

LMS4383

Our File No.: C07-272
September 4, 2007

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*Warranty
File*

Strata Plan LMS 4383 – The Mondrian Phase II
c/o Crosby Property Management Ltd.
Suite 600, 777 Hornby St.
Vancouver, B.C. V6Z 1S4

Attention: Ms. Marianna Pandey, Property Manager

Dear Madam:

Re: The Mondrian Phase II
969 Richards St., Vancouver, B.C.
– Building Envelope Warranty

According to SEE's five-year building warranty review dated June 8, 2007 and the St. Paul's Schedule "E-2" – 2-5-10 Home Warranty Certificate, provided by Crosby Property Management, the following items are covered by the five-year building envelope warranty:

- Concrete Crack Repair: Concrete cracks transmitted through the exterior coating on the wall surfaces of the tower; Crack repair on the parkade ceiling and walls at P1, P2, P3, and P4 levels.
- Concrete Cornices: Repair concrete cornices with cementitious patching compound where cornices have spalled and exposed reinforcing steel; Efflorescent stain removal.
- Sealants: Saddle connections for cap flashings; gum lip flashings; joint between the window sill flashing and window jamb; joints between gutters and the metal panel roof; connection between gutter and rainwater leader; head flashing above the penthouse balcony swing door; all fireplace vents and outdoor electrical fixtures
- Roofing: 3rd storey east elevation, protection of small roof area membrane from UV degradation and mechanical damage. Should be an inverted roofing assembly; Gum lip flashing installation of roof membrane at the south townhouses and the north courtyard.

The above items can be referenced in Section 5 of SEE's five-year building warranty review.

Our File No. C07-272

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Please do not hesitate to contact the undersigned should you have any questions.

Yours truly,

SPRATT EMANUEL ENGINEERING LTD.

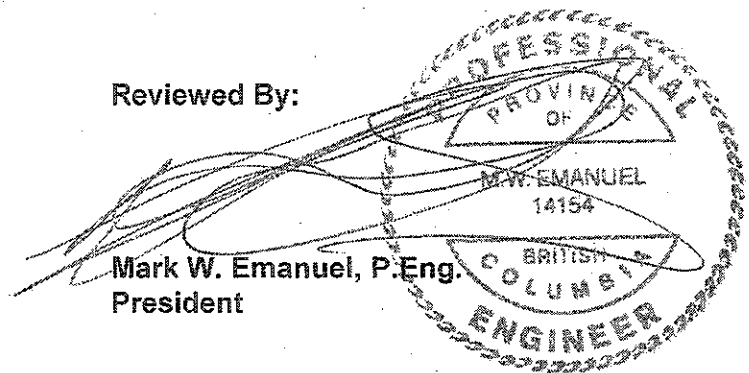
Per:



Jerry Chung, B.A.Sc., E.I.T.
Project Consultant

JC

Reviewed By:



Mark W. Emanuel, P.Eng.
President



Five-Year Building Warranty Review

for

THE MONDRIAN PHASE II

**969 RICHARDS ST.
VANCOUVER, B.C.**

Presented to:

Strata Plan LMS 4383 – The Mondrian Phase II
c/o Crosby Property Management Ltd.
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Attention: Ms. Marianna Pandy, Property Manager

Prepared by:

Spratt Emanuel Engineering Ltd.
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Appendix A: Elevation Drawings with Bosun Chair Drops Identified

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Appendix C: Glossary of Terms



1. EXECUTIVE SUMMARY

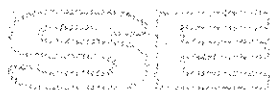
The Mondrian Phase II is a concrete residential complex that includes a 30-storey high-rise tower, a three-storey low rise podium with townhouses, and a four-storey below-grade parkade. The concrete structure utilises a mass-wall construction where the primary plane of moisture resistance is at the exterior face of the concrete walls. Paint coating, exterior sealant, and waterproofing membrane are used in conjunction to provide a continuous moisture barrier at the building envelope. In general, the membranes, sealants, and wall surfaces are performing satisfactorily with minor maintenance improvements identified within in the body of this report.

Concrete buildings like the Mondrian experience normal shrinkage and settlement related cracking through the exterior of the building. Several of these exterior cracks have been previously sealed by means of routing the cracks, sealing them with polyurethane sealant, and applying touch-up paint to blend the repair into the surrounding wall area. New cracks have occurred which require similar maintenance, some of which have efflorescence staining visible at the crack locations. Annual monitoring and maintenance of the exterior concrete surfaces is necessary to maintain the integrity of the face-seal. Exterior paint should be budgeted for recoating at year 10; at that time, application of an elastomeric paint should be considered, which would provide some flexibility to the paint coating enabling it to bridge the developing cracks.

The window system appears to be performing satisfactorily at this time, with no reported leaks through these components to the interior, and no evidence of failures observed during our review. The exterior sealants are in good condition and have a typical lifespan of approximately 10 years. Annual review of the exterior sealant is recommended in order to maintain the face-seal. At this time, there are no apparent failures within the double-glazed panels which would be evident with condensation forming between the panes of glass. Replacement of double-glazing seals typically begins at year 8, at which point the replacement of approximately 5% of the glazing units should be anticipated annually.

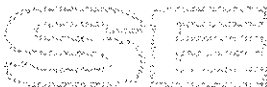
Roof surfaces on the Mondrian are constructed with a protected liquid-applied modified urethane roof membrane, installed below the landscaping materials, pavers or gravel ballast. Filter fabric, rigid insulation, and a drainage medium are typically installed over the membrane. The roof membranes appear to be performing satisfactorily with no areas of water infiltration observed or reported. Protected roof membranes of this type generally have a life expectancy in excess of 25 years before replacement becomes necessary. Targeted repairs can be expected as the membrane ages and the building settles during the lifespan of the membrane.

In summary, the condition of the Mondrian tower, townhouses, and parkade structure is generally very good. Minor maintenance-related building improvements are noted throughout this report, and continued proactive building maintenance will maintain the condition of this development.



2. SCOPE OF WORK

- 2.1. At the request of Ms. Marianna Pandy of Crosby Property Management Ltd., and as per our proposal dated 13 April 2007, Spratt Emanuel Engineering Ltd. (SEE), have conducted a Five-Year Warrantee Review of the Building Envelope components to assist the Strata property owners with long-term maintenance planning and to ascertain the present condition of the Building Envelope.
- 2.2. SEE was the building envelope consultant during construction and we have reviewed the architectural drawings prepared by Rafii Architects Inc. dated July 2000 for The Mondrian Phase II at 969 Richards St, Vancouver, B.C.
- 2.3. A visual review of the Building Envelope components was conducted by Messrs Jim Fedorchuk and Clifford Sutton on 15 May 2007 by means of Bosun chair drops on each of the four elevations of the tower. Further visual examination of the parkade and common areas was completed on 16 May 2007.
- 2.4. Our conclusions and recommendations have been based on the information obtained during these visual reviews and reflect the general condition of the Building Envelope at this time.
- 2.5. It is not the intent of the writer to outline each and every defect which may or may not be present in the exterior of the building within the scope of this limited review.
- 2.6. This "visual only" non-destructive envelope review does not include the excavation of landscaping, roof coverings or pavers. Comments relating to waterproof membranes and the performance of the same identify visible evidence in the interior of the building such as efflorescence staining or moisture where water ingress is or was at some time present.



