and maintenance program since the building's first building enclosure rehabilitation in 2003. Using the efforts and the strengths of the Strata Council members, the Strata Corporation has been able to prolong the life of many assets and save on capital costs due to ongoing due diligence and hard work in pursuing the responsible stewardship of their assets.

⇢ **Operating & Capital Expenses.** Each year, the Strata Corporation has budgeted an additional amount of money in their operating budget to cover repair and maintenance items that occur throughout the year for all the building systems, such as the replacement of pumps, fans, and motors in the mechanical systems.

All the implemented maintenance programs and efforts of Cypress Point ABC have led to annual cost savings each year and have had an impact in extending the useful service life of many assets. Cypress Point ABC can be considered a progressive and forward-thinking Strata Corporation due to their sophisticated implemented repair and maintenance strategies.

2.5. Financial Assessment

Owners will spend money for operating, reviewing, renewing and maintaining assets over their service lives. Sometimes more comprehensive renewal costs are also incurred. The financial assessment identifies the following:

- The current replacement costs of the assets and their future replacement costs.
- The status of the current Capital Reserve Fund (CRF) balance and how it relates to ongoing CRF requirements.
- The ability of the current budget to meet major maintenance and renewal needs.

Over the life of the assets, the costs associated with the stewardship of the assets can be distributed into three general categories: "Catch-up costs", "Keep-up costs" and "Get-ahead costs".

The Report is concerned primarily with the "Keep-up" costs. All costs are presented as “Class D” estimates. Soft costs, such as consulting fees and contingency allowances are not included.

Listed below is a summary of the key financial parameters of Cypress Point, which are used to develop funding scenarios and the tactical and strategic plans.

Table 2.5.1 Key Financial Parameters

Financial Parameters (2013)	
Fiscal Year End	December 31
Building Reproduction Cost	$22,901,100
Current Operating Budget	
- Category 1	$256,227
- Category 3 & 4 (shared amenities)	$42,825
Total	**$299,052**
Current Annual Reserve Allocation	
- Contingency Reserve Fund	$30,000
- Re-piping Project Fund	$30,000
- Exterior Building Project Fund	$40,000
- Estimated Annual Operating Budget allocation used to fund capital projects	$33,850
Total	**$133,850**
Current Accumulated Reserve Balance*	$336,000

* The balance in the reserve fund varies each month as funds are allocated from the operating budget and withdrawn for capital renewal projects and major maintenance activities. Accumulated reserve balance is current as of December 2012.

3. Major Maintenance and Renewals

Maintenance refers to activities that preserve the Assets, to ensure the Assets will last their predicted service lives and perform as expected. Renewal refers to the replacement or refurbishment of an Asset at the end of its useful service life.

Major maintenance refers to maintenance that occurs at intervals greater than one year, for example, every 18 months or five years (less frequently than once a year). Major maintenance typically includes activities such as testing and inspecting. These activities are considered capital expenses. Minor maintenance includes maintenance activities that occur once a year or more frequently. The costs associated with major maintenance are included in the Depreciation Report funding models.

3.1. Maintenance Plan

The Strata Corporation's maintenance budget is $95,113 per year, which represents approximately 32% of the annual operating budget. The strata corporation has many line items in the budget that are devoted to maintenance of the different systems, including a line item of $3,000 for unspecified repairs and maintenance. The strata corporation has at least several maintenance service contracts, which cover the key systems, such as HVAC, elevators and janitorial services. The strata corporation intends to complete several repair, renewal and major maintenance activities, financed through the operating budget. These activities are considered capital costs.

The table below summarizes portions of the 2013 operating budget.

Table 3.1.1 2013 Operating Budget Summary

Capital expenditures in Operating Budget (2013)	
Capital Expenditures and Major Maintenance	
⇢ Electrical/Lighting	$1,350
⇢ General Interior Repairs	$2,000
⇢ Fire Test & Equipment	$2,000
⇢ Plumbing	$6,500
⇢ Exterior Repairs & Maintenance	$2,000
⇢ Exterior Painting	$2,000
⇢ Roof Repairs & Maintenance	$1,500
⇢ Building Envelope Maintenance	$3,000
⇢ Landscape Upgrades	$9,200
⇢ Gutters, Drains, & Sewers	$4,300
Total	**$33,850**

Distribution of Annual Maintenance Costs

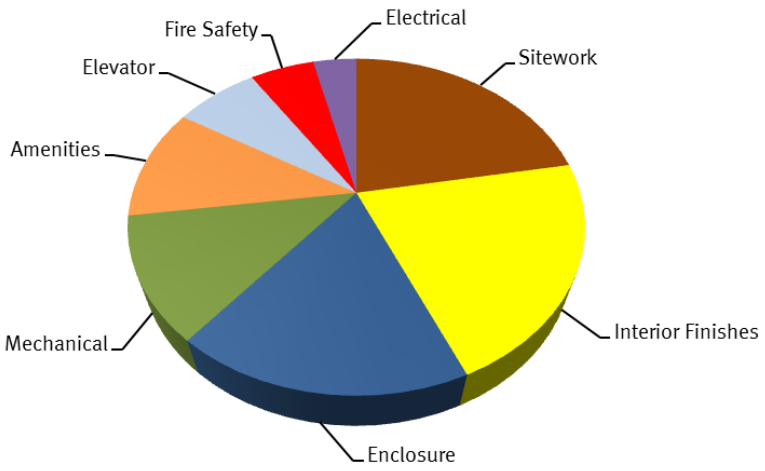


Fig. 3.1.2 Distribution of Annual Maintenance Costs

On February 26th, 2013, RDH conducted a site review on a representative sample of the common elements at Cypress Point for the purpose of developing an inventory of common property assets and to estimate the useful remaining life of the

assets. Listed below are examples of some observations made during the review; observations can be divided into four priority categories:

- ***Level 1 – Currently Critical:*** Deficiencies or observations that require immediate action to correct a safety hazard or stop accelerated deterioration.
- ***Level 2 – Potentially Critical:*** Deficiencies or observations that if not addressed promptly may become critical or that may indicate concealed damage or deterioration.
- ***Level 3 – Necessary:*** Deficiencies or observations that should be addressed to prevent predictable deterioration and downtime. Work to address deficiencies in this priority category is not discretionary but is not necessarily time sensitive.
- ***Level 4 – Recommended:*** Deficiencies or observations that could be addressed. Work to address these observations would not affect the most basic function of the facility but improve overall usability and in some cases can lower maintenance costs.

Table 3.1 Condition Observations

Priority Ranking	Visual Observations
Level 1: Currently Critical	- No *currently critical* observations were noted.
Level 2: Potentially Critical	- No *potentially critical* observations were noted
Level 3: Necessary	- Localized aging of sealant - Localized delamination of coating on wood panels, windows, and trim. - Localized damage on balcony face-seal stucco cladding - Damaged coating on concrete planters
Level 4: Recommended (for consideration)	- Vegetation growth on flashing at rooftop

The ongoing maintenance program provides guidelines for the necessary and sufficient maintenance of the Assets over their useful lives. The software also has the capability to monitor minor maintenance events and can be used to bundle and coordinate the implementation of maintenance work. This functionality is not included in the Report.

3.2. Renewals Plan

It has been estimated that the Strata Corporation will need to spend approximately $9M in capital expenditures over the next 30 years. The following table indicates the distribution of the projected major maintenance and renewal costs within each system over the next 30 years. This will enable the Owners to better understand which asset groups will require the largest investment of the Owners' money over time.

Table 3.2 Costs Broken Down by System

System	Estimated (%)	Examples of Assets*	Current Dollars 2013	Future Dollars 2% escalation
Enclosure	100	Roofs, windows, doors, etc.	$3,741,000	$4,946,000
Electrical	100	Lighting, enterphone, etc.	$281,000	$383,000
Mechanical	100	Plumbing, drainage, ventilation, etc.	$1,371,000	$1,961,000
Elevator	100	Controls, cabs, etc.	$645,000	$785,000
Fire Safety	100	Detections, suppression, egress, etc.	$154,000	$197,000
Interior Finishes	‹ 100	Flooring, painting, doors, etc.	$370,000	$481,000
Amenities	29.4	Pool, amenity room, squash court, etc.	$177,000	$238,000
Sitework	‹ 100	Fencing, landscaping, paving, etc.	$351,000	$472,000
Total			**$7,090,000**	**$9,463,000**

* An inventory of the Assets is included in the appendices to the Report.

The figure below contains a summary distribution of the major maintenance and renewal costs for the next 10 years. Of the estimated $9M in capital expenditures over the next 30 years, approximately $2M is expected over the next 10 years. For Cypress Point, the majority of these costs are in the enclosure system.

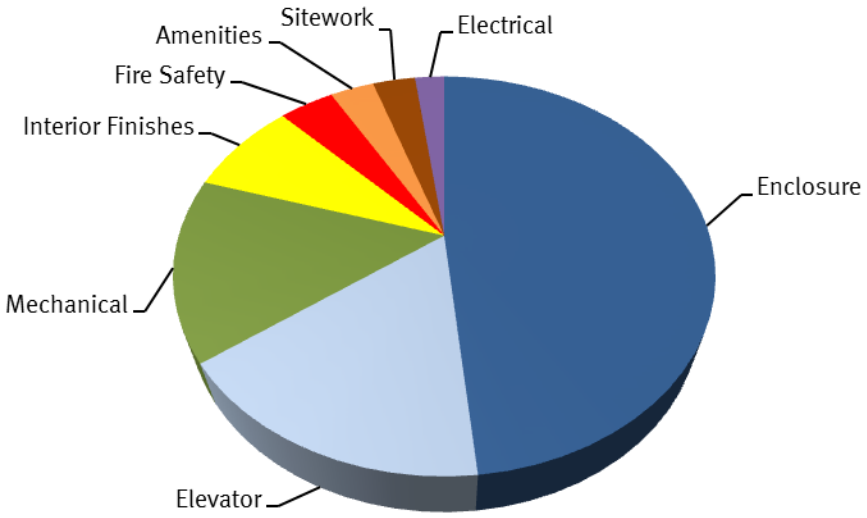


Fig. 3.2.1 Distribution of Major Maintenance and Renewal Costs Over the Next 10 years (2013-2022)

4. Project Planning

When making forecasts about future events and plans for these events, it is recommended that these are projected over three different planning horizons:

- **"Strategic"** (30 years): Since the average service life of many of the assets is approximately 25 years (such as roofs and boilers) it is recognized that a long-range view enables the Owners to anticipate the majority of the future renewal projects.
- **"Tactical"** (5-10 years): A five year outlook enables the Owners to break up the strategic plan into manageable stages and to thereby bridge the annual operating budget with the long-range strategic plan. Most Owners do not consider ownership of their real estate investment beyond a 5-year term and are therefore only concerned about special levies that may arise during this time period.
- **"Operational"** (1 year): The annual operating period encompasses one fiscal cycle (12 months). The reserve allocation in the operating budget should reflect the majority of the projects in the tactical plan (5 years) and ideally should also contemplate some elements of the strategic plan (30 years).

The following sections identify all capital expenditures that are projected for Cypress Point with specific expenditures identified within the sections outlining the operation and tactical planning periods.

4.1. "Strategic" Planning Horizon

The chart below graphically illustrates the estimated major maintenance and renewal costs over the next 30 years and thereby provides a high-level overview of the longer term projected cash flow. The red bars indicate the years in which some renewal work is projected. Estimated maintenance costs (green bars) are generally more consistent from year-to-year.

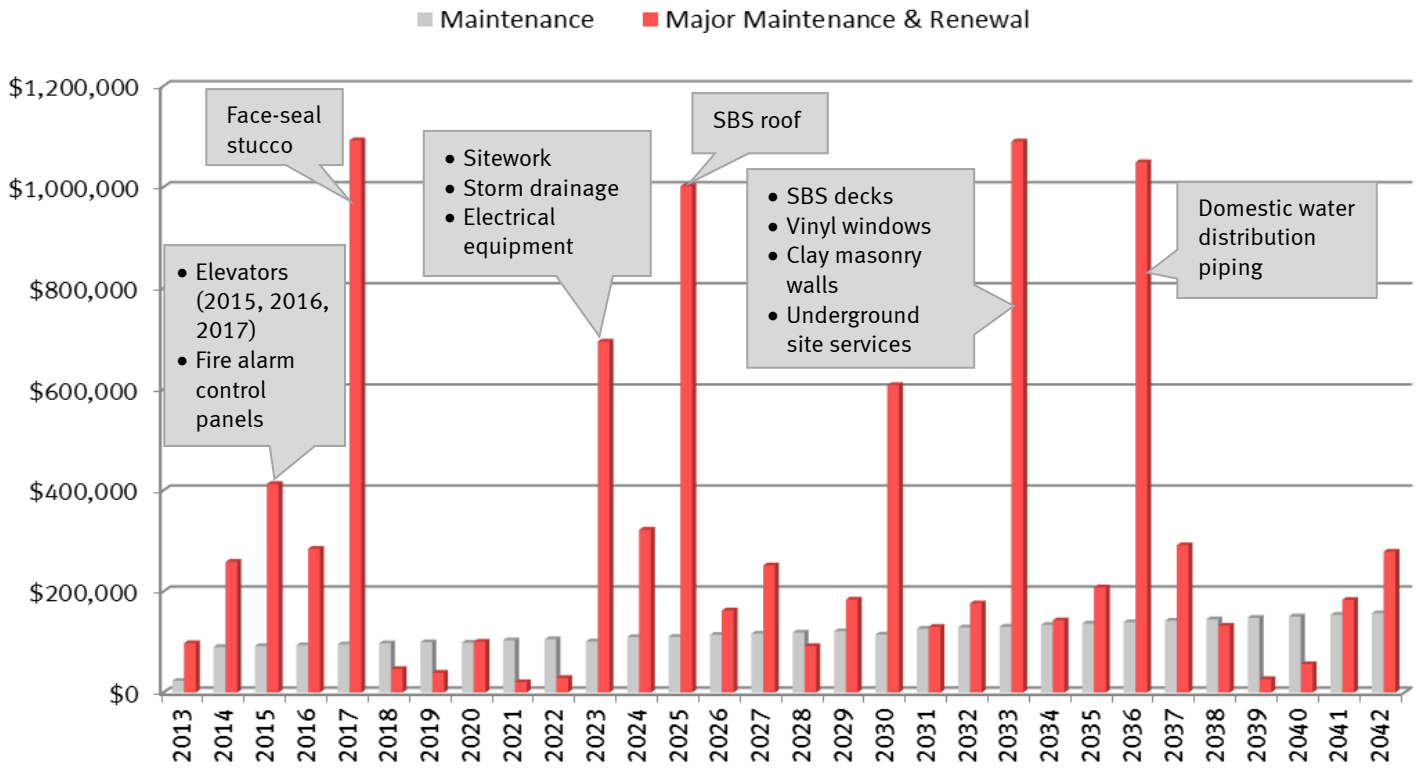


Fig. 4.1.1 Strategic Forecast (30 Years) with some key possible projects identified

The fluctuation of major maintenance and renewal costs over the 30-year period is due to a variety of factors, such as:

- The different service lives for each of the range of assets in the asset inventory. For example, some assets may have a useful life of 5 years whereas other assets may have a useful life of 25 years.
- The different magnitude of renewal costs for each of the assets.
- The impact of different rehabilitation strategies to either replace assets or extend their useful service lives through major maintenance projects.
- The cumulative financial impact of inflation compounded annually over 30 years.

The actual timing of renewal projects will depend on the quality of maintenance and other factors, which either may result in earlier replacement or, in some cases, extend the life of the assets.

4.2. "Tactical" Planning Horizon

Although the tactical plan can be described as a single five year window the chart below provides the projected major maintenance and renewal costs for the next ten years so that the two five year windows can be reviewed. The bars indicate the years in which an event (or bundle of events) is most likely to occur as well as the total magnitude of major maintenance and renewal costs for that year.

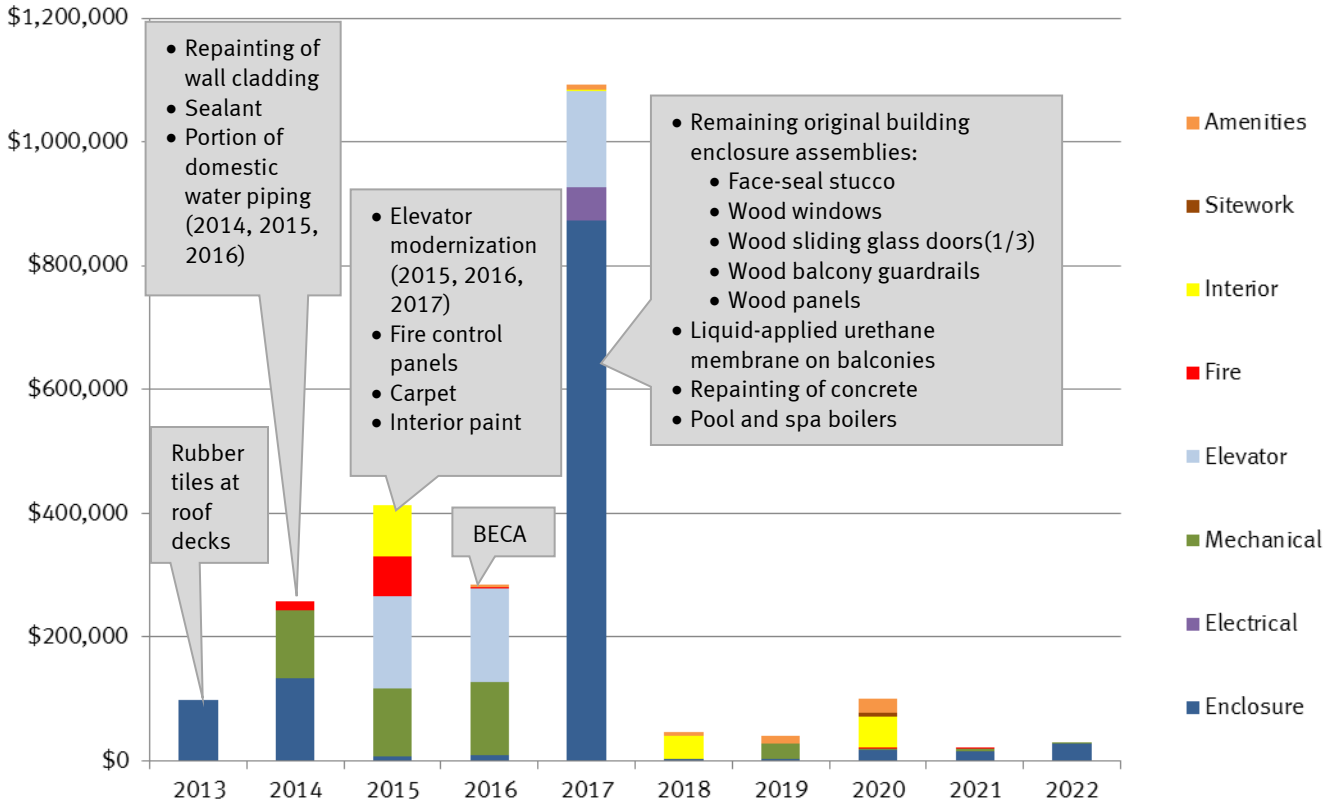


Fig. 4.2.1 10-Year Expenditure Forecast with some key possible projects identified

The costs associated with the correction of any warranty defects are not included in the tactical plan.