3. GENERAL DESCRIPTION

- 3.1. Strata Plan LMS 4383 – The Mondrian Phase II is a residential development consisting of approximately 199 residential units in a 30-storey high rise building and nine townhouses in a low-rise podium (**Photos No. 1 – 3**). The buildings share a four-storey below-grade parkade.
- 3.2. The exterior walls are cast-in-place architectural concrete with smooth finish and an acrylic paint coating. All concrete balconies have been coated with liquid-applied urethane Elasto-Deck 5000/6000 pedestrian deck membrane. Roofs typically are inverted roof membranes with a reinforced, liquid-applied, single component, moisture cured, modified urethane membrane covered by rigid insulation and ballast of either rock or landscape materials. Windows and patio sliding doors are double-glazed with thermally broken frames.

Building Address	The Mondrian Phase II – 969 Richards St., Vancouver, B.C.
Owner	Strata Plan LMS 4383 – The Mondrian Phase II
Property Manager	Crosby Property Management Ltd.
Developer	Bosa Properties
Building Type	Concrete High-rise Tower and Townhouses
Principal Occupancy	Residential
Other Occupancy	None
Date of Construction	2002
Applicable Building Code	Vancouver Building Bylaw 8057 (1999)
Number of Suites	208 (tower and townhouses)
Type of Construction	Non combustible
Sprinklered	Yes
Window Type	Thermally broken aluminium with double glazing
Window Colour	Beige
Number of Storeys	Tower: 30; Townhouses: 3
Parking	Four-storey below-grade parkade



4. OBSERVATIONS

4.1. General Exterior Review

- 4.1.1. The acrylic paint coating applied to the concrete surfaces throughout the building is generally in good condition. Locations where the paint coating requires maintenance are described in the Bosun Chair drops. Where concrete cracks have transmitted through the paint, touch-ups will be needed when performing the crack repair. An acrylic paint coating of this type typically requires reapplication every 10 years.
- 4.1.2. Exterior sealants installed between dissimilar materials at window and door openings are performing satisfactorily and are generally well-bonded to the substrates. Minor sealant failures were observed during this review and are identified in the Bosun Chair drops. Polyurethane sealants of this type typically must be reapplied every 10 years.
- 4.1.3. Windows and sliding patio doors are double glazed with thermally broken aluminium frames. Window walls and punched window units were reviewed and appear to be performing satisfactorily. No evidence of water ingress or staining was observed during this review and no reports of water ingress were given to the consultant by the building manager or residents. No failed glazing seals were observed during this review. Insulating glazing units (IGU's) have a typical lifespan between 15 and 20 years.
- 4.1.4. The building manager described previous water entry through the concrete cold joint where Phase I and Phase II are adjoined. This joint extends from the bottom of the P4 level to the top of the townhouses on the south elevation of the Mondrian Phase II tower. Remedial sealant application has been completed at the townhouse roof and wall, which has effectively eliminated water infiltration at the storage area (**Photos No. 4 & 5**).
- 4.1.5. In the courtyard on the north elevation of the tower, the roof membrane is visible extending from the planting medium on the north parapet wall (**Photo No. 6**).

4.2. Bosun Chair Drop #1

- 4.2.1. Drop #1 was performed at the eastern side of the south elevation, along the punch windows east of the centre balcony. Please refer to Appendix A-1 where the elevation drawings depict the location of this drop.
- 4.2.2. The paint coating applied to the top surface of the parapet wall at the roof level has begun to peel from the edge of the concrete (**Photo No. 7**).
- 4.2.3. Cracks were observed on the top, horizontal surface of the concrete cornice projecting over the windows and doors of the penthouse level (**Photo No. 8**). Paint coating applied to the top of the cornice has not



returned over the slab edge to the drip at the underside, and it is beginning to peel (**Photo No. 9**).

- 4.2.4. Gum lip flashing installed over at the head of the patio swing door on the penthouse level has not been caulked along the gum pocket (**Photo No. 10**).
- 4.2.5. Remedial sealant application has been completed at the saddle of the balcony parapet wall cap flashing at the penthouse level (**Photo No. 11**). The sealant is well-adhered, but appears to have been improperly tooled, leaving a sloppy appearance.
- 4.2.6. The concrete cornice at the base of the penthouse level, projecting over the windows of the 29th floor, was noted to be cracked along the top, horizontal surface with efflorescent staining and bubbling paint noted at the underside (**Photos No. 12 – 14**).
- 4.2.7. Efflorescent staining was noted emanating from the construction joint between the concrete walls of the 28th floor and the concrete slab of the 29th floor (**Photo No. 15**). Cracking was noted at this same joint on many floor levels; additional instances were photographed between the 25th and 26th floors, the 22nd and 23rd floors, and the 19th and 20th floors (**Photos No. 16 – 18**).
- 4.2.8. At the cornice on the 25th floor that projects over the 24th floor windows, concrete cracks were observed on the top horizontal surface along with associated efflorescent staining at the underside (**Photos No. 19 & 20**). The top of the cornice has been coated with acrylic paint only.
- 4.2.9. Sealant is missing at the joint between the metal sill flashing and the concrete jamb at one of the 23rd floor windows (**Photo No. 21**). This was noted at several windows on this elevation, though most windows on the building were properly sealed (**Photo No. 22**).
- 4.2.10. Staining was noted on the wall surface directly below the fireplace exhaust vents (**Photo No. 23**). On the 11th floor, the same exhaust vent is damaged and back-sloped toward the building (**Photo No. 24**).
- 4.2.11. On the townhouse roof at the concrete joint between Phase I and Phase II, remedial sealant application has been completed to address previously reported water infiltration (**Photos No. 25 & 26**). The sealant has been thickly applied in a sloppy fashion, but the manager reports that it is sufficient to prevent further water ingress.
- 4.2.12. At the joint between the Phase I and Phase II structures, flashing installed at the base of the parapet wall to provide UV protection of the roofing membrane is missing (**Photos No. 27 & 28**). The liquid-applied roofing membrane is visible extending behind the stone ballast, and the leading edge of the membrane has been painted-over with acrylic coating.
- 4.2.13. On the upper roof level of the Phase I townhouses, flashing installed at the base of the walls has not been sealed along the gum pocket (**Photo No. 29**).