Listed on the following page are some of the key major maintenance activities and asset renewal projects contemplated in the preceding bar graph:

Table 4.2.1 Tactical Plan: Major Maintenance and Renewal Projects

Group 1: Major Maintenance
This group of projects are intended to preserve the assets to achieve their full design life. In accordance with the Strata Property Act, any maintenance **"…that usually occurs less often than once a year"** is a capital expense. ⇢ Protective recoating of wood swing doors (*) ⇢ Protective recoating of wood panels (*) ⇢ Augering and hydro-flushing of drain lines, including camera scoping survey, as required (*) ⇢ Protective recoating of concrete walls ⇢ Protective recoating of stucco walls ⇢ Commissioning of a building enclosure condition assessment (BECA) ⇢ Hydrostatic testing of fire extinguishers (*) ⇢ Updating of Depreciation Report every three years
Group 2: Asset Renewal Projects (Primarily Condition-Based)
Listed below are asset renewal projects that will require additional investigation to confirm condition and eventual replacement schedules. Some of these projects are also discretionary and could potentially be postponed for reasonable periods with manageable risk. ⇢ Replacement of wood decking with Playfall rubber tiles at rooftop (in progress at the time of the Report) ⇢ Localized renewal of sealant at rooftop and other various locations ⇢ Replacement of carpet flooring ⇢ Repainting of interior common area hallways in high traffic areas, as required (*) ⇢ Phased replacement of domestic water distribution piping (2014, 2015, 2016) (*) ⇢ Replacement of remaining original face-seal stucco walls and associated assemblies: ⇢ Face-seal stucco walls ⇢ Wood windows ⇢ Wood sliding glass doors (1/3) ⇢ Wood balcony guardrails ⇢ Wood panels ⇢ Replacement of liquid-applied urethane balcony membrane ⇢ Repainting of concrete flooring ⇢ Replacement of pool and spa boilers ⇢ Replacement of water storage tanks ⇢ Replacement of domestic water heaters ⇢ Replacement of vinyl balcony membranes ⇢ Replacement of vinyl flooring

- Repairs to pool and spa interior surfaces (*)
- Cyclical repointing of masonry veneer walls
- Cyclical replacement of insulated glazing units (IGU) (*)
- Cyclical renewal of pumps, valves, fans, and motors, as required (*)

Group 3: Asset Renewal Projects
(Primarily Time-Based)

The following projects are considered those that can be reasonably predicted to coincide with the end of the useful service life of certain assets. These projects are non-discretionary and cannot be postponed without significant risk.

- Modernization of elevator controls, door operator hardware, and signal fixtures including elevator cab refurbishment in 2015, 2016, and 2017 (technologically obsolete)
- Renewal of fire control panels (technologically obsolete)
- Renewal of smoke detectors in common areas, and other initiating field devices, as required (*)
- Replacement of proximity access control system
- Renewal of batteries in fire alarm control panel and annunciator panel (*)

(*) In accordance with council policy and practice, this is carried as an operating cost rather than a capital cost.

Some projects will require refinement through a normal design process to further define the scope and budget prior to tendering the renewal project. "Class D" estimates have been provided in the Report and a number of general assumptions about the potential scopes of work were made when costs associated with these projects were generated.

Implementation steps for any renewal event will vary and may include an investigation to confirm existing construction and any design requirements included in the project scope. Various options, such as phasing, product choice, and project bundling are also typically evaluated as part of the design requirements. Through this process, the scope of work will be finalized and the total project costs will be estimated for the Strata as a budget suitable for formal expenditure approval from the CRF. The costs associated with the investigation and design requirements are not included in the Report as the need and magnitude for this work varies with renewal activities and specific Owner needs.

4.3. "Operational" Planning Horizon

Localized renewal of sealant and repainting of wall claddings are potential renewal projects and/or major maintenance projects forecast for the next fiscal year.

4.4. Project Implementation Strategies

As renewal projects are implemented the Strata Corporation will need to engage consultants and contractors to confirm the appropriate scopes of work, to develop specifications and to coordinate and supervise the work.

The Owners will need to consider several implementation strategies including:

- **Targeted Projects.** These are projects that are localized to particular portions of the building. Different exposure conditions and wear patterns may require that only some sections of the building require renewal at one point in time. For example: the carpets in amenity rooms would be replaced at a different time to the hallway carpets due to additional wear in high traffic locations.
- **Phased Projects.** These are projects that are carried out in multiple stages rather than as a single coordinated project. For example: the sealant could be renewed on one building in the first year and then on the other buildings in

subsequent years. While phased projects can reduce the financial burden by spreading the costs over a longer period, the Owners will likely pay more over the long term due to the remobilization of contractors.

- **Comprehensive Projects.** These are projects that are implemented as one coordinated undertaking. Some of the major advantages of this approach are that the Owners can sometimes leverage the best economies of scale, shorten the overall duration and lower the overall costs. For example: the balcony membranes are renewed in all buildings at the same time.
- **Bundled Projects**. Often it makes sense to bundle or combine various projects due to proximity, availability of skills, and funding needs. The major advantage of project bundling is that the Owners can leverage economies of scale and lower the overall costs rather than if these projects were completed as several, individual projects. For example: the wood guardrails are repainted at the same time as the repainting of the doors for the complex.

5. Funding Scenarios

The physical assessment and financial assessment have together provided a baseline of information for the Owners and management team to evaluate the current funding levels and to consider an appropriate funding strategy based on their tolerance for risk and desired standard of care for the property. RDH provides the tools but the funding level that the Owners choose is up to them as long as it meets the minimum legislative requirements.

5.1. Alternative Funding Scenarios

To help the Owners make an informed decision about their funding level, BAMS software is used to generate some alternative funding scenarios to compare the financial impact of different funding levels over the next 30 years. These scenarios serve as a sensitivity analysis to determine the size of the special levies that may occur as a result of different allocations to the CRF.

While there are many different scenarios that can be generated, the table below compares the following alternatives:

Table 5.1.1 Comparison of Different Funding Scenarios over the next 30 years

	"A" Statutory	**"B" Current**	**"C" Alternative**	**"D" Progressive Reserve**	**"E" Current** (with estimated operating budget allocation used to fund capital projects)
Percent of Progressive Reserve	10 %	34 %	51 %	100 %	46%
Reserve Allocation	$29,905	$100,000	$150,000	$292,000	$133,850
Per Suite					
- Per Month	$24	$79	$118	$230	$105
- Per Year	$282	$943	$1,415	$2,755	$1,263
Per Square Foot (of gross floor area)					
- Per Month	$0.01	$0.05	$0.07	$0.15	$0.07
- Per Year	$0.18	$0.60	$0.90	$1.75	$0.80
Number of Special Levies, approx.	26	19	12	3	17
Value of Special Levies, approx.	$8M	$6M	$5M	$1M	$5.0M
Value of Special Levies per suite, approx.	$80,000	$60,000	$45,000	$10,000	$50,000
Assumed Inflation Rate	2%	2%	2%	2%	2%
Assumed Interest Rate	2%	2%	2%	2%	2%

- **"A" "Statutory" Reserve Allocation.** This is the funding level that is required to meet the statutory requirements in BC. The Strata Property Act dictates that the reserve allocation will vary according to the reserve fund balance; therefore the reserve allocation is not linear. For comparison purposes, the table above shows the amount equal to 10% of the operating budget, this is the maximum that would be allocated to the reserve fund annually under this scenario.

- **"B" Current Reserve Allocation.** This is the funding level that was approved by the Owners at the last Annual General Meeting and represents the status quo.
- **"C" Alternative Reserve Allocation.** This represents an incremental increase from the status quo, which is just one of many possible scenarios for a new funding level in the next fiscal year.
- **"D" Progressive Reserve Allocation.** This is the annual allocation that would have been set aside since the first year of operations to ensure that the reserve balance is sufficient to avoid any special assessments over a 30-year period. In other words, the progressive reserve is equivalent to a fully funded reserve balance. The "progressive" reserve allocation is an idealistic target that many strata corporations are not able to meet.
- **"E" Current, with portion of operating budget, Reserve Allocation.** This is the funding level "B" including the estimated operating budget allocation that is currently being used to fund capital expenditures.

The funding scenarios only include the expenditures for Cypress Point ABC (including 29.4% of the shared amenities in Cypress Point ABC) and are provided as a guide for the Owners. The Owners can use the BAMS software to create additional funding scenarios to assist in development of a scenario that is in alignment with their financial position. Based on the findings of the Report, the Strata Corporation is currently considered to be funding 34% of the progressive reserve level.

Although the Strata Corporation is meeting the statutory minimum contribution to the CRF, it is important to note that the statutory guideline is not a good measure of the financial preparedness of the corporation. If the Owners wish to avoid special levies, or to mitigate the financial hardship by reducing the number and size of the levies, then increases will need to be made over the upcoming years to move the current funding level from 34%.

5.2. Funding Scenario "A" –Statutory

The first scenario is the verification that there is currently enough money being committed to the CRF to meet BC legislation. It shows a variable annual reserve contribution over the 30-year planning horizon. 10 years of cash flow data are provided below for reference. Appendix E contains the full 30 years of cash flow data for each scenario or this information can be reviewed in the online BAMS software.

Table 5.2.1 Statutory Funding Model: Cash Flow Table

Fiscal Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Closing Balance
2013	$336,000	$0	$0	$6,720	$97,700	$5,000	$240,020
2014	$240,020	$0	$18,580	$4,800	$258,400	$5,000	$0
2015	$0	$29,905	$387,795	$0	$412,700	$5,000	$0
2016	$0	$29,905	$258,142	$0	$283,047	$5,000	$0
2017	$0	$29,905	$1,062,359	$0	$1,087,264	$5,000	$0
2018	$0	$29,905	$21,795	$0	$46,700	$5,000	$0
2019	$0	$29,905	$15,300	$0	$40,205	$5,000	$0
2020	$0	$29,905	$40,520	$0	$65,425	$5,000	$0
2021	$0	$29,905	$0	$0	$20,600	$5,000	$4,305
2022	$4,305	$29,905	$0	$86	$28,800	$5,000	$497

The figure below graphically illustrates the annual contributions (blue bars), the closing balance in the CRF (the purple line) and the size of the special levies (red bars) resulting from this funding level meeting the minimum statutory requirements.

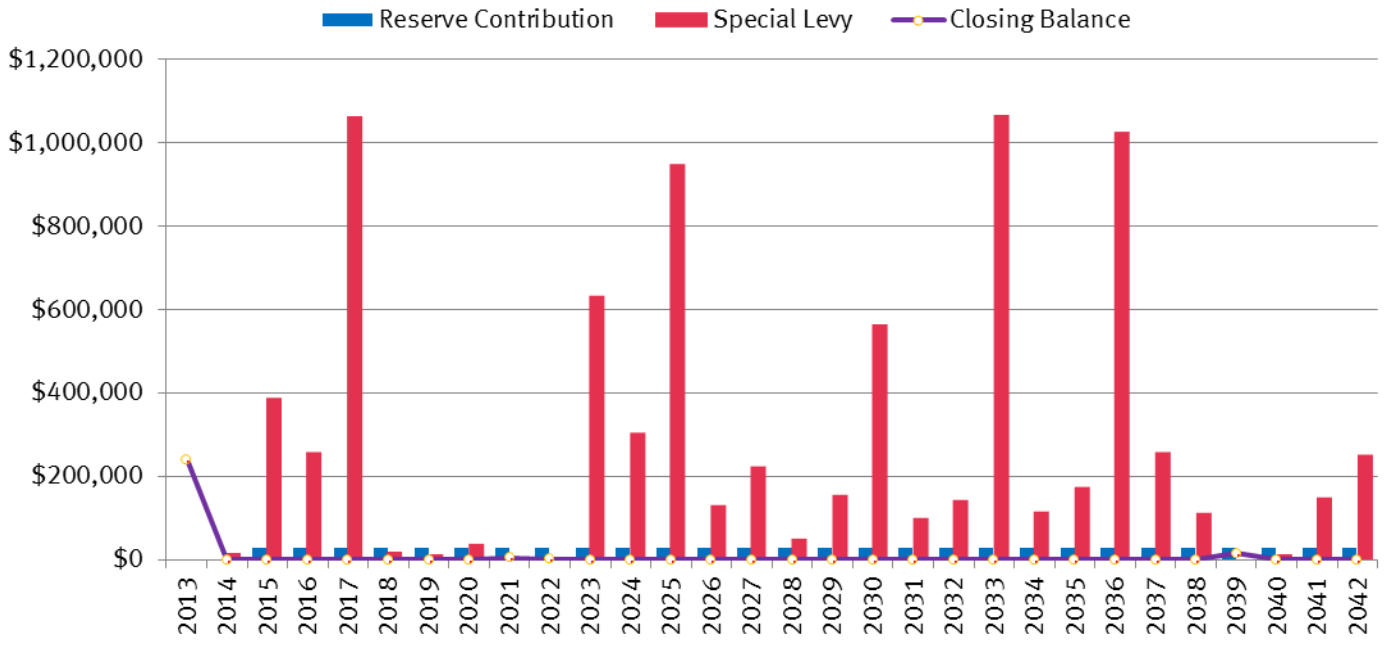


Fig. 5.2.1 Statutory Funding Model: Graphical Analysis

The BAMS software tool enables the strata council and management to explore alternate funding scenarios by adjusting the financial variables in the model (such as inflation rates and interest rates).

5.3. Funding Scenario "B" – Current (Status Quo)

Scenario "B" represents the current funding level approved by the Owners at the last general meeting (i.e., status quo) and is based on a fixed annual reserve contribution of **$100,000** and is summarized in the following cash flow table.

Table 5.3.1 Status Quo Funding Model: Cash Flow Table

Fiscal Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Closing Balance
2013	$336,000	$100,000	$0	$6,720	$97,700	$5,000	$340,020
2014	$340,020	$100,000	$0	$6,800	$258,400	$5,000	$183,420
2015	$183,420	$100,000	$140,611	$3,668	$412,700	$5,000	$10,000
2016	$10,000	$100,000	$187,847	$200	$283,047	$5,000	$10,000
2017	$10,000	$100,000	$992,064	$200	$1,087,264	$5,000	$10,000
2018	$10,000	$100,000	$0	$200	$46,700	$5,000	$58,500
2019	$58,500	$100,000	$0	$1,170	$40,205	$5,000	$114,465
2020	$114,465	$100,000	$0	$2,289	$65,425	$5,000	$146,330
2021	$146,330	$100,000	$0	$2,927	$20,600	$5,000	$223,656
2022	$223,656	$100,000	$0	$4,473	$28,800	$5,000	$294,329

The Owners are currently accustomed to monthly reserve allocations of approximately **$79** per suite per month (averaged). If the Owners were to continue to fund the CRF at this level, the Owners will possibly need to raise approximately **$6M** for special levies over the next **30** years.

The figure below provides a graphical illustration of the status quo funding scenario. The annual contribution into the reserve account is shown by the blue bars, the closing balance in the CRF is shown by the purple line and the special levies (to offset the shortfall in the reserve account) are shown as red bars.

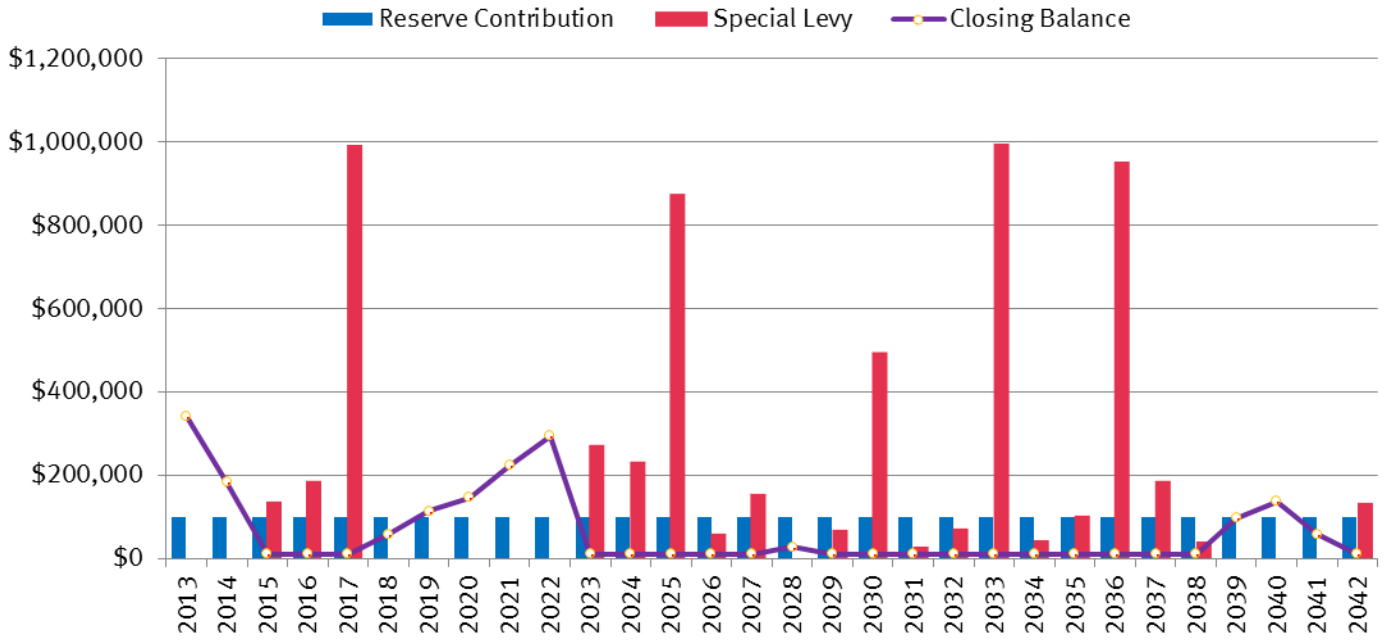


Fig. 5.3.1 Status Quo Funding Model: Graphical Analysis

The BAMS software tool enables the strata council and management to adjust the financial variables in this model (such as inflation rates and interest rates) and to generate additional models.