4.3. Bosun Chair Drop #2

- 4.3.1. Drop #2 was performed on the southern side of the west elevation, between the two punch windows adjacent to the centre balcony. Please refer to Appendix A-2 where the elevation drawings depict the location of this drop.
- 4.3.2. Large amounts of the paint coating have delaminated from the top surface of the 25th floor cornice that projects over the 24th floor windows (**Photos No. 30 & 31**). Cracks were also noted along the top of the cornice, transmitted through the paint coating, with resultant efflorescent staining on the underside.
- 4.3.3. Moss growth is developing under the window sill flashings at the cornice on the 25th floor (**Photo No. 32**).
- 4.3.4. The saddle connection for the parapet wall cap flashing at the 24th floor roof deck has not been sealed to the concrete wall along the gum pocket of the flashing (**Photo No. 33**). The standing seam joints in the flashing have also not been sealed.
- 4.3.5. Hairline crack were observed on the parapet wall at the 24th floor roof deck, along with efflorescent staining on the wall surface below (**Photo No. 34**).
- 4.3.6. A large amount of soot stains were observed on the ceiling of the 21st floor balcony (the underside of the 22nd floor balcony) and also at the ceiling of the 7th floor balcony (**Photos No. 35 & 36**).
- 4.3.7. On the ceiling of the 18th floor balcony, there is a damaged exhaust vent surrounded by staining and efflorescence (**Photo No. 37**).
- 4.3.8. An unsealed joint was found at the end of the metal flashing under the window sill on the 5th floor (**Photo No. 38**).
- 4.3.9. The cornice at the 5th floor is in similar condition to those previously noted, with cracks visible along the top surface and efflorescent staining at the underside (**Photos No. 39 – 41**). At least one crack has previously been routed and caulked.
- 4.3.10. On the 2nd floor, the fireplace vent is secured with only two fasteners and is beginning to fall away from the wall (**Photo No. 42**).
- 4.3.11. The cornice at the 2nd floor is in similar condition to those previously described, with cracks visible along the top surface and efflorescent staining at the underside (**Photos No. 43 – 45**).
- 4.3.12. Where the 2nd floor cornice meets the parapet wall from the courtyard area, paint coating has not been applied to the top of the parapet wall, and efflorescent staining is observed from cracks emanating from this location (**Photos No. 46 & 47**).



4.4. Bosun Chair Drop #3

- 4.4.1. Drop #3 was performed on the eastern side of the north elevation, along the punch windows at the corner of the building. Please refer to Appendix A-3 where the elevation drawings depict the location of this drop.
- 4.4.2. Cracking was observed on the underside of the roof level cornice at approximately every 10' (**Photo No. 48**).
- 4.4.3. At the small roof area over the penthouse level, sealant beads at the parapet wall cap flashing are incompletely applied such that the joints are open to water migration (**Photo No. 49**).
- 4.4.4. Cracking was noted on the horizontal surface of the cornice above the penthouse level (**Photo No. 50**).
- 4.4.5. Cracking was noted on the cornice above the 29th floor, where the coating was visibly applied to only the edge of the slab instead of over the edge to the drip at the underside (**Photos No. 51 & 52**).
- 4.4.6. Sealants applied to the ends of the window sill flashing were found to be in satisfactory condition, though beginning to show signs of aging (**Photo No. 53**). The sealant condition was typical of others observed on this elevation (**Photo No. 54**).
- 4.4.7. Cracks were noted on the cornice at the 25th floor with particularly heavy efflorescent staining at the intersection with the adjacent wall (**Photo No. 55**).
- 4.4.8. Cracks are transmitting through the exterior coating at the construction joint between the walls and ceiling slab, as shown at the 22nd floor (**Photo No. 56**).
- 4.4.9. Concrete cracks were noted in the architectural reveals aligned with the jambs of the window openings. Shown at the 21st floor, efflorescent staining is emanating from the crack (**Photos No. 57 & 58**).
- 4.4.10. The 5th floor cornice is in similar condition to those previously noted with cracking observed along the horizontal surface and efflorescent staining on the underside (**Photos No. 59 – 62**).
- 4.4.11. Cracking was noted on the parapet walls at the townhouse roof decks on both the horizontal and vertical surfaces (**Photos No. 63 & 64**).



4.5. Bosun Chair Drop #4

- 4.5.1. Drop #4 was performed on the northern side of the east elevation along the punch windows at the corner of the building. Please refer to Appendix A-4 where the elevation drawings depict the location of this drop.
- 4.5.2. The cornice at the 25th floor has large sections of delaminated paint coating, and a number of cracks were observed on the top surface (**Photos No. 65 – 67**). Also noted on this cornice were two locations of spalling concrete where the steel reinforcement is exposed and rusting (**Photos No. 68 & 69**).
- 4.5.3. Efflorescent staining was noted emanating from cracks at the construction joints between the walls and ceiling slabs, shown at the 23rd, 21st, and 19th floors (**Photos No. 70 – 72**).
- 4.5.4. A glazing stop was found missing at the jamb of the punch window on the 18th floor (**Photo No. 73**).
- 4.5.5. Large soot stains were noted on the walls adjacent to the fireplace vents on the 5th and 4th floors (**Photos No. 74 & 75**).
- 4.5.6. The dryer vents above the window heads were found to clogged on the 7th floor through the 2nd floor (**Photo No. 76**).
- 4.5.7. At the small roof area on the 3rd floor, there is no UV protection for the roofing membrane, which has been left exposed on the concrete surface (**Photo No. 77**).
- 4.5.8. The fireplace vent on the 2nd floor is missing sealant along the head and jambs (**Photo No. 78**).
- 4.5.9. Efflorescent staining was noted on the wall surface directly below the concrete cold joint above the 2nd floor bay window (**Photo No. 79**).
- 4.5.10. Sealant has not been applied to the head jambs at the main entry light fixture (**Photo No. 80**).

4.6. Roof Review

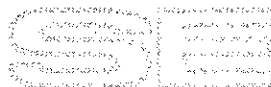
- 4.6.1. The roof at the Mondrian is an inverted roof membrane system with rigid insulation and ballast over a fully reinforced liquid applied membrane. Below the landscaping at the perimeter of the building is the same liquid roofing membrane applied to the parkade ceiling. During this review, no destructive testing or excavation of materials was performed. Visual observations represent conditions at areas where membranes are exposed or where the effects of membrane defects are apparent in the interior space of the building.
- 4.6.2. The rooftop mechanical room has a corrugated metal panel roof that appears to be in very good condition. At the western edge of the southern side of the roof, an unsealed joint between the gutters and the edge flashing is permitting staining on the concrete wall surface below (**Photo No. 81**).



- 4.6.3. At the saddle connection between the roof parapet wall cap flashing and the adjacent concrete wall, there is no sealant applied to the gum pocket and side of the flashing (**Photo No. 82**).
- 4.6.4. Repair of concrete cracks by routing and caulking has previously been completed on the walls of the rooftop mechanical room (**Photo No. 83**). The caulk joint is poorly adhered and the cracks are transmitting through the applied sealant (**Photos No. 84 & 85**).
- 4.6.5. Rust stains were noted on the rainwater leader at the connection to the gutter from the metal panel roof (**Photo No. 86**).
- 4.6.6. Rust stains were noted on the wall surface at the entry doors to the rooftop mechanical room, emanating from the metal steps and handrail (**Photo No. 87**).

4.7. Parkade Review

- 4.7.1. Levels P1, P2, and P3 of the parkade have been coated with an urethane waterproofing membrane; level P4 is the slab-on-grade and it has not been coated with urethane. The urethane coating extends a minimum of 6" up the adjacent wall surfaces, and it has been applied with a sealant bead at the corner between the horizontal and vertical slabs (**Photos No. 88 & 89**).
- 4.7.2. Spray-applied cellulose insulation has been installed on the ceiling of the P1 level underneath the building footprint. The cellulose is thickly applied and no areas of staining due to water infiltration were noted (**Photo No. 90**).
- 4.7.3. The construction joint between Phase I and Phase II is visible on the parkade walls and suspended slabs at all levels (**Photos No. 91 & 92**). An extra layer of urethane membrane has been applied to the joint in at least one location, but the crack has transmitted through (**Photo No. 93**). Urethane injection has been performed along the crack in several locations on the east elevation, and it appears to have been mostly successful at alleviating the water infiltration (**Photo No. 94**).
- 4.7.4. Additional concrete cracking is noted on the walls and ceilings at all levels of the parkade, accompanied by efflorescence and rust staining in many locations (**Photos No. 95 – 97**). Urethane injection has previously been completed at a number of cracks; in some locations it has prevented further moisture infiltration, and at other locations the cracks have extended and new efflorescence and rust stains are present (**Photos No. 98 – 100**).
- 4.7.5. The bottom of the P4 level extends to a lower elevation in the Phase II structure than the Phase I, so that the south wall of the P4 level of Phase II is a poured against the earth. Along this wall there is a very large amount of efflorescence and rust staining emanating from the cracks (**Photos No. 101 & 102**).



- 4.7.6. The concrete block shaft wall on the east elevation of the parkade is showing a large amount of efflorescence on all levels (**Photo No. 103**).

5. DISCUSSION AND RECOMMENDATIONS

5.1. Concrete Crack Repair

- 5.1.1. Concrete cracks transmitted through the exterior coating on the wall surfaces of the tower should be remedied by routing the cracks to a depth of $\frac{1}{4}$ " by $\frac{1}{2}$ " width, a minimum of $\frac{1}{2}$ " beyond the length of the crack in each direction. Polyurethane sealant should then be applied to the routed crack and tooled to provide a smooth, neat finish. The routed and caulked crack can then be repainted after any remaining efflorescent or rust stains are removed; SEE recommends repainting the wall section to a corner or transition point in order to avoid abrupt colour changes and a streaky appearance.
- 5.1.1.1. Of particular concern on the tower are the cracks at the wall-to-floor slab joints that are emanating rust, which is an indication that the steel reinforcement bars are being degraded.
- 5.1.1.2. Efflorescent staining is a sign that moisture is migrating through a crack and depositing dissolved salts on the surfaces of the concrete when it evaporates. Concrete cracks emanating efflorescent stains will begin to show rust stains in a matter of time.
- 5.1.2. Repair of cracks on the parkade ceiling at the P1 should be accomplished with urethane or epoxy injection; either material is suitable for sealing these cracks. The same repair is recommended for the cracks in the foundation walls of the parkade. When the positive-pressure side of the concrete is not accessible for application of a waterproofing membrane, the crack must be injected.
- 5.1.3. Cracks noted on the ceiling of the P2, P3, and P4 levels can be repaired on the topside of the suspended concrete slab, where waterproofing can be applied to the positive-pressure side. The cracks in the floor should be routed to a depth of $\frac{1}{4}$ " a minimum of $\frac{1}{2}$ " beyond the length of the cracks in each direction. Polyurethane sealant should then be applied to the routed cracks and tooled smooth. A new coat of urethane traffic membrane can then be applied overtop of the repaired crack.

5.2. Concrete Cornices

- 5.2.1. Application of urethane waterproofing membrane is recommended at the top surface of each concrete cornice on the building. The membrane application should include a sealant bead at the joint between the horizontal and vertical surfaces, and the membrane should extend a minimum of 6" up the adjacent walls and extend to the drip edge at the underside of the cornice. Prior to membrane



application, the existing paint should be stripped from the cornices and all organic growth and dirt should be cleaned.

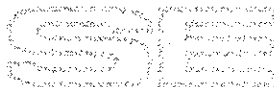
- 5.2.2. Where the concrete cornices have spalled and exposed the reinforcing steel, the concrete must be repaired before application of urethane membrane. The concrete should be repaired with a cementitious patching compound, applied with primer, after all rust is removed from the reinforcing steel and it is painted with a rust-inhibiting coating.
- 5.2.3. The recommendation to apply new urethane membrane extends to other exposed, horizontal concrete surfaces, such as the tops of parapet walls, which are described in the observations above.
- 5.2.4. Efflorescent stains can be removed from the concrete wall surfaces with water and a bristle brush.

5.3. Sealants

- 5.3.1. While the sealants applied throughout the building were generally noted to be in good condition, there were locations noted in the observations above where sealant remediation is required:
 - 5.3.1.1. Saddle connections for cap flashings should be sealed along the top and sides. All gum lip flashings should be caulked along the gum pocket.
 - 5.3.1.2. The joint between the window sill flashing and the window jamb should be sealed in any location where this has not been done.
 - 5.3.1.3. The joints between the gutters and the metal panel roof should be sealed to prevent staining on the wall below. Similarly, the connection between the gutter and the rainwater leader should be sealed inside the gutter to prevent degradation of the downspout.
 - 5.3.1.4. The head flashing above the penthouse balcony swing door should be caulked along the gum pocket.
 - 5.3.1.5. All fireplace vents and outdoor electrical fixtures should be sealed along the top and sides in any locations where this has not been done.
- 5.3.2. Locations where remedial sealant application is noted as sloppy do not necessarily require immediate reapplication as long as the applied sealant is continuous and preventing water ingress. These locations should be monitored closely for any failures, and sealant renewal should be completed as required.

5.4. Roofing

- 5.4.1. At the small roof area on the 3rd storey of the east elevation, protection of the roof membrane from UV degradation and mechanical damage is imperative. As this membrane is installed over living space, it should be covered by insulation in an inverted roofing assembly (identical to the system on the main building roof).



- 5.4.2. Where the roof membrane is visible extending above the level of the roof system at the south townhouses and the north courtyard, it must be protected from UV degradation and mechanical damage. Gum lip flashing should be installed along the base of the wall, complete with sealant application at the gum pocket.

5.5. Miscellaneous

- 5.5.1. Soot stains on the wall surfaces around the fireplace exhaust vents can be cleaned with water and a bristle brush, augmented with a dilute solution of TSP (trisodium phosphate) if necessary. An adjustment of the vent can direct soot away from the building and alleviate the staining. The tenants should also be warned against burning anything in their fireplaces, as soot is not a large by-product from the combustion of natural gas.
- 5.5.2. Dryer vents should be cleaned, at a minimum, every year. Lint clogging the exhaust vents will decrease the efficiency of the dryer, and it will contribute large amounts of warm, humid air to the interior the suite.
- 5.5.3. At the rooftop level, rust inhibiting paint is recommended for the iron steps and handrail at the entrance to the rooftop mechanical room. Rust stains can be removed from the wall surface with water and a bristle brush, which can be augmented with a dilute solution of TSP.
- 5.5.4. A single window on the east elevation was found to be missing a glazing stop along the jamb. This piece should be replaced as it functions to hold the glazing in place.

Should you have any question regarding the content of this report, please do not hesitate to contact the undersigned.

Yours truly,

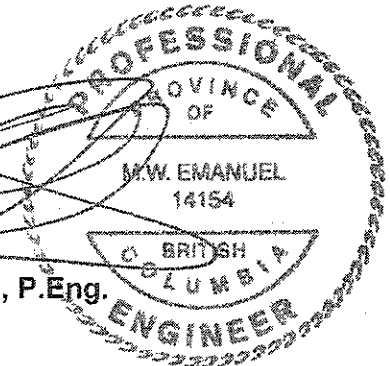
SPRATT EMANUEL ENGINEERING LTD.

Per:


Clifford Sutton, M.Eng., E.I.T.
Project Consultant

Reviewed By:


Mark W. Emanuel, P.Eng.
President



CS/cs/Encl.