5.4. Funding Scenario "C" – Alternative

The next scenario is based on a fixed annual reserve contribution of approximately **$150,000** over the 30-year planning horizon. This represents a reserve contribution that is equivalent to approximately **$118** per suite per month (averaged).

Table 5.4.1 Alternative Funding Model: Cash Flow Table

Fiscal Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Closing Balance
2013	$336,000	$150,000	$0	$6,720	$97,700	$5,000	$390,020
2014	$390,020	$150,000	$0	$7,800	$258,400	$5,000	$284,420
2015	$284,420	$150,000	$0	$5,688	$412,700	$5,000	$22,409
2016	$22,409	$150,000	$125,190	$448	$283,047	$5,000	$10,000
2017	$10,000	$150,000	$942,064	$200	$1,087,264	$5,000	$10,000
2018	$10,000	$150,000	$0	$200	$46,700	$5,000	$108,500
2019	$108,500	$150,000	$0	$2,170	$40,205	$5,000	$215,465
2020	$215,465	$150,000	$0	$4,309	$65,425	$5,000	$299,350
2021	$299,350	$150,000	$0	$5,987	$20,600	$5,000	$429,737
2022	$429,737	$150,000	$0	$8,595	$28,800	$5,000	$554,531

While Scenario "C" does result in eliminating some of the smaller levies, it is still not adequate to offset all the special levies over the 30-year planning horizon. The figure below graphically illustrates the annual contributions (blue bars), the closing balance in the CRF (the purple line) and the size of the special levies (red bars) resulting from this funding level.

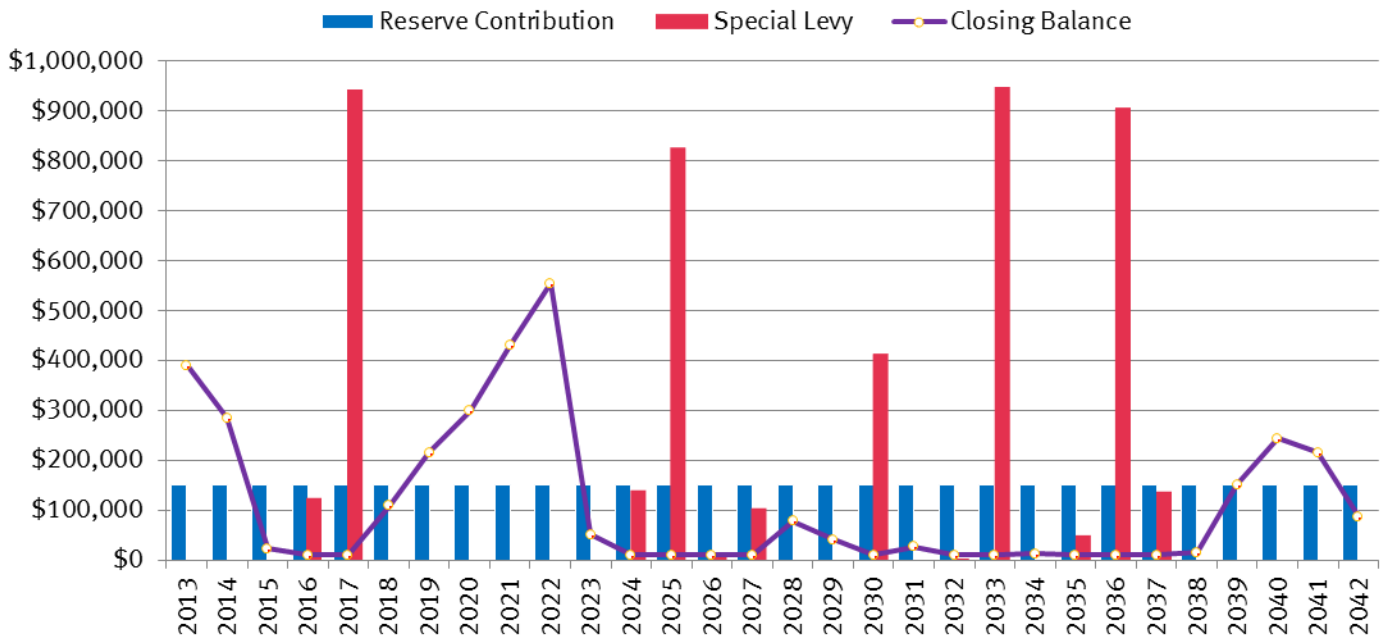


Fig. 5.4.1 Alternative Funding Model: Graphical Analysis

The BAMS software tool enables the strata council and management to adjust the financial variables in this model (such as inflation rates and interest rates) and to generate additional models.

5.5. Funding Scenario "D" – Progressive

The next scenario is based on a fixed annual reserve contribution of approximately **$292,000** over the 30-year planning horizon. This represents a reserve contribution that is equivalent to approximately **$230** per suite per month (averaged), which is approximately triple the current funding level.

Table 5.5.1 Progressive Funding Model: Cash Flow Table

Fiscal Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Closing Balance
2013	$336,000	$292,000	$0	$6,720	$97,700	$5,000	$532,020
2014	$532,020	$292,000	$0	$10,640	$258,400	$5,000	$571,260
2015	$571,260	$292,000	$0	$11,425	$412,700	$5,000	$456,986
2016	$456,986	$292,000	$0	$9,140	$283,047	$5,000	$470,078
2017	$470,078	$292,000	$330,784	$9,402	$1,087,264	$5,000	$10,000
2018	$10,000	$292,000	$0	$200	$46,700	$5,000	$250,500
2019	$250,500	$292,000	$0	$5,010	$40,205	$5,000	$502,305
2020	$502,305	$292,000	$0	$10,046	$65,425	$5,000	$733,927
2021	$733,927	$292,000	$0	$14,679	$20,600	$5,000	$1,015,005
2022	$1,015,005	$292,000	$0	$20,300	$28,800	$5,000	$1,293,505

While Scenario "D" does result in eliminating most of the levies, however, it is still not adequate to offset all the special levies over the 30-year planning horizon. The figure below graphically illustrates the annual contributions (blue bars), the closing balance in the CRF (the purple line) and the size of the special levies (red bars) resulting from this funding level.

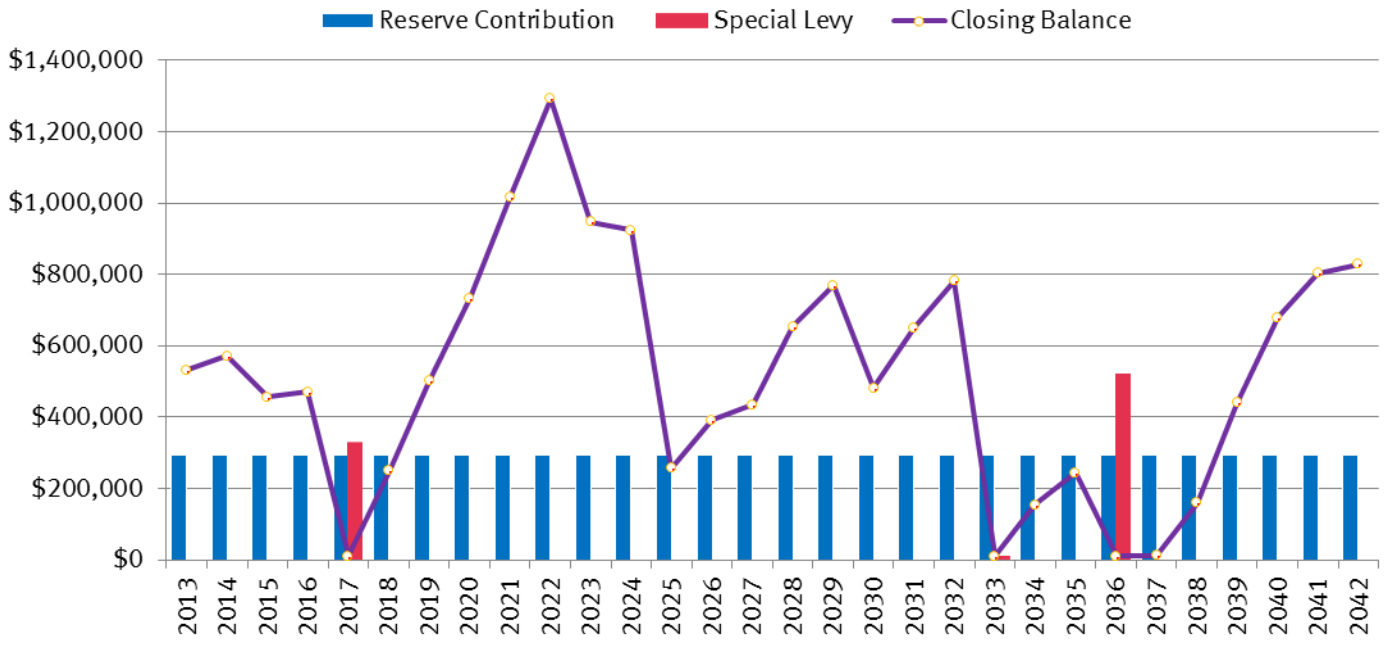


Fig. 5.5.1 Progressive Funding Model: Graphical Analysis

The BAMS software tool enables the strata council and management to adjust the financial variables in this model (such as inflation rates and interest rates) and to generate additional models.

5.6. Funding Scenario "E" – Current (Status Quo + Operating budget)

Scenario "E" represents the current funding level approved by the Owners at the last general meeting (i.e., status quo) and the estimated operating budget allocation that is currently used to fund capital expenditures. The model is based on a fixed annual reserve contribution of **$133,850** and is summarized in the following cash flow table.

Table 5.6.1 Status Quo + Operating Budget Funding Model: Cash Flow Table

Fiscal Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Closing Balance
2013	$336,000	$133,850	$0	$6,720	$97,700	$5,000	$373,870
2014	$373,870	$133,850	$0	$7,477	$258,400	$5,000	$251,797
2015	$251,797	$133,850	$37,017	$5,036	$412,700	$5,000	$10,000
2016	$10,000	$133,850	$153,997	$200	$283,047	$5,000	$10,000
2017	$10,000	$133,850	$958,214	$200	$1,087,264	$5,000	$10,000
2018	$10,000	$133,850	$0	$200	$46,700	$5,000	$92,350
2019	$92,350	$133,850	$0	$1,847	$40,205	$5,000	$182,842
2020	$182,842	$133,850	$0	$3,657	$65,425	$5,000	$249,924
2021	$249,924	$133,850	$0	$4,998	$20,600	$5,000	$363,173
2022	$363,173	$133,850	$0	$7,263	$28,800	$5,000	$470,486

While Scenario "E" does result in eliminating some of the smaller levies, it is still not adequate to offset all the special levies over the 30-year planning horizon. The figure below graphically illustrates the annual contributions (blue bars), the closing balance in the CRF (the purple line) and the size of the special levies (red bars) resulting from this funding level.

The figure below provides a graphical illustration of the status quo funding scenario. The annual contribution into the reserve account is shown by the blue bars, the closing balance in the CRF is shown by the purple line and the special levies (to offset the shortfall in the reserve account) are shown as red bars.

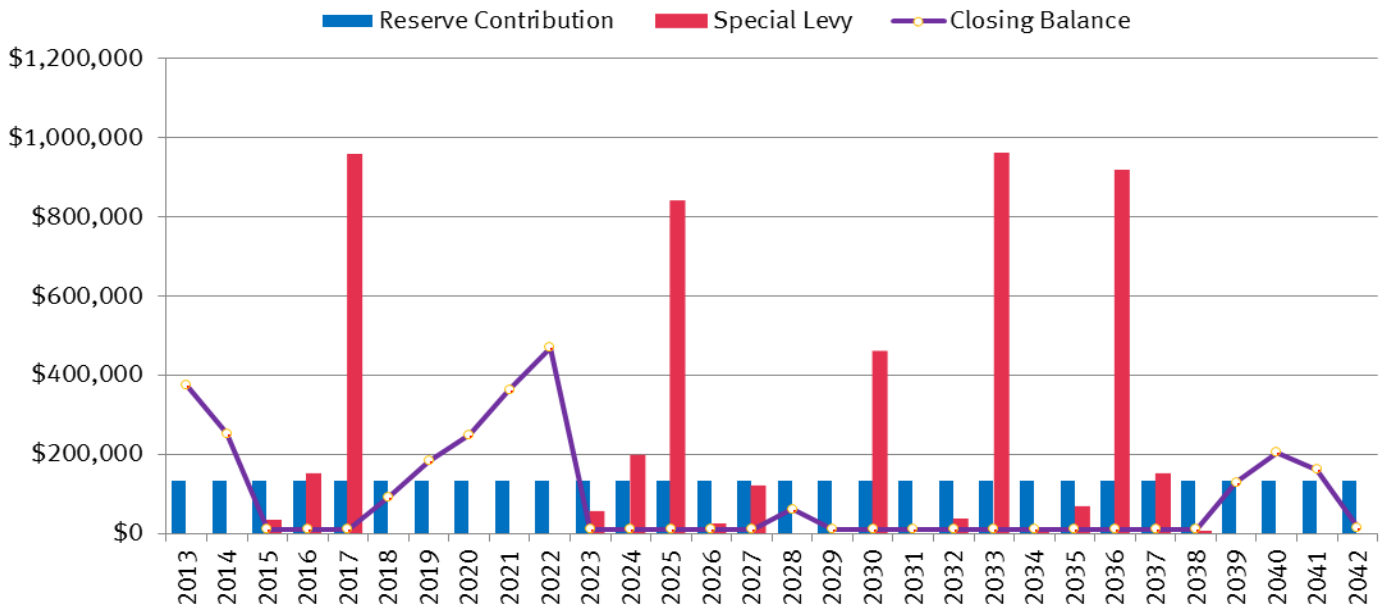


Fig. 5.6.2 Status Quo + Operating Budget Funding Model: Graphical Analysis

The BAMS software tool enables the strata council and management to adjust the financial variables in this model (such as inflation rates and interest rates) and to generate additional models.

5.7. Funding by Individual Owners

Notwithstanding which funding scenario may ultimately be selected by the Strata Corporation at the next general meeting, each owner can develop their own individual funding plans based on the renewal costs identified in the Report.

Since the Depreciation Report has identified approximately $9M in capital reserve and major maintenance projects over the next 30 years, each of the 106 unit owners can estimate their personal share based on unit entitlements.

Each owner, on average, could set aside at least $200 per unit per month for their personal share of the capital projects and major maintenance over the next 30 years. This will prepare the individual Owners for special levies if the Strata Corporation does not fund the CRF to an adequate level.

6. Recommendations

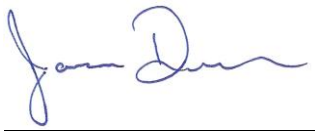
The following recommendations are presented for the Owners consideration. The goal is to help the Owners move to a more objective basis of allocating CRF contributions for Cypress Point.

- **Condition Assessment**. Prior to 2017, conduct a Building Enclosure Condition Assessment (BECA) of the walls, roofs, doors, windows to validate the assumptions regarding the remaining service lives based on the visual review conducted for the Report. Update the Report with these findings and recommendations as may be required.
- **Assumptions**. Review the disclosures and disclaimers listed in the appendix of the Report. Understand how the assumptions can be updated over time as new information comes to light about the performance of the assets and as certain projects are completed. Seek clarification from RDH regarding any of the disclosures and disclaimers.
- **Funding Scenarios.** Review the alternative funding scenarios in the Report and develop scenarios for presentation to the Owners that are most likely to secure approval of the Owners.
- **Funding Levels.** Review the current annual reserve allocation levels relative to the funding levels illustrated in the Report.
- **Software Tool.** Utilize the web-based building asset management system on an ongoing basis to keep the data current and ensure that it is readily accessible to the council members and property manager.
- **Report Updates.** Plan for updates to the financial component of the Report at least once a year (such as reserve balances) and updates to the physical component of the Report in three years (such as remaining useful life of the assets). The online data can be updated at any time during the course of the year by authorized users.
- **Further Investigations**. Conduct additional condition investigations, as required, to refine the data.
- **Maintenance Plan**. Review the adequacy of checklists and budgeting of routine maintenance to ensure that a program is implemented to achieve full service lives from the assets.

RDH is available to assist the Owners with all aspects of the Report and the on-line BAMS software. Please contact our office with any questions or if you should require further information.

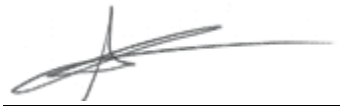
Sincerely,

RDH Building Engineering Ltd.



Jason Dunn, B.Arch.Sc.

Project Manager



Alex Seto, Dipl. T

Building Asset Management Technologist

Appendix A

Glossary of Terms

RDH
Making Buildings Better

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Vancouver, BC V5Y 1N5

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Glossary

Annual Contribution – Funds allocated to the Reserve Fund each fiscal year. Sometimes referred to as the Annual Allocation. Determining the appropriate size of the Annual Allocation is aided with a Reserve Study (a Depreciation Report in B.C.).

Asset – An integrated assembly of multiple physical components, which requires periodic maintenance, repair and eventual renewal. Typical examples of assets are: roofs, boilers and hallway carpets.