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The St. Paul Companies, Inc.
St. Paul Guarantee Insurance Company
650 W. Georgia Street, Suite 2500
P.O. Box 11542
Vancouver, British Columbia V6B 4N7
www.stpaulguarantee.com

SCHEDULE "E-2" - 2-5-10 HOME WARRANTY CERTIFICATE

(For Dwelling Units in Multi Family Buildings and Common Property)

Address: Mondrian II - 969 Richards Street, Vancouver, BC
Legal Description: Strata Lots 137 to 344, Strata Plan LMS4383, D.L. 541
Warranty Certificate #: 80012844
Builder Name: Bosa Ventures (Richards) Inc. Builder #: 00000501
Builder's Phone: (604) 299-1363 Builder's Fax: (604) 299-6460
Builder's Address: 1200 - 4555 Kingsway, Burnaby, BC, V5H 4T8

File
Warranty
LMS4383

This is your Warranty Certificate which should be read and kept in a safe place. To ensure your Warranty rights are preserved, ensure that you understand what your rights and obligations are. Please note that all notice(s) of a claim under this Warranty Certificate must be delivered to the Builder and St. Paul Guarantee in writing prior to the expiry of the applicable warranty coverage. The important dates to note are:

1. Warranty Commencement Date September 14, 2002
2. Materials & Labour Warranty
 - a) 15 Months for Common Property; Expiry Date: December 13, 2003
 - b) 2 Years defects in Materials and Labour supplied for:
 - i. the gas, electrical, plumbing, heating, ventilation and air conditioning delivery and distribution systems; and
 - ii. the exterior cladding, caulking, windows and doors that may lead to detachment or material damage to the New Home;Expiry Date: September 13, 2004
3. 5 Years Building Envelope Warranty Expiry Date: September 13, 2007
4. 10 Years Structural Defects Warranty Expiry Date: September 13, 2012

For your convenience, enclosed with this Warranty Certificate please find a sticker outlining these important dates for you to affix in a conspicuous location in your new home.

In consideration of the payment to St. Paul Guarantee Insurance Company (hereinafter called "St. Paul Guarantee") of the premium for this Warranty Certificate, St. Paul Guarantee agrees to provide Warranty coverage subject to limits as set out herein, in accordance with the terms, conditions, forms, riders and endorsements contained in this Warranty Certificate.

In witness whereof St. Paul Guarantee has duly executed this Warranty Certificate.

ST. PAUL GUARANTEE INSURANCE COMPANY
("St. Paul Guarantee", formerly London Guarantee Insurance Company)


Executive Vice-President and Chief Executive Officer

Dated: January 29, 2003



A. WARRANTY COVERAGE

1.0 Materials and Labour Warranty - 2 Years

- 1.1 This Warranty provides coverage for Materials and Labour for up to two years as set out below:
- (a) In the first 12 months of the Warranty, for other than the Common Property, common facilities and other assets of a Strata Corporation, coverage for any Defect in Materials and Labour.
 - (b) In the first 15 months of the Warranty, for the Common Property, common facilities and other assets of a Strata Corporation, coverage for any Defect in Materials and Labour.
 - (c) In the first 24 months of the Warranty,
 - (i) coverage for any Defect in Materials and Labour supplied for the gas, electrical, plumbing, heating, ventilation, and air conditioning Delivery and Distribution Systems.
 - (ii) coverage for any Defect in Materials and Labour supplied for the exterior cladding, caulking, windows, and doors that may lead to detachment or material damage to the New Home or Common Property.
 - (iii) coverage for any Defect in Materials and Labour which renders the New Home unfit to live in, and
 - (iv) subject to Subsection A.1.2, coverage for non-compliance or a violation of the Building Code.
- 1.2 Non-compliance with, or a violation of the Building Code is considered a Defect covered by *St. Paul Guarantee* only if the non-compliance or violation:
- (a) constitutes an unreasonable health or safety risk, or
 - (b) has resulted in, or is likely to result in, Material Damage to the New Home.

2.0 Building Envelope Warranty - 5 Years

- 2.1 This Warranty provides coverage for the Building Envelope for up to five years for Defects in the Building Envelope of a New Home, including a Defect which permits unintended water penetration such that it causes, or is likely to cause, Material Damage to the New Home.

3.0 Structural Defects Warranty - 10 Years

- 3.1 This Warranty provides coverage for Structural Defects for up to ten years for:
- (a) any Defect in Materials and Labour that results in the failure of a Load Bearing part of the New Home, and
 - (b) any Defect which causes Structural Damage that materially and adversely affects the use of the New Home for residential occupancy.

4.0 Limitation of Warranty

- 4.1 This Warranty Certificate may be issued to Owners of Fee Simple New Homes, Owners of Co-operatives, Owners of Strata Title New Homes and to Strata Corporations. Notwithstanding anything contained herein, the Warranty coverage provided by this Warranty Certificate for Common Property is only applicable to a Strata Corporation and may only be enforced pursuant to the terms and conditions of the Warranty Certificate issued to such Strata Corporation. All Common Property issues must be dealt with by authorized representatives of the strata council. All issues relating to Cooperatives must be dealt with by authorized representatives of the Cooperative council.

B. COMMENCEMENT DATES

1.0 Fee Simple New Homes

- 1.1 The Commencement Date for the Warranty coverage of a New Home held in fee simple is as follows:
- (a) for a New Home constructed by a Builder on land owned by the Owner, the Commencement Date is the earliest of:
 - (i) the date of actual occupancy of the New Home,
 - (ii) the granting of an occupancy permit or similar right to occupy by the authority having jurisdiction, and
 - (iii) the date that the New Home is completed and ready for occupancy;
 - (b) for a New Home constructed by a Builder on land not owned by the Owner, the Commencement Date is the earlier of:
 - (i) the date of actual occupancy of the New Home, and
 - (ii) the transfer of the legal title of the New Home to the Owner.
- 1.2 For the purposes of Subsection B.1.1(a), in a jurisdiction where occupancy permits are not issued, a New Home is deemed to have reached the stage of occupancy when it is:
- (a) "completed" as that term is defined by the *Builders' Lien Act* in effect from time to time, and
 - (b) capable of being legally occupied.

2.0 Strata Titled New Homes

- 2.1 If a New Home is included in a Strata Plan, *St. Paul Guarantee* will provide Warranty coverage for the following:
- (a) the New Home comprising the strata lot;
 - (b) the Common Property.

- 2.2 The Commencement Date for the Warranty coverage of a New Home comprising the strata lot, is the earlier of:
- (a) actual occupancy of the New Home, and
 - (b) the transfer of legal title to the strata lot.

3.0 Common Property and Multi-Unit Buildings Not in a Strata Plan

- 3.1 The Commencement Date of Warranty coverage of Common Property and multi-unit buildings is concurrent with the first Commencement Date for a New Home in each separate multi-unit building comprising the Strata Plan or multi-unit building.

4.0 Unsold Units used as Rental Units

- 4.1 If an unsold New Home owned by a Builder is occupied as a rental unit, the Commencement Date is the date the New Home is first occupied by a tenant.

5.0 BCNMC Social Housing

- 5.1 If a New Home is a Social Housing building, the Commencement Date is the date of substantial completion.

C. LIMITS ON COVERAGE

- 1.1 The limits of the Warranty coverage are as follows:
- (a) for a New Home in fee simple ownership, the lesser of:
 - (i) the original purchase price paid by the Owner, and
 - (ii) \$200,000.00;
 - (b) for a New Home in a strata titled or multi-unit building, the lesser of:
 - (i) the original purchase price paid by the Owner, and
 - (ii) \$100,000.00;
 - (c) for the Common Property in a strata titled building or in a multi-unit building that is not strata-titled, the least of:
 - (i) the total original contract price for the multi-unit building,
 - (ii) \$100,000 times the number of dwelling units, and
 - (iii) \$2,500,000.
- 1.2 If a Strata Plan consists of a number of buildings, the limit under Subsection C.1.1(c) applies to each multi-unit building.
- 1.3 When calculating the cost of Warranty claims in respect of the standard limits under this Warranty Certificate, *St. Paul Guarantee* may include:
- (a) the cost of repairs,
 - (b) the cost of any investigation, engineering, and design required for the repairs, and
 - (c) the cost of supervision of repairs, including professional review, but excluding legal costs; and
 - (d) any of the costs referred to in C.1.3(a), (b), and (c), may include *St. Paul Guarantee's* own personnel and other expenses, including adjusting expenses, at rates established by *St. Paul Guarantee* from time to time.
- 1.4 The Warranty coverages provided by this Warranty Certificate are conditional upon the Owner completing all reasonable maintenance of the New Home, including that set out in the maintenance information provided to the original owner, in a timely manner, as well as the Strata Corporation completing all reasonable maintenance of the Common Property in a timely manner.

D. WARRANTY EXCLUSIONS

- 1.1 This Warranty does not cover the following:
- (a) weathering, normal wear and tear, deterioration or deflection consistent with normal industry standards;
 - (b) normal shrinkage of materials caused by drying after construction;
 - (c) any loss or damage which arises while the New Home is being used primarily or substantially for non-residential purposes;
 - (d) materials, labour, or design supplied by an Owner;
 - (e) any damage to the extent that it is caused or made worse by an Owner or Third Party, including:
 - (i) negligent or improper maintenance or improper operation by anyone other than the Builder or its employees, agents, or sub-contractors,
 - (ii) failure of anyone, other than the Builder or its employees, agents, or sub-contractors, to comply with the Warranty requirements of the manufacturers of appliances, equipment, or fixtures,
 - (iii) alterations to the New Home, including the conversion of non-living space into living space or the conversion of the New Home into two (2) or more units, by anyone other than the Builder or its employees, agents, or sub-contractors while undertaking their obligations under the sales contract, and
 - (iv) changes to the grading of the ground by anyone other than the Builder or its employees, agents, or sub-contractors;
 - (f) failure of an Owner to take timely action to prevent or minimize loss or damage, including the failure to give prompt notice to *St. Paul Guarantee* of a Defect or discovered loss or a potential Defect or loss;
 - (g) any damage caused by insects or rodents and other animals, unless the damage results from non-compliance with the Building Code by the Builder or its employees, agents, or sub-contractors;
 - (h) accidental loss or damage from acts of nature including, but not

limited to, fire, explosion, smoke, water escape, glass breakage, windstorm, hail, lightning, falling trees, aircraft, vehicles, flood, earthquake, avalanche, landslides, and changes in the level in the underground water table which are not reasonably foreseeable by the Builder;

- (l) bodily injury or damage to personal property or real property which is not part of the New Home;
- (ll) any Defect in, or caused by, materials or work supplied by anyone other than the Builder or its employees, agents, or sub-contractors;
- (k) changes, alterations, or additions made to the New Home by anyone after initial occupancy, except those performed by the Builder or its employees, agents, or sub-contractors under the construction contract or sales agreement, or as required by *St. Paul Guarantee*.
- (l) contaminated soil;
- (m) subsidence of the land around the New Home or along utility lines, other than subsidence beneath footings of the New Home or under Driveways or Walkways;
- (n) diminution in the value of the New Home;
- (o) landscaping, both hard and soft, including plants, fencing, detached patios, planters, gazebos and similar structures;
- (p) non-residential detached structures including sheds, garages, carports or outbuildings, or any structure or construction not attached to or forming an integral part of a multi-unit building or the New Home;
- (q) any commercial use area and any construction associated with a commercial use area;
- (r) roads, curbs, and lanes;
- (s) subject to Subsection D.1.1(m), site grading and surface drainage, except as required by the Building Code;
- (t) the operation of municipal services, including sanitary and storm sewer, septic tanks or septic fields;
- (u) the quality or quantity of water, either from a piped municipal water supply or from a well;
- (w) a water well, but excluding equipment installed for the operation of a water well used exclusively for the New Home, which equipment is considered to be part of the plumbing system for that the New Home.
- (x) damage caused or made worse by the failure of an Owner to take reasonable steps to mitigate any damage.

E. WARRANTY TERMS

- 1.1 If *St. Paul Guarantee* makes a payment or undertakes a repair, or assumes liability for any payment or repair under the Warranty coverage:
 - (a) *St. Paul Guarantee* is subrogated to all rights of recovery of an Owner against any person or persons who may have caused or contributed to the requirement for the payment or repair under the Warranty;
 - (b) *St. Paul Guarantee* may bring an action at its own expense, in the name of the Owner or of *St. Paul Guarantee* to enforce such rights, and the Owner will fully support and assist *St. Paul Guarantee* in the pursuit of those rights if *St. Paul Guarantee* pursues such subrogated rights;
 - (c) Implied or expressed warranties or representations made by a Builder to an Owner are not binding on *St. Paul Guarantee* except as set out in this Warranty Certificate;
- 1.2 An Owner, or occupant, must permit *St. Paul Guarantee* or the Builder, or both, to enter the New Home at all reasonable times, upon giving reasonable notice to the Owner:
 - (i) to monitor the New Home or its components,
 - (ii) to inspect for required maintenance,
 - (iii) to investigate complaints or claims, or
 - (iv) to undertake repairs under the Warranty Certificate;
- 1.4 If any reports are produced as a result of any of the activities referred to in paragraph E.1.3, the reports will be provided to the Owner on request;
- 1.5 An Owner must provide to *St. Paul Guarantee* all information and documentation that the Owner has available, as reasonably required by *St. Paul Guarantee*, in order to investigate a claim or maintenance requirement, or to undertake repairs under the Warranty Certificate;
- 1.6 To the extent that damage to a New Home is caused by the unreasonable refusal of an Owner or occupant to permit *St. Paul Guarantee* or the Builder access to the New Home for the reasons set out in paragraph E.1.3, or to provide the information required by paragraph E.1.5, such damage is excluded from the Warranty coverage.

F. NOTICE OF CLAIM

- 1.1 Within a reasonable time after the discovery of a Defect and before the Expiry Date of the applicable Warranty coverage, an Owner must give *St. Paul Guarantee* and the Builder written notice in reasonable detail that provides particulars of any specific alleged Defects which may be covered by the Warranty.
- 1.2 *St. Paul Guarantee* will require the notice under Subsection F.1.1 to be in a prescribed form and include:
 - (a) the Home Warranty Certificate Number of the New Home,
 - (b) copies of all relevant documentation and correspondence between the Owner and the Builder, and
 - (c) Particulars of the claim as determined to be necessary by *St. Paul Guarantee* to comply with its obligations pursuant to this Warranty

1.3 The obligations of *St. Paul Guarantee* absolutely cease unless:

- (a) Proper notice is given to *St. Paul Guarantee* of a claim prior to the Expiry Date; and
- (b) The Owner conducts reasonable inspections of the New Home from time to time in order to discover defects or potential defects and gives notice pursuant to Subsection F.1.1.