Catch-up Costs – The costs associated with the accumulated backlog of deferred maintenance associated with the assets.

Chronological Age – The calendar age of an Asset. Compare with Effective Age.

Classes of Cost Estimates – Until a project is actually constructed, a cost estimate represents the best judgement of the professional according to their experience and knowledge and the information available at the time. Its completeness and accuracy is influenced by many factors, including the project status and development stage. Estimates have a limited life and are subject to inflation and fluctuating market conditions. The precision of cost estimating is categorized into the following four classes and are as defined in guidelines prepared by the Association of Professional Engineers and Geoscientists of B.C. The percentage figures in parentheses refer to the level of precision or reliability of the cost estimates.

- **Class A Estimate** (±10-15%): A detailed estimate based on quantity take-offs from final drawings and specifications. It is used to evaluate tenders or as a basis of cost control during day-labour construction.
- **Class B Estimate** (±15-25%): An estimate prepared after site investigations and studies have been completed, and the major systems defined. It is based on a project brief and preliminary design. It is used for obtaining effective project approval and for budgetary control.
- **Class C Estimate** (±25-40%): An estimate prepared with limited site information and based on probable conditions affecting the project. It represents the summation of all identifiable project elemental costs and is used for program planning, to establish a more specific definition of client needs and to obtain preliminary project approval.
- **Class D Estimate** (±50%): A preliminary estimate which, due to little or no site information, indicates the approximate magnitude of cost of the proposed project, based on the client's broad requirements. This overall cost estimate may be derived from lump sum or unit costs for a similar project. It may be used in developing long term capital plans and for preliminary discussion of proposed capital projects.

Closing Balance – Alternatively referred to as the Starting Balance. The balance of funds remaining in the reserve account at the end of a fiscal period (Fiscal year end, calendar year or study period). The Closing Balance becomes the Opening Balance for the subsequent fiscal period.

Contingency Costs – An allowance for unexpected or unforeseen costs that may impact monies required for projects to maintain or replace assets. (Not to be confused with costs of Renewal or Major Maintenance projects which are paid for out of the Reserve Fund (otherwise known the Contingency Reserve Fund.)

Current Dollars – Dollars in the year they were actually received or paid, unadjusted for price changes.

Effective Age – The Age of an asset relative to its condition. Compare with: Chronological Age.

Funding Model – A mathematical model used to establish an appropriate funding level for sustaining the assets in a building. Running a number of scenarios out of the funding model using different parameters (such as inflation rates and interest rates) can serve as a sensitivity analysis to determine the financial impact of different funding levels.

Future Dollars – The projected cost of future asset renewal projects, which accounts for inflation and escalation factors.

Get Ahead Costs – These are costs associated with adaptation of the building to counter the forces of retirement associated with different forms of obsolescence, such as:

- → Functional obsolescence
- → Legal obsolescence
- → Style obsolescence

Some of the costs in this category are discretionary spending that result in either a change or an improvement to the existing strata building. This category includes projects to alter the physical plant for changes in use, codes and standards. Some typical examples include:

- → Energy retrofits
- → Code retrofits
- → Hazardous material abatement
- → Barrier free access retrofits
- → Seismic Upgrades

Keep-up Costs – The monies required for renewal projects as each asset reaches the end of its useful service life. If an asset is not replaced at the end of its useful service life and is kept in operation, through targeted repairs, then these costs get reclassified into the "catch-up" category.

Major Maintenance – Any maintenance work for common expenses that usually occurs less often than once a year or that do not usually occur. Major maintenance provides for the preservation of assets to ensure that they achieve their full intended service life.

Opening Balance – Alternatively referred to as the Starting Balance. The amount of money in an account at the beginning of a fiscal period. Opening balances are derived from the balance sheet and are used in cash flow calculations in the Funding Model.

Operating Costs – Frequently recurring expenses that arise during the course of a single fiscal year and are paid from the operating budget as opposed to the Reserve Fund.

Operational Plan/Horizon (1 year) – The annual operating period encompasses one fiscal cycle (12 months). The Reserve Contribution in the operating budget should reflect the majority of the projects in the Tactical Plan (5 years) and ideally should also contemplate elements of the Strategic Plan (30 years).

Percent Funded – The ratio, at a particular point of time (typically the beginning of the fiscal year), of the actual or projected Reserve Fund balance to the accrued Reserve Fund balance, expressed as a percentage. For example: If the 100% funded balance is $100,000 and there is $76,000 in the Reserve Fund, the Reserve Fund is 76% funded.

Since funds can typically be allocated from one asset to another with ease, this parameter has no real meaning on an individual reserve component basis. The purpose of this parameter is to identify the relative strength or weakness of the entire Reserve Fund at a particular point in time. The value of this parameter is to provide a more stable measure of Reserve Fund strength, since cash in reserve may mean very different things to different governing bodies or Owner groups.

- → **Poor Level.** When the Percent Funded falls to 0% - 30%, the current reserves may be considered to be at a 'poor' level. At this funding level, Special Levies are common. This is also commonly known as the Unfunded or Special Levy Model. The Owner Group does not have a Reserve Fund balance that will cover expected renewal costs and the only recourse is to raise funds by Special Levies to cover those costs when they become due.
- → **Fair Level.** If the Percent Funded level is 31 to 70% then the current reserve may be considered to be in a mid-range level.
- → **Good Level.** If the Percent Funded level is 70% or higher this is likely to be considered 'strong' because cash flow problems are rare.

Renewal – The replacement of an Asset as it reaches the end of its useful service life.

Renewal Cost – The cost required to replace an Asset, which is paid from the Reserve Fund, Special Levy or combination thereof.

Reserve Contribution – The amount of money that is allocated to the Reserve Fund each fiscal year. Determining the appropriate size of the Reserve Contribution is aided with a Reserve Fund Study (Depreciation Report in B.C.).

Reserve Fund – Also known as the Contingency Reserve Fund. The account in which the accumulated Annual Contributions are deposited and from which costs are withdrawn for Renewal projects and Major Maintenance projects.

Reserve Income – The interest earned from investing the money deposited in the Reserve Fund.

Reserve Study – Also referred to as a Reserve Fund Study or Depreciation Report in BC.

- → A long-range financial planning tool that identifies the current status of the Owners' Reserve Fund and recommends a stable and equitable funding plan

to offset the costs of anticipated future major expenditures associated with replacement of the assets and major maintenance.

- → The purpose of the Reserve Study is to provide a plan for appropriate funding for renewal and major maintenance work.
- → While Reserve Studies provide analysis of the timing, costs and funding for renewal projects, they should ideally be supported by a maintenance plan that assists the Owners to plan for maintenance activities so that assets achieve their predicted service lives.

Special Levy – Also referred to as a "Special Assessment". A financial levy to be paid by the Owner group to finance large-scale projects for major maintenance, repairs, renewal and rehabilitation of an asset, which occur as result of a shortfall in available funds and requires special decision making and approval procedures. A Reserve Study contains funding scenarios that assist the Owners in long-range financial planning.

Strategic Horizon – The longest of the three planning horizons, which typically covers the full study period of 30 years and identifies the long-term needs of the assets.

Style Obsolescence – When an asset is no longer desirable because it has fallen out of popular fashion, its style is obsolete. Some assets, particularly interior furnishings, reflect fashion cycles and can become out-dated.

Tactical Plan/Horizon – A period of planning for asset Renewal projects and Major Maintenance projects, which typically extends five years from the current year.

Appendix B

Asset Inventory

Cypress Point

Enclosure

Roofs & Decks

Encl 01 - Exposed SBS Membrane Roof

Location

Main roof of building A, B, and C.

Description

Bituminous and modified bituminous SBS (styrene-butadiene-styrene) membrane at low-slope roof. (Conventional assembly would include insulation and overlay board.) Inspected and repaired in 2008 and 2013.

Information

Service Life:	25	Install Year:	2000
Chronological Age:	14	Next Event Year:	2025
Effective Age:	14		

Encl 02 - Protected SBS Membrane Deck with Traffic-Bearing Surface

Location

Decks on top floor of all buildings

Description

SBS membrane overlaid with Playfall rubber tiles (Playfall tiles installation in progress at the time of the report) as traffic-bearing surface. Inspected and repaired in 2013.

Information

Service Life:	30	Install Year:	2000
Chronological Age:	14	Next Event Year:	2030
Effective Age:	14		

Encl 03 - Protected SBS Membrane Podium with Traffic-Bearing Surface (2003)

Location

Podium between buildings A and B.

Description

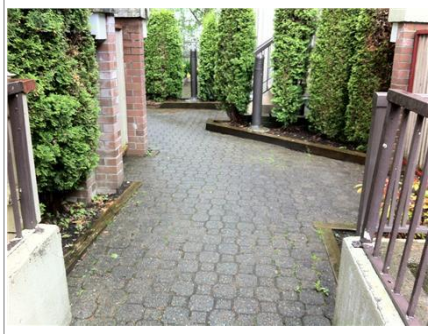
SBS membrane overlaid with soft landscaping and pavers as traffic-bearing surface.

Information

Service Life:	30	Install Year:	2003
Chronological Age:	11	Next Event Year:	2033
Effective Age:	11		

Cypress Point

Encl 04 - Protected Membrane Deck with Traffic-Bearing Surface



Location

Podium between buildings C and D.

Description

Waterproofing membrane assembly protected by combination of drainage mat, pavers, and landscaping overburden.

Information

Service Life:	25	Install Year:	2004
Chronological Age:	10	Next Event Year:	2029
Effective Age:	10		

Encl 05 - Concrete Roof Tiles

Location

Overhangs at all buildings.

Description

Concrete roof tiles installed over strapping and underlayment on sloped roof. Typically, gutters are provided at roof eaves to manage rainwater.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Fall Protection

Encl 06 - Guardrail Wood

Location

Unremediated balconies.

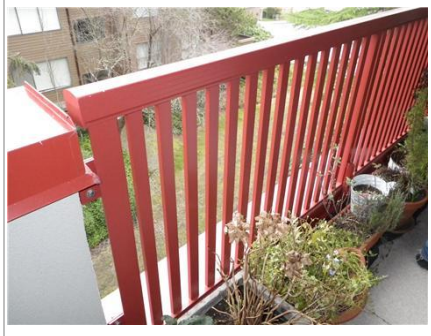
Description

Wood posts and pickets functioning as a protective barrier at the open sides of balconies to prevent accidental falls from one level to another.

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2017
Effective Age:	17		

Encl 07 - Guardrail Aluminum (2003)



Location

Remediated balconies

Description

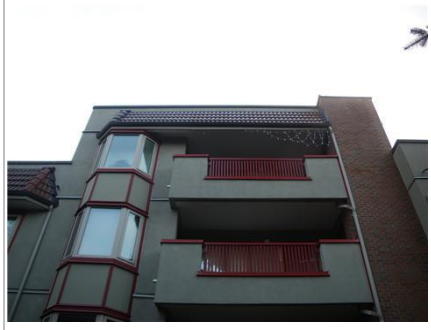
Aluminum posts and pickets functioning as a protective barrier at the open sides of balconies to prevent accidental falls from one level to another.

Information

Service Life:	30	Install Year:	2003
Chronological Age:	11	Next Event Year:	2033
Effective Age:	11		

Cypress Point

Encl 08 - Guardrail Aluminum (2011)



Location

North elevation of buildings A and C.

Description

Aluminum posts and pickets functioning as a protective barrier at the open sides of balconies to prevent accidental falls from one level to another.

Information

Service Life:	30	Install Year:	2011
Chronological Age:	3	Next Event Year:	2041
Effective Age:	3		

Walls

Encl 09 - Coated Architectural Concrete Wall

Location

Ground floor, parking garage level.

Description

Poured-in-place architectural concrete wall with protective coating.

Information

Service Life:	75	Install Year:	1983
Chronological Age:	31	Next Event Year:	2058
Effective Age:	31		

Encl 10 - Masonry Veneer Wall

Location

Various locations on all elevations on all buildings.

Description

Clay masonry units applied as a veneer with a drained and vented cavity over exterior sheathing membrane.

Information

Service Life:	50	Install Year:	1983
Chronological Age:	31	Next Event Year:	2033
Effective Age:	31		

Encl 11 - Stucco Clad Wall - Undrained

Location

Unremediated elevations: building B - north, northwest, and west elevation, building C - and west and south

Description

Acrylic coated stucco applied directly over exterior sheathing membrane.

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2017
Effective Age:	17		

Cypress Point

Encl 12 - Stucco Clad Wall - Drained (2003)

Location

2003 Remediated elevations: building A, building B - east, southeast, and south, building C - north and east.

Description

Acrylic coated stucco applied on furring to create a drained cavity over the exterior sheathing membrane.

Information

Service Life:	40	Install Year:	2003
Chronological Age:	11	Next Event Year:	2043
Effective Age:	11		

Encl 13 - Stucco Clad Wall - Drained (2011)

Location

2011 Remediated elevations: buildings A and C - north elevation

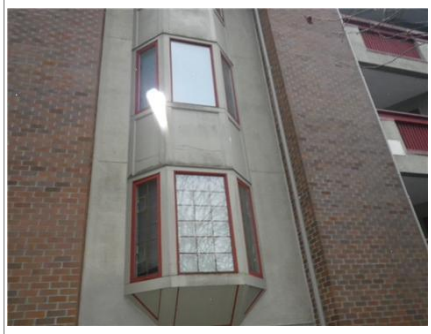
Description

Acrylic coated stucco applied on furring to create a drained cavity over the exterior sheathing membrane.

Information

Service Life:	40	Install Year:	2011
Chronological Age:	3	Next Event Year:	2051
Effective Age:	3		

Encl 14 - Wood Panel Wall



Location

At bay window stacks of unremediated elevations: building B - north, northwest, and west elevation, building C - and west and south

Description

Wood panel installed over the wood framing at bay window stacks.

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2017
Effective Age:	17		

Encl 15 - Wood Panel Wall (2003)

Location

At bay window stacks of 2003 remediated elevations: building A, building B - east, southeast, and south, building C - north and east.

Description

Wood siding installed on furring to create a drained cavity over the exterior sheathing membrane on remediated bay window stacks.

Information

Service Life:	40	Install Year:	2003
Chronological Age:	11	Next Event Year:	2043
Effective Age:	11		

Cypress Point

Encl 16 - Wood Panel Wall (2011)

Location

At bay window stacks of 2011 remediated elevations: buildings A and C - north elevation

Description

Wood siding installed on furring to create a drained cavity over the exterior sheathing membrane on remediated bay window stacks.

Information

Service Life:	40	Install Year:	2011
Chronological Age:	3	Next Event Year:	2051
Effective Age:	3		

Encl 17 - Wood Trim

Location

Around windows, doors, wall corners and at the fascia

Description

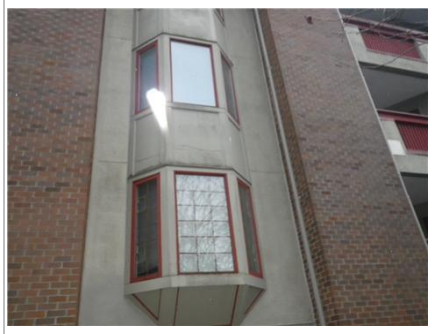
Vertical and horizontal wood trim boards with coated surface for protection of the substrate and aesthetics.

Information

Service Life:	30	Install Year:	1983
Chronological Age:	31	Next Event Year:	2017
Effective Age:	27		

Glazing Systems

Encl 18 - Wood Framed Window



Location

Unremediated elevations: building B - north, northwest, and west elevation, building C - and west and south

Description

Wood framed windows with insulating glazing units and casement operators.

Information

Service Life:	30	Install Year:	1983
Chronological Age:	31	Next Event Year:	2017
Effective Age:	27		

Encl 19 - Vinyl Framed Window (2003)

Location

2003 Remediated elevations: building A, building B - east, southeast, and south, building C - north and east.

Description

Vinyl framed windows with double insulating glazing units, and casement operators.

Information

Service Life:	30	Install Year:	2003
Chronological Age:	11	Next Event Year:	2033
Effective Age:	11		

Cypress Point

Encl 20 - Vinyl Framed Window (2011)

Location

2011 Remediated elevations: buildings A and C - north elevation

Description

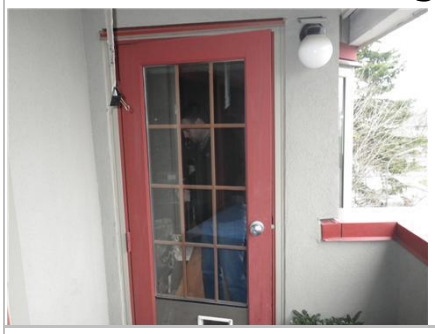
Vinyl framed windows with double insulating glazing units, and casement operators.

Information

Service Life:	30	Install Year:	2011
Chronological Age:	3	Next Event Year:	2041
Effective Age:	3		

Doors

Encl 21 - Wood Swing Door



Location

Protected balconies

Description

Solid wood swing door with insulating glazing units.

Information

Service Life:	25	Install Year:	1983
Chronological Age:	31	Next Event Year:	2024
Effective Age:	15		

Encl 22 - Wood Framed Sliding Glass Door

Location

Protected balconies and decks.

Description

Sliding glass doors, double insulating glazing units, wood framing.

Information

Service Life:	25	Install Year:	1983
Chronological Age:	31	Next Event Year:	2017
Effective Age:	22		

Encl 23 - Vinyl Framed Sliding Glass Door

Location

Access to private decks.

Description

Sliding glass doors, double insulating glazing units, vinyl framing.

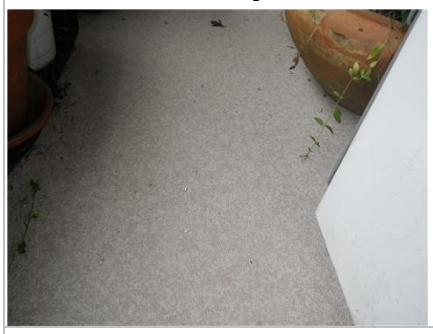
Information

Service Life:	30	Install Year:	2003
Chronological Age:	11	Next Event Year:	2033
Effective Age:	11		

Cypress Point

Balconies

Encl 24 - Exposed Vinyl Balcony Membrane



Location

Remediated balconies in 2011.