G. DUTY TO MITIGATE AND MAINTAIN

- 1.1 *St. Paul Guarantee* requires the Owner to maintain the New Home and mitigate any damage to the New Home, including damage caused by Defects or water penetration, as set out in the Warranty Certificate.
- 1.2 The Owner must take all reasonable steps to restrict damage to the New Home if the Defect requires immediate attention.
- 1.3 Subject to Subsection G.1.2, for Defects covered by this Warranty, the duty to mitigate is met through timely notice in writing to *St. Paul Guarantee*.
- 1.4 The Owner's duty to mitigate survives even if:
 - (a) the New Home is unoccupied,
 - (b) the New Home is occupied by someone other than the Owner,
 - (c) water penetration does not appear to be causing damage, or
 - (d) the Owner advises the Strata Corporation about the Defect.

H. LIVING-OUT ALLOWANCE

- 1.1 If repairs are required under the Warranty Certificate and damage to the New Home or the extent of the repairs renders the New Home uninhabitable, *St. Paul Guarantee* covers reasonable living-out expenses incurred by the Owner.
- 1.2 The maximum amount per day for claims for living-out expenses is \$100.00, for the complete reimbursement of the actual accommodation expenses incurred by the Owner at a hotel, motel, or other rental accommodation up to the day the New Home is ready for occupancy, subject to the Owner receiving 24 hours advance notice.
- 1.3 Where the New Home comprises part of a Strata Plan and *St. Paul Guarantee* or the Builder, as the case may be, is required to carry out repairs to Common Property as a result of which, in the opinion of *St. Paul Guarantee*, the New Home is rendered uninhabitable, Section H.1.1 and H.1.2 shall apply.

I. WARRANTY ON REPAIRS AND REPLACEMENTS

- 1.1 All repairs and replacements made under this Warranty are warranted against defects in materials and labour until the later of:
 - (a) the first anniversary of the date of completion of the repair or replacement, and
 - (b) the expiry of the applicable Warranty coverage.
- 1.2 All repairs and replacements made under the Warranty will be completed in a reasonable manner using materials and labour conforming to the Building Code and industry standards.
- 1.3 *St. Paul Guarantee* reserves the right to use the Builder or any third party to perform the Warranty obligations imposed on *St. Paul Guarantee*, and the Owner agrees to cooperate with *St. Paul Guarantee* and the Builder and any Third Party in carrying out any such obligations.

J. MANDATORY CONDITIONS

1.0 MEDIATION

In this Section:

- 1.1 (a) "Mediation" means a collaborative process in which two (2) or more parties meet and attempt, with the assistance of a Mediator, to resolve issues in dispute between them;

"Mediation Session" means a meeting between two (2) or more parties to a dispute during which they are engaged in Mediation;

"Mediator" means a neutral and impartial facilitator with no decision-making power, who assists parties in negotiating a mutually acceptable settlement of issues in dispute between them;

"Roster Organization" means any body designated by the Attorney General to select Mediators for the purpose of this regulation.
- (b) If a dispute between *St. Paul Guarantee* and an Owner arising under this Warranty Certificate cannot be resolved by informal negotiation within a reasonable time, the Owner may, at the Owner's sole election, require that the dispute be referred to Mediation by delivering to *St. Paul Guarantee* a written request to mediate.
- (c) If the Owner delivers a request to mediate under Subsection J.1.1(b), *St. Paul Guarantee* and the Owner must attend a Mediation Session in relation to the dispute.
- (d) In addition to the requirements of Subsection J.1.1(c), *St. Paul Guarantee* or an Owner may invite to participate in the Mediation any other party to the dispute who may be liable.
- (e) Within twenty-one (21) days after the Owner has delivered a request to mediate under Subsection J.1.1(b), the parties must, directly or with the assistance of an independent, neutral person or organization, jointly appoint a mutually acceptable Mediator.
- (f) If the parties do not jointly appoint a mutually acceptable Mediator within

the time required by Subsection J.1.1(e), the Owner may apply to a Roster Organization which must appoint a Mediator taking into account:

- (i) the need for the Mediator to be neutral and independent,
 - (ii) the qualifications of the Mediator,
 - (iii) the Mediator's fees,
 - (iv) the Mediator's availability, and
 - (v) any other consideration likely to result in the selection of an impartial, competent, and effective Mediator.
- (g) Promptly after a Roster Organization selects the Mediator under Subsection J.1.1(f), the Roster Organization must notify the parties in writing of that selection.
- (h) The Mediator selected by a Roster Organization is deemed to be appointed by the parties effective the date of the notice sent under Subsection J.1.1(g).
- (i) The date, time, and place of the first Mediation Session must be scheduled by the Mediator, and the first Mediation Session must occur within twenty-one (21) days of the appointment of the Mediator.
- (j) Despite Subsection J.1.1(c), a party may attend a Mediation Session by representative if:
- (i) the party is under legal disability and the representative is that party's guardian ad litem,
 - (ii) the party is not an individual, or
 - (iii) the party is a resident of a jurisdiction other than British Columbia and will not be in British Columbia at the time of the Mediation Session.
- (k) A representative who attends a Mediation Session in the place of a party referred to in Subsection J.1.1(j):
- (i) must be familiar with all relevant facts on which the party, on whose behalf the representative attends, intends to rely, and
 - (ii) must have full authority to settle, or have immediate access to a person who has full authority to settle, on behalf of the party on whose behalf the representative attends.
- (l) A party or a representative who attends the Mediation Session may be accompanied by counsel.
- (m) Any other person may attend a Mediation Session if that attendance is with the consent of all parties or their representatives.
- (n) At least seven (7) days before the first Mediation Session is to be held, each party must deliver to the Mediator a statement briefly setting out:
- (i) the facts on which the party intends to rely, and
 - (ii) the matters in dispute.
- (o) Promptly after receipt of all of the statements required to be delivered under Subsection J.1.1(n), the Mediator must send each party's statement to each of the other parties.
- (p) Before the first Mediation Session, the parties must enter into a retainer with the Mediator which must:
- (i) disclose the cost of the Mediation Services, and
 - (ii) provide that the cost of the Mediation will be paid:
 - (1) equally by the parties, or
 - (2) on any other specified basis agreed by the parties.
- (q) The Mediator may conduct the Mediation in any manner he or she considers appropriate to assist the parties to reach a resolution that is timely, fair, and cost-effective.
- (r) A person must not disclose, or be compelled to disclose, in any proceeding oral or written information acquired or an opinion formed, including, without limitation, any offer or admission made in anticipation of or during a Mediation Session.
- (s) Nothing in Subsection J.1.1(r) precludes a party from introducing into evidence in a proceeding any information or records produced in the course of the Mediation that are otherwise predicable or compellable in those proceedings.
- (t) A Mediation Session is concluded when:
- (i) all issues are resolved,
 - (ii) the Mediator determines that the process will not be productive and so advises the parties or their representatives, or
 - (iii) the Mediation Session is completed and there is no agreement to continue.
- (u) If the Mediation resolves some, but not all, issues, then at the request of all parties the Mediator may complete a report setting out any agreements that the parties to the Mediation have made as a result of the Mediation, including, without limitation, any agreements made by the parties on any of the following:
- (i) facts;
 - (ii) issues;
 - (iii) future procedural steps.

2.6 DISCLOSURE OF CLAIMS HISTORY

- 2.1 (a) On receipt of an inquiry from an Owner of a New Home covered by Home Warranty coverage regarding the claims experience of that New Home, St. Paul Guarantee will provide the Owner with a history of claims.
- (b) The history of claims referred to in Subsection J.2.1(a) will include, for each claim, the following information for both the Dwelling Unit and, if applicable, the associated Common Property:
- (i) the type of claim that was made;

- (ii) the resolution of the claim;
 - (iii) the type of repair performed;
 - (iv) the date of the repair; and
 - (v) the cost of the repair.
- (c) St. Paul Guarantee will charge a fee to provide the history of claims.

3.0 HANDLING OF CLAIMS

- 3.1 (a) St. Paul Guarantee will, on receipt of a notice of a claim from the Owner under the Warranty Certificate, promptly make reasonable attempts to contact the Owner to arrange an evaluation of the claim.
- (b) St. Paul Guarantee will make all reasonable efforts to avoid delays in responding to a claim under the Warranty Certificate, evaluating the claim, and scheduling any required repairs.
- (c) If, following evaluation of a claim under the Warranty Certificate, St. Paul Guarantee determines that the claim is not valid or not covered under the Warranty Certificate, it will notify the Owner of the decision in writing, setting out the reasons for the decision.
- (d) The notice under Subsection J.3.1(c) will also set out the rights of the parties under the third party dispute resolution process referred to in Section J.1.1 of this Warranty Certificate.
- (e) Repairs will be undertaken in a timely manner, with reasonable consideration given to weather conditions and the availability of Materials and Labour.
- (f) On completion of any repairs, St. Paul Guarantee will deliver a copy of the repair specifications to the Owner, along with a letter confirming the date the repairs were completed and referencing the Warranty on repairs. Refer to Section I of this Warranty Certificate.

4.0 TRANSFER OF WARRANTY TO SUBSEQUENT PURCHASERS

- 4.1 (a) The Warranty Certificate pertains solely to the New Home for which it provides Warranty coverage and no notice to St. Paul Guarantee is required on a change of ownership.
- (b) All of the applicable obligations and unused warranty benefits under the Warranty Certificate are automatically transferred to any subsequent Owner(s) on a change of ownership.

K. DEFINITIONS

- 1.1 "Act of God" means an act occasioned by the forces of nature and beyond the reasonable control of the Builder, and includes but is not limited to: fire, flood, changes in or actions of the underground water table or any other subsurface water, earthquake, hail, landslide, lightning, strong winds, and freezing.
- 1.2 "Builder" means the person named in this Warranty Certificate.
- 1.3 "Building Code" means, as applicable,
- (a) the British Columbia Building Code established under the *Municipal Act*, or
 - (b) The Vancouver Building Bylaw established under the *Vancouver Charter*, in force at the time that the building permit was issued for the New Home or, in jurisdictions where a building permit is not required, in force when construction commences;
- 1.4 "Building Envelope" means the assemblies, components and materials of a New Home which are intended to separate and protect the interior space of the New Home from the adverse effects of exterior climatic conditions. Interior space of the New Home includes all material not directly exposed to exterior climatic conditions. Exterior climatic conditions means the direct effect of weather on the above-grade portion of the New Home.
- 1.5 "Building Envelope Warranty" means the Warranty against Building Envelope Defects provided pursuant to Subsection A.2;
- 1.6 "Commencement Date" means in respect of the New Home, Common Property or multi-unit building, the date the Warranty coverage commences, and as set out in Part B hereof. Any determination by St. Paul Guarantee of the Commencement Date shall be binding on the parties to this Warranty Certificate;
- 1.7 "Common Property" has the same meaning as in the *Condominium Act*, but does not include land;
- 1.8 "Cooperative" means a building, or a portion of a building, provided for residential occupancy purposes to members of an association incorporated or continued under the *Cooperative Association Act*;
- 1.9 "Defect" means any design or construction that is contrary to the Building Code or that requires repair or replacement due to the negligence of a Builder or person for whom the Builder is responsible at law;
- 1.10 "Delivery and Distribution Systems" means the mechanical and electrical systems for delivery and distribution of electricity, water, waste, heat and air within and throughout a New Home, but excludes plumbing and electrical fixtures and appliances.
- 1.11 "Driveway" means a surface intended and constructed primarily to be used for vehicular access to or from the New Home;
- 1.12 "Expiry Date" means the expiration dates referenced in this Warranty

- Certificate pertaining to each applicable Warranty and after which such Warranty absolutely ceases to exist;
- 1.13 "Load Bearing" means subjected to or designed to carry loads in addition to its own dead load, but does not include a wall element subjected only to wind or earthquake loads in addition to its own dead load. The Load Bearing portions of the New Home are limited to the following:
- (a) foundation systems,
 - (b) support beams, posts, and columns,
 - (c) load bearing walls, and
 - (d) floor and roof support system.
- 1.14 "Materials and Labour" means only Materials and Labour supplied by the Builder for construction of the New Home.
- 1.15 "Materials and Labour Warranty" means the Warranty against defects in materials and labour provided to an Owner pursuant to Section A hereof.
- 1.16 "Material Damage" means damage which materially and adversely affects the use of the New Home for residential occupancy.
- 1.17 "New Home" means the New Home specified in this Warranty Certificate and which is a building or portion of a building, that is newly constructed and intended for residential occupancy, or a non-residential building, or portion thereof, converted to use for residential occupancy and sale, that is a single, self-contained residence usually containing cooking, eating, living, sleeping, and sanitary facilities.
- 1.18 "Owner" means the person who:
- (a) purchases an interest in the New Home, or
 - (b) contracts with a Builder to construct a New Home, and includes
 - (c) a person who purchases a life interest in the New Home;
 - (d) a Cooperative, corporation or society having an ownership interest in the New Home, and
 - (e) a subsequent Owner of the New Home;
- 1.19 "Strata Corporation" means the corporation created pursuant to the Condominium Act R.S.B.C. 1996, Chapter 64, and amendments thereto for the purpose of the Warranty, that body charged with the obligation to administer the Common Property Warranty;
- 1.20 "Strata Plan" means a strata plan as defined in the Condominium Act R.S.B.C. 1996, Chapter 64, and amendments thereto; including strata units and common property as therein defined.
- 1.21 "Structural Damage" means damage which results from a Structural Defect and must be visible and measurable, and must exceed allowable tolerances established by St. Paul Guarantee, provided always that Structural Damage caused by an Act of God, an act or omission of a Third Party, or other causes not directly related to Material and Labour provided by the Builder, or those for whom the Builder is responsible at law, are excluded from the Warranty herein provided. The presence of water in itself, in any form, will not be considered as a Structural Damage;
- 1.22 "Structural Defect" means a Defect in the New Home resulting in failure of any Load Bearing portion which affects the Load Bearing function of the New Home.
- 1.23 "Structural Defects Warranty" means the Warranty against Structural Defects provided to an Owner pursuant to Section A hereof;
- 1.24 "Third Party" means any third party or combination of third parties for whom the Builder is not at law responsible.
- 1.25 "Warranty" means only this Certificate and those Warranty coverages, terms, and conditions set out in this Warranty Certificate.

This Warranty Certificate is to be read and interpreted as a whole and represents the entire contract between St. Paul Guarantee and the Owner.