Description

Sheet vinyl membrane applied over wood balcony sheathing.

Information

Service Life:	15	Install Year:	2011
Chronological Age:	3	Next Event Year:	2026
Effective Age:	3		

Encl 25 - Exposed Urethane Balcony Membrane

Location

All balconies with the exception to 2011 remediated balconies.

Description

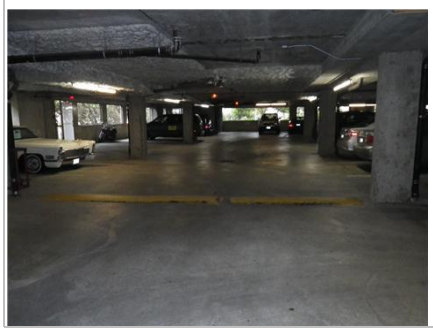
Liquid applied urethane membrane applied over wood balcony sheathing.

Information

Service Life:	10	Install Year:	2003
Chronological Age:	11	Next Event Year:	2017
Effective Age:	7		

Parking Garage

Encl 26 - Slab-on-Grade



Location

Parking garage.

Description

Concrete slab on grade.

Information

Service Life:	75	Install Year:	1983
Chronological Age:	31	Next Event Year:	2058
Effective Age:	31		

Cypress Point

General & Inspections

Encl 27 - General & Inspections

Location

All elevations and all levels of the building.

Description

Miscellaneous interior and exterior components, such as service penetrations and interface details, not related to any particular assembly. Warranty and general reviews.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Encl 28 - Aluminum Rainwater Leader

Location

At all balconies.

Description

Aluminum rainwater leaders at balcony perimeter.

Information

Service Life:	20	Install Year:	2003
Chronological Age:	11	Next Event Year:	2023
Effective Age:	11		

Encl 29 - Sealant

Location

Interfaces and service penetrations at the exterior walls, roofs and other locations

Description

Sealant of various types located at joints between building enclosure assemblies, as well as around components and penetrations within building enclosure assemblies.

Information

Service Life:	10	Install Year:	2003
Chronological Age:	11	Next Event Year:	2014
Effective Age:	10		

Cypress Point

Electrical

Power Supply

Elec 01 - Distribution Transformer - Exterior [PLACEHOLDER]

Location

Courtyard

Description

Pad mounted transformer. [Equipment is owned by BC Hydro].

Information

Service Life:	45	Install Year:	1983
Chronological Age:	31	Next Event Year:	2028
Effective Age:	31		

Distribution

Elec 02 - Electrical Distribution

Location

Electrical rooms

Description

Distribution switchgear, panelboards, breakers and wiring to several local sub-panels and mechanical loads.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Light Fixtures

Elec 03 - Exterior Light Fixtures

Location

Mounted to walls, soffits, and at various locations

Description

A variety of fixture types, including wall, pole and post mounted, street, pathway and recessed soffit pot lighting. A variety of lamp types, including fluorescent, compact fluorescent, halogen, incandescent, etc. for exterior direct, indirect and accent lighting applications. A variety of light fixture controls, including switches, motion sensors, timers and photocells.

Information

Service Life:	20	Install Year:	2003
Chronological Age:	11	Next Event Year:	2023
Effective Age:	11		

Cypress Point

Elec 04 - Interior Light Fixtures

Location

All common area rooms throughout the building.

Description

A variety of fixture types, including fixed surface and recessed. A variety of lamp types, including fluorescent, compact fluorescent, halogen, incandescent, etc. for interior direct, indirect and accent lighting applications. A variety of light fixture controls.

Information

Service Life:	20	Install Year:	2004
Chronological Age:	10	Next Event Year:	2024
Effective Age:	10		

Security

Elec 05 - Enterphone System

Location

Main entrances to all buildings.

Description

Viscount Enterphone 2000, surface mounted, enterphone panels with associated key pads and display panels. Enterphones were replaced in 2005, 2007, & 2009.

Information

Service Life:	25	Install Year:	2007
Chronological Age:	7	Next Event Year:	2032
Effective Age:	7		

Elec 06 - Proximity Access Control

Location

Various locations throughout the site.

Description

Local proximity access control system components include fob devices for building occupants, fob readers, RTE sensors, electric strikes and door controllers. Network level components include door control panel, communication boards, backup batteries, RTE board, conduit, cable and connectors.

Information

Service Life:	12	Install Year:	2005
Chronological Age:	9	Next Event Year:	2017
Effective Age:	9		

Cypress Point

Mechanical

Controls and End Devices

Mech 01 - HVAC Instrumentation

Location

Mounted to walls in common areas, amenity rooms, and equipment service rooms

Description

Thermostats, programmable thermostats, flow gauges, thermometers, metering equipment, gauges, and other field devices to monitor and regulate pressure and temperature in the HVAC and plumbing distribution systems.

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2016
Effective Age:	18		

Plumbing & Drainage

Mech 02 - Tank - DHW Storage

Location

Mechanical rooms in all buildings.

Description

A.O. Smith, 119 gallon tanks, glass-lined hot water storage tanks connected to domestic boiler system.

Information

Service Life:	8	Install Year:	2011
Chronological Age:	3	Next Event Year:	2019
Effective Age:	3		

Mech 03 - Tank Type Domestic Gas Fired Water Heater

Location

Mechanical rooms in all buildings.

Description

A.O. Smith, 399,000 BTU natural gas fired domestic water heaters for domestic hot water for plumbing fixtures in the suites.

Information

Service Life:	12	Install Year:	2011
Chronological Age:	3	Next Event Year:	2023
Effective Age:	3		

Cypress Point

Mech 04 - Cross Connection & Backflow Prevention

Location

Mechanical rooms in all buildings.

Description

Various types and sizes of backflow prevention valves, including vacuum breakers, double check, reduced pressure valves on systems.

Information

Service Life:	20	Install Year:	2005
Chronological Age:	9	Next Event Year:	2035
Effective Age:	-1		

Mech 05 - Exterior Roof and Area Drainage Collection

Location

Perimeter of the buildings.

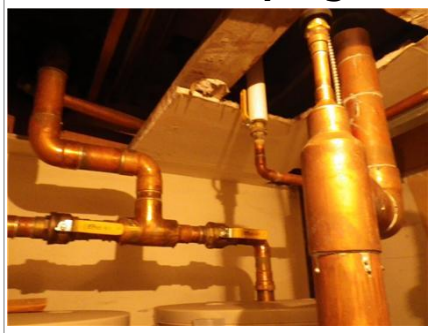
Description

Underground tight piping forming part of a drainage system around perimeters of buildings, podiums and structures, intended for collection of downspout drains and hard surface area drainage. Not including aluminum downspouts and gutters.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Mech 06 - Piping - Domestic Water Distribution



Location

Connected to fixtures throughout the building.

Description

Mixture of K and L copper for vertical/horizontal mains system and copper piping within the suites. Approximately 2/3 of the system was replaced around 2008 including cold water distribution and hot water recirculating lines.

Information

Service Life:	28	Install Year:	1983
Chronological Age:	31	Next Event Year:	2014
Effective Age:	28		

Cypress Point

Mech 07 - Sanitary Drainage Collection

Location

Connected to waste fixtures throughout the building.

Description

Cast iron DWV piping, with mechanical joints, p-traps, and fittings.

Information

Service Life:	50	Install Year:	1983
Chronological Age:	31	Next Event Year:	2033
Effective Age:	31		

Mech 08 - Storm Drainage Collection

Location

Roofs, decks, balconies, at grade perimeter.

Description

Trench drains, catch basins and associated piping systems for rainwater runoff. Roof drains may be included with the roof assets.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Heating & Cooling

Mech 09 - Electric Baseboard

Location

Hallways, service rooms, common areas, amenity areas, and various other strategic locations.

Description

Standard grade, wall mounted, electric convector baseboard heaters with electrical fins for localized space heating and integral thermostat control.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Ventilation and Air-conditioning

Mech 10 - Make Up Air Unit

Location

Main rooftop of all buildings

Description

Belt-driven fans to supply make-up air to the interior of the building.

Information

Service Life:	20	Install Year:	2005
Chronological Age:	9	Next Event Year:	2025
Effective Age:	9		

Cypress Point

Mech 11 - General Exhaust Fan

Location

Garbage rooms, service rooms, and other locations.

Description

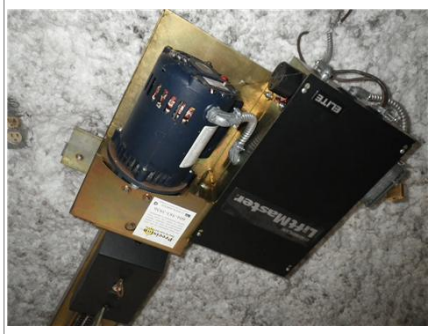
Direct drive fans and ceiling fans.

Information

Service Life:	12	Install Year:	2008
Chronological Age:	6	Next Event Year:	2020
Effective Age:	6		

Other

Mech 12 - Overhead Gate Motor



Location

Entrances to parking garage

Description

Liftmaster 1/2 HP AC motor and commercial-grade overhead sectional door controlled by an electric operator.

Information

Service Life:	20	Install Year:	2007
Chronological Age:	7	Next Event Year:	2027
Effective Age:	7		

Elevator

Hydraulic

Elev 01 - Hydraulic Elevator, Double Bottom

Location

Elevator machine room at bottom level.

Description

Richmond Elevator manufacturing, direct acting hydraulic elevators with a buried cylinders (double bottom, not protected from corrosion), Griffin relay controllers, external pump units, EECO UV5-A valves, 2000 lb capacity, 100 fpm rated speed (estimated).

Information

Service Life:	30	Install Year:	1983
Chronological Age:	31	Next Event Year:	2015
Effective Age:	29		

Cypress Point

Car Interiors

Elev 02 - Elevator Cabs & Hoistway

Location

Elevator cab and travelling hoistway.

Description

Single speed side opening doors, plastic car and hall pushbuttons, one (1) car operating panel per elevator, GAL MODL door operators, infrared door protection, plastic laminate cab interior, tile flooring, no voice communication devices, no firefighter's emergency provisions, no standby power, no seismic provisions.

Information

Service Life:	15	Install Year:	1983
Chronological Age:	31	Next Event Year:	2015
Effective Age:	14		

Fire Safety

Controls

Fire 01 - Fire Alarm Panel

Location

Lobby of all buildings.

Description

Edwards Custom 6500, microprocessor and supervised unit with annunciators and displays.

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2015
Effective Age:	19		

Detection

Fire 02 - Fire Detection & Alarm

Location

Mounted to walls and ceilings in various strategic locations throughout the building.

Description

Smoke detectors, heat detectors, flow switches, tamper switches, horns, pull stations and other fixed apparatus field devices to detect fire and smoke conditions and initiate timely response.

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2015
Effective Age:	19		

Cypress Point

Suppression

Fire 03 - Fire Hose Cabinet

Location

At end of hallways from first floor to third floor at all buildings.

Description

Fire hose and extinguisher cabinet, wall mounted with swinging glass door, complete with angle valve, fire hose, and wrench

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2015
Effective Age:	19		

Fire 04 - Fire Hydrant

Location

Courtyard

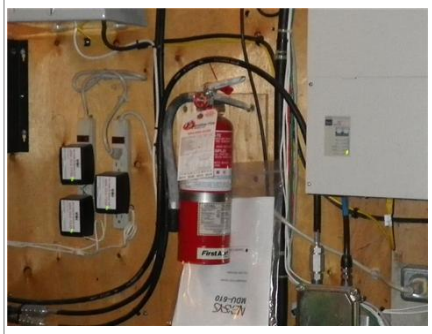
Description

Devices used to access water directly from the municipal water supply by fire department, to assist in extinguishing fires.

Information

Service Life:	40	Install Year:	2005
Chronological Age:	9	Next Event Year:	2045
Effective Age:	9		

Fire 05 - Portable Fire Extinguisher



Location

In fire hose cabinets and service rooms.

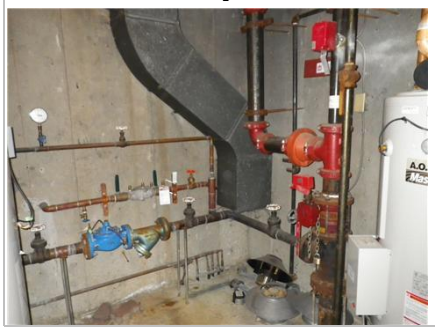
Description

Wall mounted, manually operated, 5lbs and 10lbs ABC type, pressurized vessels for controlled discharge of chemicals to extinguish small fires.

Information

Service Life:	12	Install Year:	2008
Chronological Age:	6	Next Event Year:	2020
Effective Age:	6		

Fire 06 - Sprinkler & Standpipe - Wet



Location

Mechanical room in all buildings.

Description

Steel standpipes and distribution lines.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Cypress Point

Egress

Fire 07 - Emergency Egress Equipment

Location

Mounted to walls and near doors in various strategic locations throughout.

Description

Unit battery packs; exit signs.

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2014
Effective Age:	20		

Interior Finishes

Floors

Finish 01 - Stone Floor Tile

Location

Lobbies and change rooms.

Description

Cut stone floor tile on thin set mortar with grout, cove base and interface thresholds with adjoining floor finishes.

Information

Service Life:	40	Install Year:	2008
Chronological Age:	6	Next Event Year:	2048
Effective Age:	6		

Finish 02 - Painted Concrete Flooring

Location

Storage and elevator machine rooms.

Description

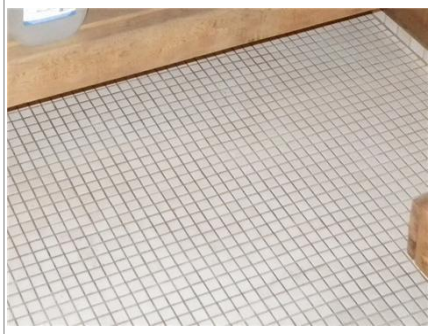
Exposed concrete floors, painted in some locations to provide a cleaner finish. This flooring asset does not include the concrete slab, which is not considered to be a renewable asset.

Information

Service Life:	8	Install Year:	2000
Chronological Age:	14	Next Event Year:	2017
Effective Age:	5		

Cypress Point

Finish 03 - Porcelain Floor Tile



Location

Showers and sauna flooring

Description

Porcelain floor tile on thin set mortar with grout, cove base and interface thresholds with adjoining floor finishes.

Information

Service Life:	40	Install Year:	2005
Chronological Age:	9	Next Event Year:	2045
Effective Age:	9		

Finish 04 - Resilient Sheet Flooring

Location

Laundry room at building C

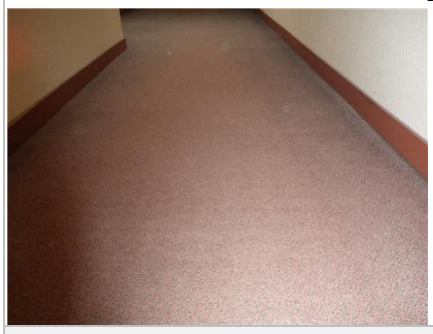
Description

Vinyl tiles with adhesive to the substrate, including door thresholds and transitions to adjoining floor finishes.

Information

Service Life:	20	Install Year:	1983
Chronological Age:	31	Next Event Year:	2020
Effective Age:	14		

Finish 05 - Sheet Carpet - Glued Down



Location

Hallways, stairwells, and other common areas

Description

Synthetic, single yarn, textile sheet floor covering installed over duracushion and floor substrate.

Information

Service Life:	15	Install Year:	1990
Chronological Age:	24	Next Event Year:	2015
Effective Age:	14		

Walls

Finish 06 - Ceramic Tile

Location

Shower rooms

Description

Ceramic tile on mortar bed and substrate with grout and caulking at interfaces. Mens re-tiled in 2005 and ladies re-tiled in 2008.

Information

Service Life:	30	Install Year:	2007
Chronological Age:	7	Next Event Year:	2037
Effective Age:	7		

Cypress Point

Finish 07 - Paint

Location

Lobbies, hallways, stairwells, amenity areas, and other miscellaneous locations.

Description

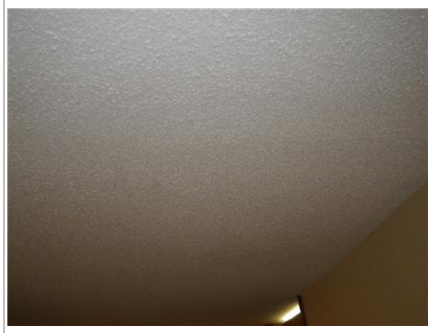
Primers and multiple pigmented coating finishes applied to interior gypsum wallboard, mill work trim details, and metal trim.

Information

Service Life:	10	Install Year:	2008
Chronological Age:	6	Next Event Year:	2018
Effective Age:	6		

Ceilings

Finish 08 - Paint on Ceiling



Location

Lobbies, hallways, stairwells and other miscellaneous locations.

Description

Primer and multiple pigmented finish coat applied to interior exposed concrete or gypsum wallboard.

Information

Service Life:	20	Install Year:	2008
Chronological Age:	6	Next Event Year:	2028
Effective Age:	6		

Architectural Woodwork

Finish 09 - Baseboard, Molding and Casing

Location

Lobbies, hallways, stairwells, amenity areas, and other miscellaneous locations.

Description

Linear components out of painted or finished wood or composite. Includes synthetic cove at wall to floor interface.

Information

Service Life:	30	Install Year:	1990
Chronological Age:	24	Next Event Year:	2020
Effective Age:	24		

Finish 10 - Carpentry and Millwork

Location

Exercise room and lounge.

Description

Shop fabricated custom casework, built-in counter-tops with laminate, composite or stone surface, wood veneer or composite cabinets.

Information

Service Life:	30	Install Year:	1983
Chronological Age:	31	Next Event Year:	2020
Effective Age:	24		

Cypress Point

Housekeeping

Finish 11 - General Housekeeping

Location

Common areas throughout.

Description

Cleaning and care of miscellaneous brightwork, millwork, flooring glass and other interior finishes. Includes housekeeping equipment.

Information

Service Life:	10	Install Year:	2010
Chronological Age:	4	Next Event Year:	2020
Effective Age:	4		

Doors

Finish 12 - Interior Swing Door - General

Location

Stairwells, hallways, lobbies and other miscellaneous locations.

Description

Solid wood core or hollow metal swing door hung in framed opening including hardware. Exterior door is considered separately as part of the building enclosure system.

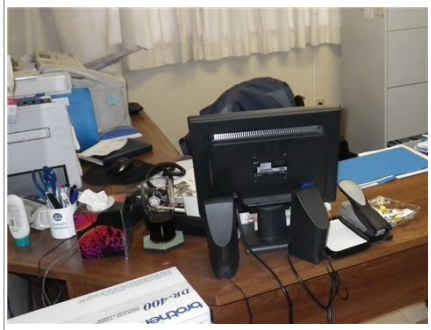
Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Amenities

Equipment

Amen 01 - Computer Equipment



Location

Manager's office.

Description

Computer, monitor, printer, keyboard and associated electronic devices required for general operations and management of the facility.

Information

Service Life:	6	Install Year:	2013
Chronological Age:	1	Next Event Year:	2019
Effective Age:	1		

Cypress Point

Amen 02 - Domestic Appliances

Location
Lounge

Description
Refrigerator, microwave oven, dishwasher of miscellaneous brands.

Information

Service Life:	15	Install Year:	2011
Chronological Age:	3	Next Event Year:	2026
Effective Age:	3		

Amen 03 - Fitness Equipment

Location
Exercise room.

Description
Various fitness machines and equipment.

Information

Service Life:	10	Install Year:	2009
Chronological Age:	5	Next Event Year:	2019
Effective Age:	5		

Furnishings

Amen 05 - Games Room

Location
Games room

Description
Miscellaneous equipment and games. Currently not available for use and might be used for another purpose in the future.

Information

Service Life:	10	Install Year:	1983
Chronological Age:	31	Next Event Year:	2016
Effective Age:	8		

Amen 06 - Exterior Furniture & Accessories

Location
Outside of lounge

Description
Wood and metal furniture with fabric or leather covering, paintings, ornaments, and other miscellaneous accessories.

Information

Service Life:	15	Install Year:	2000
Chronological Age:	14	Next Event Year:	2016
Effective Age:	13		

Cypress Point

Amen 07 - Metal Storage Locker

Location
Change rooms.

Description
Pre-finished metal storage locker or ganged locker set with doors and hardware.

Information

Service Life:	25	Install Year:	1983
Chronological Age:	31	Next Event Year:	2028
Effective Age:	11		

Amen 08 - Office Furniture

Location
Lounge and Manager's office.

Description
Desk, chairs, filing cabinet, etc.

Information

Service Life:	15	Install Year:	2011
Chronological Age:	3	Next Event Year:	2026
Effective Age:	3		

Amen 09 - Central Mailboxes

Location
Lobby of all buildings.

Description
Flush mounted, front loading, and metal finish.

Information

Service Life:	30	Install Year:	1983
Chronological Age:	31	Next Event Year:	2024
Effective Age:	20		

Amen 04 - Bicycle Rack

Location
Parking garage of Building C.

Description
Floor mounted, steel frame bicycle rack.

Information

Service Life:	30	Install Year:	2003
Chronological Age:	11	Next Event Year:	2033
Effective Age:	11		

Cypress Point

Amen 10 - Public Signage

Location

Mounted to equipment, doors, and other locations throughout the buildings.

Description

Variety of permanently displayed information placards in the common areas of the building.

Information

Service Life:	25	Install Year:	1983
Chronological Age:	31	Next Event Year:	2020
Effective Age:	19		

Amen 11 - Wood Storage Locker

Location

Storage room in parking garage.

Description

Wood framed general purpose storage locker with swing door and hardware.

Information

Service Life:	30	Install Year:	1983
Chronological Age:	31	Next Event Year:	2035
Effective Age:	9		

Fall Protection

Amen 12 - Squash Court

Location

In building B.

Description

Squash court with wood flooring.

Information

Service Life:	20	Install Year:	2000
Chronological Age:	14	Next Event Year:	2030
Effective Age:	4		

Pool, Spa & Sauna

Amen 13 - Dry Sauna

Location

Change rooms.

Description

Wood paneling, wood benches, wood door, electric heater and timer control.

Information

Service Life:	20	Install Year:	2005
Chronological Age:	9	Next Event Year:	2025
Effective Age:	9		

Cypress Point

Amen 14 - Pool & Spa Heating Equipment

Location

Pool mechanical room

Description

Jandy Laars Lite 2, 325,000 and 125,000 BTU natural gas hot water boilers, valves, piping and controls.

Information

Service Life:	15	Install Year:	2002
Chronological Age:	12	Next Event Year:	2017
Effective Age:	12		

Amen 15 - Pool Tank

Location

Northwest corner of site.

Description

Reinforced concrete/ shot-crete tank lined with marcite (high density plaster) and ceramic tile and grout trim.

Information

Service Life:	30	Install Year:	1995
Chronological Age:	19	Next Event Year:	2025
Effective Age:	19		

Amen 16 - Pool Circulation & Sanitation

Location

Pool mechanical room.

Description

Tagelus 30" sand filters, 1.5 HP pumps, PVC and copper piping, chemical feeders and other components to distribute sanitized water to the pool. Sand filter was replaced in 2013.

Information

Service Life:	15	Install Year:	2005
Chronological Age:	9	Next Event Year:	2020
Effective Age:	9		

Amen 17 - Spa Tank

Location

Northwest corner of site.

Description

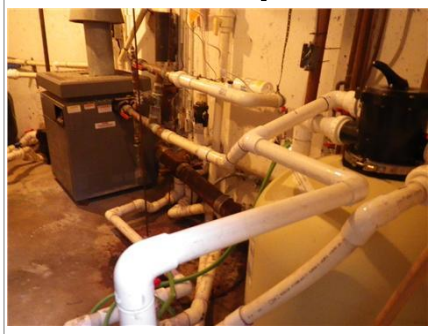
Reinforced concrete tank lined with marcite (high density plaster). Repaired in 2013.

Information

Service Life:	30	Install Year:	1983
Chronological Age:	31	Next Event Year:	2020
Effective Age:	24		

Cypress Point

Amen 18 - Spa Circulation & Sanitation



Location

Pool mechanical room.

Description

Tagelus 24" sand filters, 3/4 HP pumps, PVC and copper piping, chemical feeders and other components to distribute sanitized water to the spa.

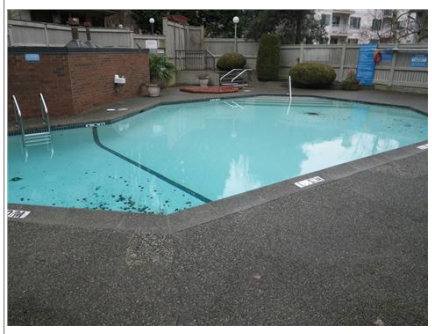
Information

Service Life:	15	Install Year:	2003
Chronological Age:	11	Next Event Year:	2018
Effective Age:	11		

Sitework

Hard Landscaping

Site 01 - Concrete Paving



Location

Around pool and walkways around pool.

Description

Concrete pavement, cast with control and construction joints, onto compacted base gravel. Repaired in 2005.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Site 02 - Porcelain Floor Tile

Location

Outside lounge.

Description

Porcelain floor tile on thin set mortar with grout. Repaired in 2010 and 2012.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Site 03 - Asphalt Paving

Location

Entrance and courtyard.

Description

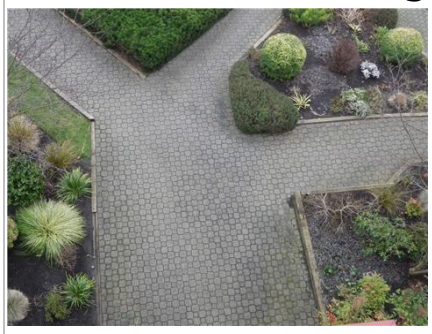
Flexible asphalt paving with concrete curbs.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Cypress Point

Site 04 - Interlocking Unit Paving



Location

Pedestrian walkways throughout the site.

Description

Precast concrete unit pavers, combination of chip seal joint filler and jointing sand, bedding sand, compacted gravel base.

Information

Service Life:	30	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	21		

Site 05 - Turf Block Porous Paving

Location

Firelane at perimeter of site.

Description

Turf block consists of interlocking concrete or plastic cells filled with soil and planted with turf grass or a low-maintenance ground cover. It is utilized for low traffic parking or access lanes around the building. Portion of the turf block on the west side of building C was replaced in 2004 and 2006.

Information

Service Life:	40	Install Year:	1983
Chronological Age:	31	Next Event Year:	2023
Effective Age:	31		

Soft Landscaping

Site 06 - Groundskeeping & Pest Control

Location

Various locations throughout the site.

Description

Care of miscellaneous site furnishing, hard paved surfaces and landscaped areas.

Information

Service Life:	25	Install Year:	2000
Chronological Age:	14	Next Event Year:	2025
Effective Age:	14		

Cypress Point

Site 07 - Irrigation System

Location

Mechanical room of building C

Description

Rainbird controller with time clock, network of PVC pipes, valves, and irrigation heads distributed around the soft landscaping.

Information

Service Life:	15	Install Year:	2005
Chronological Age:	9	Next Event Year:	2020
Effective Age:	9		

Site 08 - Soft Landscaping

Location

Throughout the site.

Description

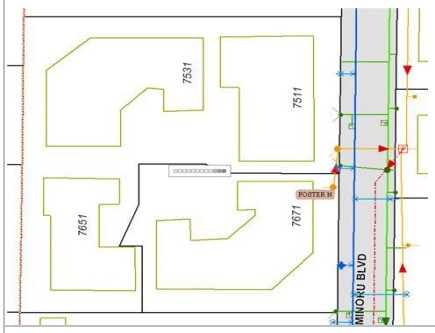
Lawn, ground cover, shrubs, perennials and trees. Refurbished annually.

Information

Service Life:	35	Install Year:	2003
Chronological Age:	11	Next Event Year:	2038
Effective Age:	11		

Site Services

Site 09 - Electrical Site Service



Location

Transformer to electrical rooms

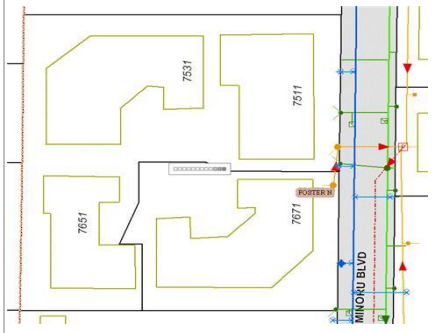
Description

Secondary conductors and distribution conduits from BC Hydro transformer kiosks to the buildings.

Information

Service Life:	50	Install Year:	1983
Chronological Age:	31	Next Event Year:	2033
Effective Age:	31		

Site 10 - Underground Drainage Services



Location

Property line to building.

Description

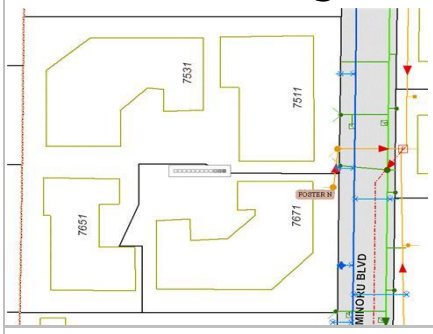
Storm sewer from buildings and catch basins to property line. Sump installed in 1998 near building A to help manage overflow of from storm sewer. Sump was upgraded in 2005.

Information

Service Life:	50	Install Year:	1983
Chronological Age:	31	Next Event Year:	2033
Effective Age:	31		

Cypress Point

Site 11 - Underground Sanitary Sewer Services



Location

Property line to building.

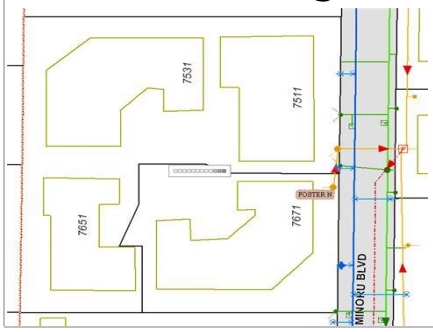
Description

Sanitary sewer system from the buildings to the property line, including all appurtenances.

Information

Service Life:	50	Install Year:	1983
Chronological Age:	31	Next Event Year:	2033
Effective Age:	31		

Site 12 - Underground Water Services



Location

Property line to building.

Description

Domestic water supplies, from the property line to the buildings and hydrant

Information

Service Life:	50	Install Year:	1983
Chronological Age:	31	Next Event Year:	2033
Effective Age:	31		

Appendix C

Asset Service Life Summary

Enclosure

Asset Reference Information	Chronological Age	Remaining Service Life
Roofs & Decks		
Encl 01 - Exposed SBS Membrane Roof	14	11
Encl 02 - Protected SBS Membrane Deck with Traffic-Bearing Surface	14	16
Encl 03 - Protected SBS Membrane Podium with Traffic-Bearing Surface (2003)	11	19
Encl 04 - Protected Membrane Deck with Traffic-Bearing Surface	10	15
Encl 05 - Concrete Roof Tiles	31	9
Fall Protection		
Encl 06 - Guardrail Wood	31	3
Encl 07 - Guardrail Aluminum (2003)	11	19
Encl 08 - Guardrail Aluminum (2011)	3	27
Walls		
Encl 09 - Coated Architectural Concrete Wall	31	44
Encl 10 - Masonry Veneer Wall	31	19
Encl 11 - Stucco Clad Wall - Undrained	31	3
Encl 12 - Stucco Clad Wall - Drained (2003)	11	29
Encl 13 - Stucco Clad Wall - Drained (2011)	3	37
Encl 14 - Wood Panel Wall	31	3
Encl 15 - Wood Panel Wall (2003)	11	29
Encl 16 - Wood Panel Wall (2011)	3	37
Encl 17 - Wood Trim	31	3
Glazing Systems		
Encl 18 - Wood Framed Window	31	3
Encl 19 - Vinyl Framed Window (2003)	11	19
Encl 20 - Vinyl Framed Window (2011)	3	27
Doors		
Encl 21 - Wood Swing Door	31	10
Encl 22 - Wood Framed Sliding Glass Door	31	3
Encl 23 - Vinyl Framed Sliding Glass Door	11	19
Balconies		
Encl 24 - Exposed Vinyl Balcony Membrane	3	12
Encl 25 - Exposed Urethane Balcony Membrane	11	3
Parking Garage		
Encl 26 - Slab-on-Grade	31	44
General & Inspections		
Encl 27 - General & Inspections	31	9

Encl 28 - Aluminum Rainwater Leader	11	9
Encl 29 - Sealant	11	0

Electrical

Asset Reference Information	Chronological Age	Remaining Service Life
Power Supply		
Elec 01 - Distribution Transformer - Exterior [PLACEHOLDER]	31	14
Distribution		
Elec 02 - Electrical Distribution	31	9
Light Fixtures		
Elec 03 - Exterior Light Fixtures	11	9
Elec 04 - Interior Light Fixtures	10	10
Security		
Elec 05 - Enterphone System	7	18
Elec 06 - Proximity Access Control	9	3

Mechanical

Asset Reference Information	Chronological Age	Remaining Service Life
Controls and End Devices		
Mech 01 - HVAC Instrumentation	31	2
Plumbing & Drainage		
Mech 02 - Tank - DHW Storage	3	5
Mech 03 - Tank Type Domestic Gas Fired Water Heater	3	9
Mech 04 - Cross Connection & Backflow Prevention	9	21
Mech 05 - Exterior Roof and Area Drainage Collection	31	9
Mech 06 - Piping - Domestic Water Distribution	31	0
Mech 07 - Sanitary Drainage Collection	31	19
Mech 08 - Storm Drainage Collection	31	9
Heating & Cooling		
Mech 09 - Electric Baseboard	31	9
Ventilation and Air-conditioning		
Mech 10 - Make Up Air Unit	9	11
Mech 11 - General Exhaust Fan	6	6
Other		
Mech 12 - Overhead Gate Motor	7	13

Elevator

Asset Reference Information	Chronological Age	Remaining Service Life
Hydraulic		
Elev 01 - Hydraulic Elevator, Double Bottom	31	1
Car Interiors		
Elev 02 - Elevator Cabs & Hoistway	31	1

Fire Safety

Asset Reference Information	Chronological Age	Remaining Service Life

Controls		
Fire 01 - Fire Alarm Panel	31	1
Detection		
Fire 02 - Fire Detection & Alarm	31	1
Suppression		
Fire 03 - Fire Hose Cabinet	31	1
Fire 04 - Fire Hydrant	9	31
Fire 05 - Portable Fire Extinguisher	6	6
Fire 06 - Sprinkler & Standpipe - Wet	31	9
Egress		
Fire 07 - Emergency Egress Equipment	31	0

Interior Finishes

Asset Reference Information	Chronological Age	Remaining Service Life
Floors		
Finish 01 - Stone Floor Tile	6	34
Finish 02 - Painted Concrete Flooring	14	3
Finish 03 - Porcelain Floor Tile	9	31
Finish 04 - Resilient Sheet Flooring	31	6
Finish 05 - Sheet Carpet - Glued Down	24	1
Walls		
Finish 06 - Ceramic Tile	7	23
Finish 07 - Paint	6	4
Ceilings		
Finish 08 - Paint on Ceiling	6	14
Architectural Woodwork		
Finish 09 - Baseboard, Molding and Casing	24	6
Finish 10 - Carpentry and Millwork	31	6
Housekeeping		
Finish 11 - General Housekeeping	4	6
Doors		
Finish 12 - Interior Swing Door - General	31	9

Amenities

Asset Reference Information	Chronological Age	Remaining Service Life
Equipment		
Amen 01 - Computer Equipments	1	5
Amen 02 - Domestic Appliances	3	12
Amen 03 - Fitness Equipments	5	5
Furnishings		
Amen 04 - Bicycle Rack	11	19
Amen 05 - Games Room	31	2

Amen 06 - Exterior Furniture & Accessories	14	2
Amen 07 - Metal Storage Locker	31	14
Amen 08 - Office Furniture	3	12
Amen 09 - Central Mailboxes	31	10
Amen 10 - Public Signage	31	6
Amen 11 - Wood Storage Locker	31	21
Fall Protection		
Amen 12 - Squash Court	14	16
Pool, Spa & Sauna		
Amen 13 - Dry Sauna	9	11
Amen 14 - Pool & Spa Heating Equipment	12	3
Amen 15 - Pool Tank	19	11
Amen 16 - Pool Circulation & Sanitation	9	6
Amen 17 - Spa Tank	31	6
Amen 18 - Spa Circulation & Sanitation	11	4
Sitework		
Asset Reference Information	**Chronological Age**	**Remaining Service Life**
Hard Landscaping		
Site 01 - Concrete Paving	31	9
Site 02 - Porcelain Floor Tile	31	9
Site 03 - Asphalt Paving	31	9
Site 04 - Interlocking Unit Paving	31	9
Site 05 - Turf Block Porous Paving	31	9
Soft Landscaping		
Site 06 - Groundskeeping & Pest Control	14	11
Site 07 - Irrigation System	9	6
Site 08 - Soft Landscaping	11	24
Site Services		
Site 09 - Electrical Site Service	31	19
Site 10 - Underground Drainage Services	31	19
Site 11 - Underground Sanitary Sewer Services	31	19
Site 12 - Underground Water Services	31	19

Legend

Assets that are backlogged

Appendix D

Disclosures and Disclaimers

RDH
Making Buildings Better

224 W 8th Avenue
Vancouver, BC V5Y 1N5

604 873 1181
rdhbe.com

Disclosures and Disclaimers

Condition of the Assets

The method of determining the physical condition of the assets is based on a visual review of a representative sampling of the assets in readily accessible locations, discussions with facility representatives, and review of readily available reference documents. No destructive testing or exploratory openings are carried out on any of the assets and the equipment is not disassembled, operated, or subject to re-commissioning tests. The physical review is not a full "condition assessment" since operating, testing, or exploratory openings are excluded from the scope of services.

Cost Estimating for Assets

- All estimates of costs are provided in future year dollars.
- All estimates of costs are Class D estimates intended for planning purposes and not for accounting or tender use. See Glossary of Terms for definition of Class D estimates.
- Actual costs will vary depending on several factors. The estimates assume economies of scale will be achieved by bundling work tasks together into larger renewal, repair, or rehabilitation projects. Small tasks performed individually may exceed the estimates presented.
- Soft costs, such as consulting services and contingency allowances are not included in the budget estimates. When developing cost estimates for projects in greater detail for budgeting, each project should include appropriate soft costs - such as Owner contingency, permit fees, engineering fees, etc. Depending on the sizes, scope and timing of individual projects, the magnitude of the soft costs will vary.
- Construction costs are subject to the vagaries of the marketplace. At the time of tender, costs may vary depending on the time of the year, contractor availability, and other factors.
- The estimates must be updated over time, further developed for scope of work and confirmed by competitive tender before any contracts are awarded.
- Detailed repair specifications are required to be prepared in order to confirm scopes of work and costs.
- The estimates do not include allowances for site specific access requirements or environmental concerns, which should be addressed on a project-by-project basis.
- Consideration may sometimes need to be given to costs arising from the impact of projects on occupancy use and facility operations.
- Replacement costs are typically based on like-for-like with a similar asset unless code or other circumstances require the replacement cost to include an upgrade.

Maintenance of the Assets:

The maintenance checklists are not exhaustive and are intended as a framework for the ongoing refinement of the maintenance program.

- Work must only be carried out by appropriately qualified personnel who have the necessary and sufficient knowledge about the maintenance tasks and maintenance intervals.
- The manufacturers' latest printed instructions should take precedence in the event of any conflict with the maintenance checklists.
- The Owners' maintenance staff and/or service contractors are responsible to verify what is contained in the manufacturers' documentation regarded recommended maintenance procedures and intervals.
- The maintenance checklists and maintenance intervals should be reviewed annually and adjusted, as required, to reflect the service environment, feedback from contractors, etc.

Specialist and Non-Specialist Reviews

Our personnel collect the asset inventory data for all the different systems, including mechanical, plumbing, fire safety, elevator, electrical, interior finishes, and sitework. Our scope of services is to identify the assets within each system, determine their age and report on their reasonable service life-cycles according to accepted industry standards. RDH personnel do not make observations with regard to specialty building system conditions unless specifically addressed in our proposal.

Forecasting the Useful Service Life of Assets

The service life of assets can be affected by a variety of circumstances, including the following:

- The quality of the maintenance conducted on an asset will affect the service life of the asset. Poor maintenance can lead to a reduced service life and may result in the premature failure of an asset.
- Insurable losses (force majeure), such as earthquakes, fires, and floods can shorten the life of an asset. These events are not considered in a Depreciation Report.
- Asset service life in a Depreciation Report is determined according to accepted industry standards.

Funding Models

The funding models for Depreciation Reports are based on a 30-year horizon and use "future year dollars termed" methodology. This methodology projects the costs (in future year dollars) over the planning horizon and not beyond the terminus year of the planning horizon. The current year is the starting year of the planning horizon. The term,

therefore, matches the initial horizon and does not respect a shifting horizon. This means that in year 1 the funding scenarios will look forward for 30 years.

For example, in 2012 the model looks forward to 2042. In year two, it will be accurate for 29 years, as it is only looking forward to year 2042. When an update study is performed in three years, the revised funding scenarios will look forward 30 years from 2015 to 2045. Renewal and major maintenance projects that occur beyond the 30-year planning horizon are not considered in the scenarios; that is, those projects that occur beyond 30 years are unfunded in the funding scenarios.

Appendix E

Funding Scenario Cash Flow Tables

RDH
Making Buildings Better

Building - Funding Model
Cypress Point

Name	Statutory
Type	Basic
Regarding	Cypress Point
Start Year	2013
Interest/Investment Rate	2.0%
Estimated Contingency Allowance	$5,000
Tax Rate	0.0%
Planning Horizon	30
Number Of Units	106

Init Catchup Cost	
Operating Budget	$299,052
Starting Reserve Balance	$336,000
Reserver Contribution Threshold	$74,763
Contribution Below Threshold	$29,905
Contribution Above Threshold	$0
Reserve Contribution Increase	0.0%
Monthly Avg. Unit Contribution	$0

Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Tax Liability	Closing Balance	Percent Funded
2013	$336,000	$0	$0	$6,720	$97,700	$5,000	$0	$240,020	7.87 %
2014	$240,020	$0	$18,580	$4,800	$258,400	$5,000	$0	$0	0.00 %
2015	$0	$29,905	$387,795	$0	$412,700	$5,000	$0	$0	0.00 %
2016	$0	$29,905	$258,142	$0	$283,047	$5,000	$0	$0	0.00 %
2017	$0	$29,905	$1,062,359	$0	$1,087,264	$5,000	$0	$0	0.00 %
2018	$0	$29,905	$21,795	$0	$46,700	$5,000	$0	$0	0.00 %
2019	$0	$29,905	$15,300	$0	$40,205	$5,000	$0	$0	0.00 %
2020	$0	$29,905	$40,520	$0	$65,425	$5,000	$0	$0	0.00 %
2021	$0	$29,905	$0	$0	$20,600	$5,000	$0	$4,305	0.13 %
2022	$4,305	$29,905	$0	$86	$28,800	$5,000	$0	$497	0.01 %
2023	$497	$29,905	$633,688	$10	$659,100	$5,000	$0	$0	0.00 %
2024	$0	$29,905	$304,495	$0	$329,400	$5,000	$0	$0	0.00 %
2025	$0	$29,905	$946,703	$0	$971,608	$5,000	$0	$0	0.00 %
2026	$0	$29,905	$132,735	$0	$157,640	$5,000	$0	$0	0.00 %
2027	$0	$29,905	$226,695	$0	$251,600	$5,000	$0	$0	0.00 %
2028	$0	$29,905	$52,239	$0	$77,145	$5,000	$0	$0	0.00 %
2029	$0	$29,905	$158,829	$0	$183,734	$5,000	$0	$0	0.00 %
2030	$0	$29,905	$565,911	$0	$590,816	$5,000	$0	$0	0.00 %
2031	$0	$29,905	$103,047	$0	$127,953	$5,000	$0	$0	0.00 %
2032	$0	$29,905	$144,535	$0	$169,440	$5,000	$0	$0	0.00 %
2033	$0	$29,905	$1,065,595	$0	$1,090,500	$5,000	$0	$0	0.00 %
2034	$0	$29,905	$117,895	$0	$142,800	$5,000	$0	$0	0.00 %
2035	$0	$29,905	$175,429	$0	$200,334	$5,000	$0	$0	0.00 %
2036	$0	$29,905	$1,024,295	$0	$1,049,200	$5,000	$0	$0	0.00 %
2037	$0	$29,905	$260,017	$0	$284,922	$5,000	$0	$0	0.00 %
2038	$0	$29,905	$114,995	$0	$139,900	$5,000	$0	$0	0.00 %
2039	$0	$29,905	$0	$0	$9,116	$5,000	$0	$15,789	3.75 %
2040	$15,789	$29,905	$15,190	$316	$56,200	$5,000	$0	$0	0.00 %
2041	$0	$29,905	$152,111	$0	$177,017	$5,000	$0	$0	0.00 %
2042	$0	$29,905	$253,795	$0	$278,700	$5,000	$0	$0	100.00 %
		$837,346	$8,252,687		$9,287,965				

RDH
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Building - Funding Model

Cypress Point

Name	Fixed Annual Funding: $100,000 (Status Quo)
Type	Basic
Regarding	Cypress Point
Start Year	2013
Interest/Investment Rate	2.0%
Estimated Contingency Allowance	$5,000
Tax Rate	0.0%
Planning Horizon	30
Number Of Units	106

Init Catchup Cost	$0
Operating Budget	$299,052
Starting Reserve Balance	$336,000
Reserver Contribution Threshold	$500,000
Contribution Below Threshold	$100,000
Contribution Above Threshold	$100,000
Reserve Contribution Increase	0.0%
Monthly Avg. Unit Contribution	$79

Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Tax Liability	Closing Balance	Percent Funded
2013	$336,000	$100,000	$0	$6,720	$97,700	$5,000	$0	$340,020	11.15 %
2014	$340,020	$100,000	$0	$6,800	$258,400	$5,000	$0	$183,420	5.94 %
2015	$183,420	$100,000	$140,611	$3,668	$412,700	$5,000	$0	$10,000	0.33 %
2016	$10,000	$100,000	$187,847	$200	$283,047	$5,000	$0	$10,000	0.33 %
2017	$10,000	$100,000	$992,064	$200	$1,087,264	$5,000	$0	$10,000	0.45 %
2018	$10,000	$100,000	$0	$200	$46,700	$5,000	$0	$58,500	2.40 %
2019	$58,500	$100,000	$0	$1,170	$40,205	$5,000	$0	$114,465	4.28 %
2020	$114,465	$100,000	$0	$2,289	$65,425	$5,000	$0	$146,330	5.05 %
2021	$146,330	$100,000	$0	$2,927	$20,600	$5,000	$0	$223,656	7.05 %
2022	$223,656	$100,000	$0	$4,473	$28,800	$5,000	$0	$294,329	8.53 %
2023	$294,329	$100,000	$273,884	$5,887	$659,100	$5,000	$0	$10,000	0.32 %
2024	$10,000	$100,000	$234,200	$200	$329,400	$5,000	$0	$10,000	0.32 %
2025	$10,000	$100,000	$876,408	$200	$971,608	$5,000	$0	$10,000	0.41 %
2026	$10,000	$100,000	$62,440	$200	$157,640	$5,000	$0	$10,000	0.40 %
2027	$10,000	$100,000	$156,400	$200	$251,600	$5,000	$0	$10,000	0.40 %
2028	$10,000	$100,000	$0	$200	$77,145	$5,000	$0	$28,055	1.06 %
2029	$28,055	$100,000	$70,117	$561	$183,734	$5,000	$0	$10,000	0.37 %
2030	$10,000	$100,000	$495,616	$200	$590,816	$5,000	$0	$10,000	0.42 %
2031	$10,000	$100,000	$32,753	$200	$127,953	$5,000	$0	$10,000	0.40 %
2032	$10,000	$100,000	$74,240	$200	$169,440	$5,000	$0	$10,000	0.40 %
2033	$10,000	$100,000	$995,300	$200	$1,090,500	$5,000	$0	$10,000	0.61 %
2034	$10,000	$100,000	$47,600	$200	$142,800	$5,000	$0	$10,000	0.61 %
2035	$10,000	$100,000	$105,134	$200	$200,334	$5,000	$0	$10,000	0.62 %
2036	$10,000	$100,000	$954,000	$200	$1,049,200	$5,000	$0	$10,000	1.47 %
2037	$10,000	$100,000	$189,722	$200	$284,922	$5,000	$0	$10,000	2.08 %
2038	$10,000	$100,000	$44,700	$200	$139,900	$5,000	$0	$10,000	2.56 %
2039	$10,000	$100,000	$0	$200	$9,116	$5,000	$0	$96,084	22.82 %
2040	$96,084	$100,000	$0	$1,922	$56,200	$5,000	$0	$136,806	33.61 %
2041	$136,806	$100,000	$0	$2,736	$177,017	$5,000	$0	$57,525	21.78 %
2042	$57,525	$100,000	$135,024	$1,151	$278,700	$5,000	$0	$10,000	100.00 %
		$3,000,000	$6,068,061		$9,287,965				

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Building - Funding Model

Cypress Point

Name	Fixed Annual Funding: $150,000 (Alternative)
Type	Basic
Regarding	Cypress Point
Start Year	2013
Interest/Investment Rate	2.0%
Estimated Contingency Allowance	$5,000
Tax Rate	0.0%
Planning Horizon	30
Number Of Units	106

Init Catchup Cost	$97,700
Operating Budget	$299,052
Starting Reserve Balance	$336,000
Reserver Contribution Threshold	$500,000
Contribution Below Threshold	$150,000
Contribution Above Threshold	$150,000
Reserve Contribution Increase	0.0%
Monthly Avg. Unit Contribution	$118

Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Tax Liability	Closing Balance	Percent Funded
2013	$336,000	$150,000	$0	$6,720	$97,700	$5,000	$0	$390,020	12.80 %
2014	$390,020	$150,000	$0	$7,800	$258,400	$5,000	$0	$284,420	9.21 %
2015	$284,420	$150,000	$0	$5,688	$412,700	$5,000	$0	$22,409	0.75 %
2016	$22,409	$150,000	$125,190	$448	$283,047	$5,000	$0	$10,000	0.33 %
2017	$10,000	$150,000	$942,064	$200	$1,087,264	$5,000	$0	$10,000	0.45 %
2018	$10,000	$150,000	$0	$200	$46,700	$5,000	$0	$108,500	4.45 %
2019	$108,500	$150,000	$0	$2,170	$40,205	$5,000	$0	$215,465	8.06 %
2020	$215,465	$150,000	$0	$4,309	$65,425	$5,000	$0	$299,350	10.34 %
2021	$299,350	$150,000	$0	$5,987	$20,600	$5,000	$0	$429,737	13.54 %
2022	$429,737	$150,000	$0	$8,595	$28,800	$5,000	$0	$554,531	16.07 %
2023	$554,531	$150,000	$0	$11,091	$659,100	$5,000	$0	$51,522	1.65 %
2024	$51,522	$150,000	$141,848	$1,030	$329,400	$5,000	$0	$10,000	0.32 %
2025	$10,000	$150,000	$826,408	$200	$971,608	$5,000	$0	$10,000	0.41 %
2026	$10,000	$150,000	$12,440	$200	$157,640	$5,000	$0	$10,000	0.40 %
2027	$10,000	$150,000	$106,400	$200	$251,600	$5,000	$0	$10,000	0.40 %
2028	$10,000	$150,000	$0	$200	$77,145	$5,000	$0	$78,055	2.96 %
2029	$78,055	$150,000	$0	$1,561	$183,734	$5,000	$0	$40,883	1.51 %
2030	$40,883	$150,000	$414,116	$818	$590,816	$5,000	$0	$10,000	0.42 %
2031	$10,000	$150,000	$0	$200	$127,953	$5,000	$0	$27,247	1.11 %
2032	$27,247	$150,000	$6,648	$545	$169,440	$5,000	$0	$10,000	0.40 %
2033	$10,000	$150,000	$945,300	$200	$1,090,500	$5,000	$0	$10,000	0.61 %
2034	$10,000	$150,000	$0	$200	$142,800	$5,000	$0	$12,400	0.75 %
2035	$12,400	$150,000	$52,686	$248	$200,334	$5,000	$0	$10,000	0.62 %
2036	$10,000	$150,000	$904,000	$200	$1,049,200	$5,000	$0	$10,000	1.47 %
2037	$10,000	$150,000	$139,722	$200	$284,922	$5,000	$0	$10,000	2.08 %
2038	$10,000	$150,000	$0	$200	$139,900	$5,000	$0	$15,300	3.92 %
2039	$15,300	$150,000	$0	$306	$9,116	$5,000	$0	$151,490	35.98 %
2040	$151,490	$150,000	$0	$3,030	$56,200	$5,000	$0	$243,320	59.78 %
2041	$243,320	$150,000	$0	$4,866	$177,017	$5,000	$0	$216,170	81.88 %
2042	$216,170	$150,000	$0	$4,323	$278,700	$5,000	$0	$86,793	100.00 %
		$4,500,000	$4,616,821		$9,287,965				

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Building - Funding Model

Cypress Point

Name	Fixed Annual Funding: $292,000 (Progressive)
Type	Basic
Regarding	Cypress Point
Start Year	2013
Interest/Investment Rate	2.0%
Estimated Contingency Allowance	$5,000
Tax Rate	0.0%
Planning Horizon	30
Number Of Units	106

Init Catchup Cost	$0
Operating Budget	$299,052
Starting Reserve Balance	$336,000
Reserver Contribution Threshold	$500,000
Contribution Below Threshold	$292,000
Contribution Above Threshold	$292,000
Reserve Contribution Increase	0.0%
Monthly Avg. Unit Contribution	$230

Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Tax Liability	Closing Balance	Percent Funded
2013	$336,000	$292,000	$0	$6,720	$97,700	$5,000	$0	$532,020	17.46 %
2014	$532,020	$292,000	$0	$10,640	$258,400	$5,000	$0	$571,260	18.51 %
2015	$571,260	$292,000	$0	$11,425	$412,700	$5,000	$0	$456,986	15.35 %
2016	$456,986	$292,000	$0	$9,140	$283,047	$5,000	$0	$470,078	15.71 %
2017	$470,078	$292,000	$330,784	$9,402	$1,087,264	$5,000	$0	$10,000	0.45 %
2018	$10,000	$292,000	$0	$200	$46,700	$5,000	$0	$250,500	10.28 %
2019	$250,500	$292,000	$0	$5,010	$40,205	$5,000	$0	$502,305	18.79 %
2020	$502,305	$292,000	$0	$10,046	$65,425	$5,000	$0	$733,927	25.35 %
2021	$733,927	$292,000	$0	$14,679	$20,600	$5,000	$0	$1,015,005	31.99 %
2022	$1,015,005	$292,000	$0	$20,300	$28,800	$5,000	$0	$1,293,505	37.50 %
2023	$1,293,505	$292,000	$0	$25,870	$659,100	$5,000	$0	$947,275	30.47 %
2024	$947,275	$292,000	$0	$18,946	$329,400	$5,000	$0	$923,821	30.11 %
2025	$923,821	$292,000	$0	$18,476	$971,608	$5,000	$0	$257,689	10.80 %
2026	$257,689	$292,000	$0	$5,154	$157,640	$5,000	$0	$392,203	15.86 %
2027	$392,203	$292,000	$0	$7,844	$251,600	$5,000	$0	$435,447	17.68 %
2028	$435,447	$292,000	$0	$8,709	$77,145	$5,000	$0	$654,011	24.86 %
2029	$654,011	$292,000	$0	$13,080	$183,734	$5,000	$0	$770,357	28.58 %
2030	$770,357	$292,000	$0	$15,407	$590,816	$5,000	$0	$481,948	20.49 %
2031	$481,948	$292,000	$0	$9,639	$127,953	$5,000	$0	$650,635	26.61 %
2032	$650,635	$292,000	$0	$13,013	$169,440	$5,000	$0	$781,207	31.31 %
2033	$781,207	$292,000	$16,669	$15,624	$1,090,500	$5,000	$0	$10,000	0.61 %
2034	$10,000	$292,000	$0	$200	$142,800	$5,000	$0	$154,400	9.43 %
2035	$154,400	$292,000	$0	$3,088	$200,334	$5,000	$0	$244,154	15.37 %
2036	$244,154	$292,000	$523,163	$4,883	$1,049,200	$5,000	$0	$10,000	1.47 %
2037	$10,000	$292,000	$0	$200	$284,922	$5,000	$0	$12,278	2.56 %
2038	$12,278	$292,000	$0	$246	$139,900	$5,000	$0	$159,623	40.92 %
2039	$159,623	$292,000	$0	$3,192	$9,116	$5,000	$0	$440,700	104.67 %
2040	$440,700	$292,000	$0	$8,814	$56,200	$5,000	$0	$680,314	167.15 %
2041	$680,314	$292,000	$0	$13,606	$177,017	$5,000	$0	$803,903	304.50 %
2042	$803,903	$292,000	$0	$16,078	$278,700	$5,000	$0	$828,281	100.00 %
		$8,760,000	$870,615		$9,287,965				

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Building - Funding Model

Cypress Point

Name	Fixed Annual Funding: $133,850 (Status Quo + Op. Budget)
Type	Basic
Regarding	Cypress Point
Start Year	2013
Interest/Investment Rate	2.0%
Estimated Contingency Allowance	$5,000
Tax Rate	0.0%
Planning Horizon	30
Number Of Units	106

Init Catchup Cost	$0
Operating Budget	$299,052
Starting Reserve Balance	$336,000
Reserver Contribution Threshold	$500,000
Contribution Below Threshold	$133,850
Contribution Above Threshold	$133,850
Reserve Contribution Increase	0.0%
Monthly Avg. Unit Contribution	$105

Year	Opening Balance	Reserve Contribution	Special Levy	Reserve Income	Renewal Costs	Contingency Costs	Tax Liability	Closing Balance	Percent Funded
2013	$336,000	$133,850	$0	$6,720	$97,700	$5,000	$0	$373,870	12.27 %
2014	$373,870	$133,850	$0	$7,477	$258,400	$5,000	$0	$251,797	8.15 %
2015	$251,797	$133,850	$37,017	$5,036	$412,700	$5,000	$0	$10,000	0.33 %
2016	$10,000	$133,850	$153,997	$200	$283,047	$5,000	$0	$10,000	0.33 %
2017	$10,000	$133,850	$958,214	$200	$1,087,264	$5,000	$0	$10,000	0.45 %
2018	$10,000	$133,850	$0	$200	$46,700	$5,000	$0	$92,350	3.79 %
2019	$92,350	$133,850	$0	$1,847	$40,205	$5,000	$0	$182,842	6.84 %
2020	$182,842	$133,850	$0	$3,657	$65,425	$5,000	$0	$249,924	8.63 %
2021	$249,924	$133,850	$0	$4,998	$20,600	$5,000	$0	$363,173	11.44 %
2022	$363,173	$133,850	$0	$7,263	$28,800	$5,000	$0	$470,486	13.64 %
2023	$470,486	$133,850	$60,354	$9,410	$659,100	$5,000	$0	$10,000	0.32 %
2024	$10,000	$133,850	$200,350	$200	$329,400	$5,000	$0	$10,000	0.32 %
2025	$10,000	$133,850	$842,558	$200	$971,608	$5,000	$0	$10,000	0.41 %
2026	$10,000	$133,850	$28,590	$200	$157,640	$5,000	$0	$10,000	0.40 %
2027	$10,000	$133,850	$122,550	$200	$251,600	$5,000	$0	$10,000	0.40 %
2028	$10,000	$133,850	$0	$200	$77,145	$5,000	$0	$61,905	2.35 %
2029	$61,905	$133,850	$1,741	$1,238	$183,734	$5,000	$0	$10,000	0.37 %
2030	$10,000	$133,850	$461,766	$200	$590,816	$5,000	$0	$10,000	0.42 %
2031	$10,000	$133,850	$0	$200	$127,953	$5,000	$0	$11,097	0.45 %
2032	$11,097	$133,850	$39,271	$222	$169,440	$5,000	$0	$10,000	0.40 %
2033	$10,000	$133,850	$961,450	$200	$1,090,500	$5,000	$0	$10,000	0.61 %
2034	$10,000	$133,850	$13,750	$200	$142,800	$5,000	$0	$10,000	0.61 %
2035	$10,000	$133,850	$71,284	$200	$200,334	$5,000	$0	$10,000	0.62 %
2036	$10,000	$133,850	$920,150	$200	$1,049,200	$5,000	$0	$10,000	1.47 %
2037	$10,000	$133,850	$155,872	$200	$284,922	$5,000	$0	$10,000	2.08 %
2038	$10,000	$133,850	$10,850	$200	$139,900	$5,000	$0	$10,000	2.56 %
2039	$10,000	$133,850	$0	$200	$9,116	$5,000	$0	$129,934	30.86 %
2040	$129,934	$133,850	$0	$2,599	$56,200	$5,000	$0	$205,183	50.41 %
2041	$205,183	$133,850	$0	$4,104	$177,017	$5,000	$0	$161,120	61.03 %
2042	$161,120	$133,850	$0	$3,222	$278,700	$5,000	$0	$14,492	100.00 %
		$4,015,500	$5,039,763		$9,287,965				

Appendix F

RDH Qualifications

Depreciation Report

New regulations in British Columbia make Depreciation Reports mandatory for most strata corporations. RDH Building Engineering Ltd. offers building science and building asset management services from three offices in BC; Vancouver, Victoria, and Courtenay. RDH staff have broad practical experience assisting building owners with all aspects of planning for the long term stewardship of their building(s). Our reserve fund analysts, engineers, architects, and technologists have a wide variety of formal training—including building science, structural engineering, and mechanical engineering. To supplement our in-house expertise, we consult subconsultants for items such as elevator and swimming pool reviews. We believe that by using a team approach, we can ensure an appropriate level of thoroughness and quality.

We have prepared hundreds of Depreciation Reports and are recognized as industry leaders. David Albrice is a certified Professional Reserve Analyst and was one of the key people consulted when the legislation was drafted. He has an unrivaled depth of understanding of the physical, financial planning, and strata governance issues that need to be considered in the development of an effective Depreciation Report.

About Us

David Albrice, B.Sc. URP, ARP, PRA

- Professional Reserve Analyst, APRA
- B.Sc. Urban and Regional Planning
- Associate Reserve Planner, REIC
- Project Manager on 100s of Facility Condition Assessments and Reserve Studies (Depreciation Reports)

Mike Wilson, P.Eng.

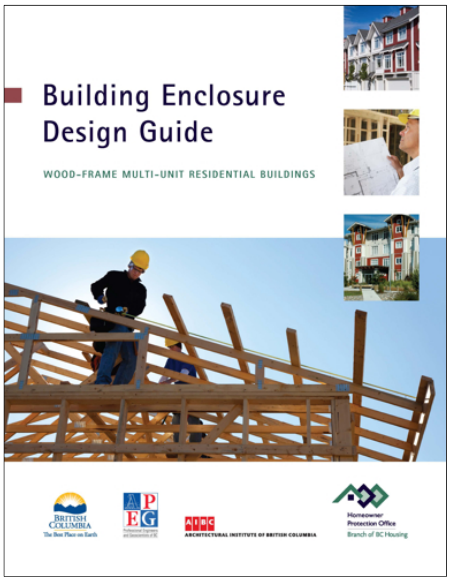
- B.Eng. & M.Eng., Structural Engineering
- Registered professional engineer, APEGBC
- 20 years experience as a consultant focused in the field of building science

Mark Will, Dipl.T., BA

- Dipl.T., Building Science Technology
- B.A., Economics
- 15 years experience in project management
- CHOA Board Member

Peter Fitch, C.Tech.

- UBC/UBCM Certified Professional program (audit only)
- Member of Applied Science Technologists & Technicians of British Columbia
- 30 years of experience in the mechanical design field



Matt Mulleray, P.Eng.

- B.A.Sc., Civil Engineering
- Dipl.T., Civil and Structural Engineering
- Registered professional engineer, APEGBC
- 10 years experience in bldg. science & engineering consulting

Harvey Goodman, P.Eng.

- B.A.Sc., Civil Engineering
- Registered professional engineer, APEGBC
- 20 years experience in building science consulting

Serge Desmarais, Architect AIBC, CP

- B.Arch.
- Registered architect, AIBC
- Certified Professional, UBC
- 30 years experience in building design and construction capital renewal projects

Jason Dunn, B.Arch.Sc., CCCA

- B.Arch.Sc, Building Science Option
- Certified Construction Contract Administrator, CSC
- 10 years experience in building science consulting

Robin Breuer, A.Sc.T., RRO

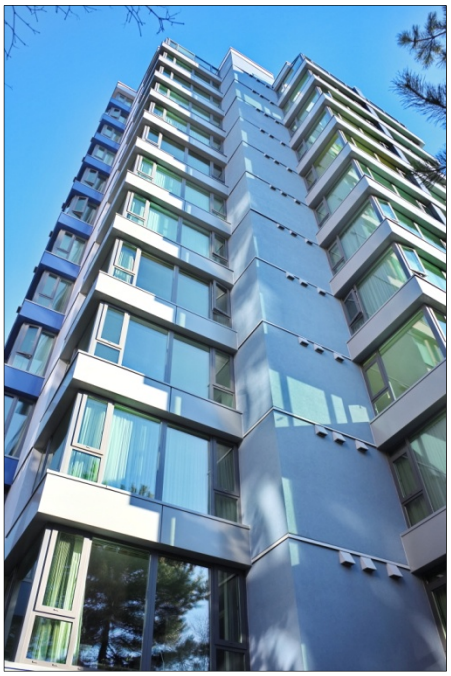
- Dipl.T., Building Engineering Technology (Building Science Option)
- Registered Roof Observer, RCI Inc.
- 15 years experience in building science consulting

Laureen Stokes, Dipl.T.

- Dipl.T., Architectural & Building Engineering Technology (Building Science Option)
- 5 years experience in building science consulting

Rob Mathena, Dipl.T.

- Dipl.T., Technology in Building Engineering (Building Science Option)
- 15 years experience in building science consulting and construction



Tim Smith, A.Sc.T.

- Dipl.T., Civil Engineering Technologist
- Member of Applied Science Technologists & Technicians of British Columbia
- 5 years experience in building science consulting

Amy Montgomery, EIT

- B.Sc., Mechanical Engineering
- M.A.Sc., Mechanical Engineering, in progress

Byron Searle, BBSc

- BBSc., Building Science, New Zealand
- 3 years experience in Carpentry
- 2 years experience in Architectural Drafting

Jesus De Mesa, Dipl.T.

- Dipl.T., Architectural & Building Engineering Technology (Building Science Option)

Alex Seto, Dipl.T.

- Dipl.T., Architectural & Building Engineering Technology (Building Science Option)

Roma Santos, Dipl.T.

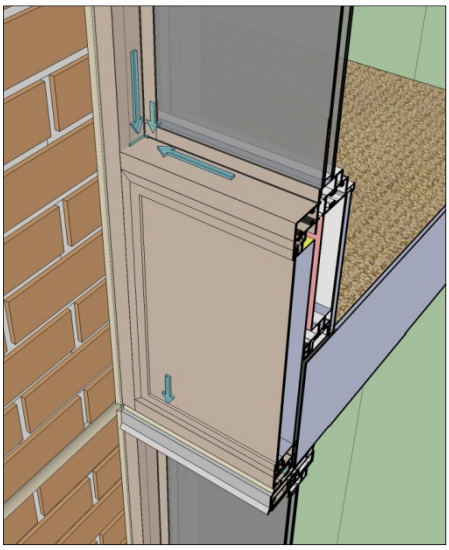
- Dipl.T., Architectural & Building Engineering Technology (Building Science Option)

Nick Smit, Dipl.T.

- Dipl.T., Architectural & Building Engineering Technology (Building Science Option)

Brandon Carreira, Dipl.T.

- Dipl.T., Architectural & Building Engineering Technology (Building Science Option)

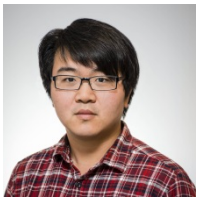


Jesse Listoen, Dipl.T.

- Dipl.T., Architectural & Building Engineering Technology (Building Science Option)

James Hornett, Dipl.T.

- Dipl.T., Architectural & Building Engineering Technology (Building Science Option)



Kingston Chow, EIT, Dipl.T.

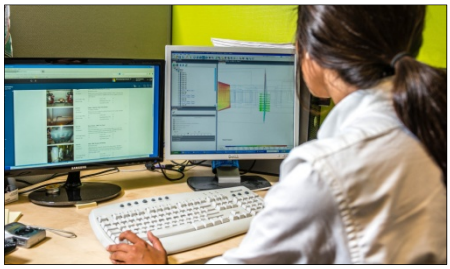
- B.Eng., Civil Engineering
- Dipl.T., Civil Engineering

Nicola Alexander, B.Tech.

- B.Tech., Architectural Science

Megan Butland, Dipl.T.

- Dipl.T., Civil Engineering
- Certificate, Drafting



Administrators and Client Support

Vanessa Jumawan

- 5 years experience in administration with engineering/architecture firm

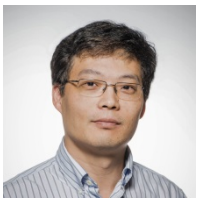
Anna Qiu

- Cert., Business Administration
- 10 years experience in administration with engineering/architecture firm

Software Support and Programmers

Matthew Branch, P.Eng.

- B.Sc., Civil Engineering
- Registered professional engineer, APEGBC
- 13 years experience in engineering data analysis



Gary Zhang, B.Sc.

- B.Sc., Computer Science and Engineering
- 15 years experience in software development

Kan Ma, B.Sc.

- B.Sc., Computing Science
- 7 years experience in software development

Quantity Take-Offs

Andrea Corona, Dipl.

- Dipl., Small Craft Naval Architecture
- 25 years experience in architectural drafting

Roya Kiani Amin, B.Sc.

- B.Sc., Civil Engineering
- 5 years experience in architectural drafting
- 2 years experience in construction

Brigitte MacKenzie

- 3-year Apprenticeship Program, Germany
- 25 years experience in architectural drafting

Appendix G

Insurance Certificate

Ref. No. 320006980342 AMENDED

CERTIFICATE OF INSURANCE

Aon Reed Stenhouse Inc.
401 West Georgia Street, Suite 1200
PO Box 3228 STN. TERMINAL
Vancouver BC V6B 3X8
tel 604-688-4442 *fax* 604-682-4026

Amending Certificate No. : 320006980341

Re: Evidence of Insurance:

To Whom It May Concern

Insurance as described herein has been arranged on behalf of the Insured named herein under the following policy(ies) and as more fully described by the terms, conditions, exclusions and provisions contained in the said policy(ies) and any endorsements attached thereto.

Insured

RDH Building Engineering Ltd.
224 West 8th Avenue
Vancouver, BC V5Y 1N5

Coverage

Professional Liability **Insurer** Lloyd's Underwriters

Policy # QC1402155

Effective 02-May-2014 **Expiry** 02-May-2015

Limits of Liability

Subject to aggregate where applicable

Terms and / or Additional Coverage

Worldwide Coverage; Limit of Liability - CAD $2,000,000 any one claim and CAD $4,000,000 in the aggregate annually.

THIS CERTIFICATE CONSTITUTES A STATEMENT OF THE FACTS AS OF THE DATE OF ISSUANCE AND ARE SO REPRESENTED AND WARRANTED ONLY TO THE INSURED. OTHER PERSONS RELYING ON THIS CERTIFICATE DO SO AT THEIR OWN RISK.

Aon Reed Stenhouse Inc.

LHadden

Dated : 02-May-2014
Issued By : Hadden,Lindsay D.
Tel : 604-443-2524

THE POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE
OR, IN THE CASE OF AUTOMOBILE INSURANCE,
THE POLICY CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE