

Strata Property Act
SECTION 59 (Form B) INFORMATION CERTIFICATE

The Owners of Strata Plan LMS3462, certify that the information contained in this certificate with respect to Strata Lot 27 #204 - 3278 Heather Street VANCOUVER, BC is correct as of the date of this certificate.

(a)	Monthly Strata Fees payable by the Owner of the strata lot described above	\$239.96
(b)	Any amount owing to the Strata Corporation by the Owner of the strata lot described above (other than an amount paid into court, or to the Strata Corporation in trust under Section 114 of the Strata Property Act)	\$0.00
(c)	<p>Are there any agreements under which the Owner of the strata lot described above takes responsibility for expenses relating to alterations to the strata lot, the common property or the common assets?</p> <p style="text-align: center;">Not to the Best of Our Knowledge</p> <p>Since records may be unavailable or incomplete, purchaser should check bylaws, rules, and other documents registered at Land Titles Office and request the seller to disclose any applicable agreements</p>	
(d)	Any amount that the Owner of the strata lot described above is obligated to pay in the future for a Special Levy that has already been approved	\$0.00
(e)	Any amount by which the expenses of the Strata Corporation for the current fiscal year are expected to exceed the expenses budgeted for the fiscal year.	\$0.00
	Final expenses may not be determined until the conclusion of the fiscal year	\$0.00
(f)	Amount in the Contingency Reserve Fund minus any expenditures which have already been approved but not yet taken from the fund. This figure may not include emergency expenditures approved by the Strata Council.	\$170773.14
(g)	<p>Are there any amendments to the Bylaws that are not yet filed in the Land Title office?</p> <p style="text-align: center;">NO - not to the best of our knowledge</p>	
(h)	<p>Are there any Resolutions passed by a ¾ vote or unanimous vote that are required to be filed in the Land Title office but that have not yet been filed in the Land Title office?</p> <p style="text-align: center;">NO - not to the best of our knowledge</p>	
(i)	<p>Has notice been given for any Resolutions, requiring a ¾ vote or unanimous vote?</p> <p style="text-align: center;">YES (see attached copy of notices)</p>	
(j)	<p>Is the Strata Corporation party to any court proceeding or arbitration, and/or are there any judgments or orders against the Strata Corporation?</p> <p style="text-align: center;">NO - not to the best of our knowledge</p>	
(k)	<p>Have any notices or work orders been received by the Strata Corporation that remain outstanding for the strata lot, the common property or the common assets?</p> <p style="text-align: center;">NO - not to the best of our knowledge</p>	
(l)	Number of strata lots in the Strata Plan that are rented. This figure is to the best of our knowledge as reported to us.	5 + 1 Approved

Date: June 07, 2010



Signature of Strata Manager, if authorized by Strata Corporation

Annual Budget

Period = Jun 2010

Book = Accrual

07/2009 - 06/2010**REVENUE**

Interest Income	500.00
Prior Years Surplus	5,400.00
Owners' Contributions	186,135.00

TOTAL REVENUE**192,035.00****OPERATING EXPENSES****ADMIN EXPENSES**

Statutory Review of Books	375.00
Bank Charges	250.00
Miscellaneous	200.00
Insurance Deductibles / Claims	10,000.00
Insurance Premium	19,500.00
Management Fees	15,210.00
Postage/Copies/Office Exp.	1,000.00

TOTAL ADMIN EXPENSES**46,535.00****UTILITY EXPENSES**

Electricity	10,000.00
Gas	32,000.00
Water & Sewer	8,000.00

TOTAL UTILITY EXPENSES**50,000.00****CONTRACT & BUILDINGS EXPENSES**

Alarm Monitoring	1,000.00
Elevator & License	3,400.00
Fire Protection	1,600.00
Garage Door	500.00
Garbage Collection	2,700.00
Janitorial	11,000.00
Landscaping	3,400.00
Mechanical	1,200.00
Recycling	700.00
Security	7,000.00

TOTAL CONTRACT & BLDG EXPENSES**32,500.00****REPAIRS & MTCE EXPENSES**

Carpet Cleaning	1,000.00
Drain Cleaning	4,000.00
Fire Protection	1,600.00
Garage Door	1,000.00
Repairs & Maintenance	12,000.00
Irrigation	800.00
Lighting	600.00
Mechanical	2,000.00
Plumbing Repairs	2,000.00
Security Repairs & Upgrades	1,000.00
Snow Removal	1,000.00
Supplies	200.00
Window Cleaning	800.00

TOTAL REPAIRS & MTCE EXPENSES**28,000.00****CRF & OTHER BUDGETED RESERVES**

Contingency Reserve Fund	35,000.00
--------------------------	-----------

TOTAL CRF & BUDGETED RESERVES**35,000.00****TOTAL EXPENSES / RESERVES****192,035.00**

EXHIBIT "H"

CONDOMINIUM ACT

(Section 31(2))

JML 3962

RENTAL DISCLOSURE STATEMENT

1. The strata plan in respect of which this statement is made is described as Heatherstone and is located on lands legally described as:

City of Vancouver
PARCEL IDENTIFIER: 023-189-541
Lot C Block 499
District Lot 472
Group 1 New Westminster District
Plan LMP24750

and will contain 65 residential strata lots.

2. The residential strata lots described below are under lease as of the date of this statement and the owner-developer intends to lease each strata lot until the date set out opposite its description.

Nil

3. The owner-developer intends to reserve the right to lease any and all of the strata lots indefinitely.
4. There is presently no bylaw of the Strata Corporation which limits the number of strata lots that may be leased by the owners.

DATED this day of May, 1997.

HEATHER STREET LIMITED PARTNERSHIP

by its General Partner 532276 B.C. Ltd.

Per:

JIMMY KO,
President

**STRATA PLAN LMS 3462
HEATHERSTONE
3218/28/38/48/58/68/3278 Heather Street
Vancouver, BC**

RULES AND REGULATIONS

Window Screens

- 1 Screens for exterior windows must have white frames in order to conform to the building exterior.

(adopted July 19, 1999)

Common Area Keys

- 1 Additional garbage room and bike room keys will be at a cost to the strata lot owner of \$15.00 per key.

(adopted May 16, 2002)
- 2 each unit has been provided with two exterior entrance door keys. Additional keys may be purchased for a \$50.00 refundable deposit per key.

(adopted May 16, 2002)

Move-in & Move-out

- 1 A fee of \$75.00 to cover normal wear and tear shall be charged to a strata lot for each move-in and move-out of that strata lot. Any repairs required due to damage caused during a move-in to a strata lot shall be charged to that strata lot.

(Adopted June 18, 2008)
- 2 All move-in and move-out residents must abide by the moving procedure supplied by the Strata Council and must contact the Management Company prior to move-in or move-out.

(adopted December 22, 1999)
- 3 Each resident shall provide the Strata Council at least one-week notice of moving in/out. An alternative move-in fee will be charged as follows:
 - \$50.00 when notice is provided one week prior to the move-in date,
 - \$75.00 when notice is provided less than one week prior to the move-in date,
 - \$100.00 when notice is provided less than two days prior to the move-in date.

(adopted July 10, 2001)

RATIFIED BY OWNERS ON JUNE 18, 2002

NOTICE
of the
ANNUAL GENERAL
MEETING
of
HEATHERSTONE
STRATA PLAN LMS 3462

To be held on Thursday, June 24, 2010
@ 7:00pm

June 2, 2010

NOTICE OF THE ANNUAL GENERAL MEETING

TO: OWNERS OF HEATHERSTONE, LMS 3462
DATE: THURSDAY, JUNE 24, 2010
TIME: 6:40 PM REGISTRATION
7:00 PM CALL TO ORDER
PLACE: BLESSED SACRAMENT PARISH- 3040 HEATHER ST. VANCOUVER

Dear Owners:

On **Thursday, June 24, 2010**, the Annual General Meeting of the Owners of **Heatherstone, Strata Plan LMS 3462**, will be held. The purpose of this meeting is to approve the proposed budget for the upcoming fiscal year, consider six $\frac{3}{4}$ vote resolutions and to elect a new Strata Council. Enclosed are the Agenda, all supporting documentation, and a proxy form.

For this meeting to proceed, a quorum of one third of all Owners, entitled to vote, must be present in person or by proxy. Should you be unable to attend this meeting, please give your proxy to a representative to vote on your behalf.

Please bring this package of information with you to the meeting.

We look forward to seeing you on **Thursday, June 24, 2010 at 7:00 p.m.**, In the meantime, if you have any questions about the meeting, please do not hesitate to contact the Strata Manager at 604-714-1538

Sincerely,
BAYWEST MANAGEMENT CORPORATION
Agent for the Owners of Strata Plan **LMS 3462**



Liane Brown
Strata Manager
Encl.

ANNUAL GENERAL MEETING AGENDA

HEATHERSTONE STRATA PLAN LMS 3462 -

THURSDAY JUNE 24, 2010

HELD AT :BLESSED SACRAMENT PARISH- 3040 HEATHER ST. VANCOUVER

1. REGISTRATION 6:40 P.M.
2. CALL TO ORDER 7:00 P.M.
3. CALLING THE ROLL & CERTIFICATION OF PROXIES
4. PROOF OF NOTICE OF MEETING
5. ADOPTION OF PREVIOUS ANNUAL GENERAL MEETING MINUTES JUNE 16, 2009
6. PRESIDENT'S REPORT – PETER WINSTANLEY
7. RULES FOR RATIFICATION
8. REPORT OF STRATA CORPORATION INSURANCE COVERAGE (attached)
9. CONSIDERATION OF SIX ¾ VOTE RESOLUTIONS (attached)
10. CONSIDERATION OF PROPOSED 2010/11 BUDGET (attached)
11. ELECTION OF 2010/11 STRATA COUNCIL MEMBERS
12. GENERAL DISCUSSION AND QUESTIONS
13. TERMINATION

**STRATA PLAN LMS 3462
HEATHERSTONE
3218/28/38/48/58/68/3278 Heather Street
Vancouver, BC**

RULES AND REGULATIONS

Window Screens

- 1 Screens for exterior windows must have white frames in order to conform to the building exterior.

(adopted July 19, 1999)

Common Area Keys

- 1 Additional garbage room and bike room keys will be at a cost to the strata lot owner of \$15.00 per key.

(adopted May 16, 2002)

- 2 each unit has been provided with two exterior entrance door keys. Additional keys may be purchased for a \$50.00 refundable deposit per key.

(adopted May 16, 2002)

Move-in & Move-out

- 1 A fee of \$75.00 to cover normal wear and tear shall be charged to a strata lot for each move-in and move-out of that strata lot. Any repairs required due to damage caused during a move-in to a strata lot shall be charged to that strata lot.

(Ratified by owners June 18,2008)

- 2 All move-in and move-out residents must abide by the moving procedure supplied by the Strata Council and must contact the Management Company prior to move-in or move-out.

(adopted December 22, 1999)

- 3 Each resident shall provide the Strata Council at least one-week notice of moving in/out. An alternative move-in fee will be charged as follows:

-\$50.00 when notice is provided one week prior to the move-in date,
-\$75.00 when notice is provided less than one week prior to the move-in date,
-\$100.00 when notice is provided less than two days prior to the move-in date.

(adopted July 10, 2001)

RATIFIED BY OWNERS ON JUNE 18, 2002

Personal Doormats

1. No personal doormats will be allowed in the hallways. As the new hallway carpet has built in high performance doormats, and incorporates fibers entwined into the carpet there is no need for additional door mats to be placed in the corridor.

(adopted March 3, 2010)



COASTAL INSURANCE SERVICES LTD.

104 - 2331 Marpole Avenue, Port Coquitlam, BC V3C 2A1 Tel: 604-944-1700 Fax: 604-944-1734
 1322 Johnston Road, White Rock, BC V4B 3Z2 Tel: 604-531-1020 Fax: 604-531-2031
 Toll Free: 1-800-665-3310 Website - www.coastalinsurance.com - e-mail: info@coastalinsurance.com



1983-2008

Policy No. CLMS 3462

DECLARATIONS

Name of Insured:	The Owners of Strata Plan LMS 3462 Heatherstone
Location Address:	3218 - 3278 Heather Street, Vancouver, BC, V5Z 3K5
Additional Named Insured:	Baywest Management Corporation, 300 - 1770 Burrard Street, Vancouver, BC V6J 3G7
Policy Period:	10/01/09 to 10/01/10 (mm/dd/yy) 12:01 a.m. Standard Time
Loss Payable to:	The Insured or Order in Accordance with the Strata Property Act of British Columbia.
Insurers:	As Per List of Participating Insurers Attached.

Insurance is provided subject to the Declarations, Terms, Conditions, Limitations and Endorsements of this policy and only for those coverages for which specific limits or amounts of Insurance are shown on this Declaration Page.

INSURING AGREEMENTS		Deductibles (\$)	Limits (\$)
PROPERTY COVERAGES - STR (06/08)			
All Property, All Risks, Guaranteed Replacement Cost, Bylaws			
Water Damage		2,500	9,724,000
Backup of Sewers, Sumps, Septic Tanks or Drains		10,000	Included
Earthquake Damage		10,000	Included
Flood Damage		10%	Included
Key & Lock		10,000	Included
		250	10,000
BLANKET EXTERIOR GLASS INSURANCE Aviva Insurance Company of Canada - Form 820000 (02/06)			
	Residential	100	Blanket
	Commercial	250	
COMMERCIAL GENERAL LIABILITY - Form 000102 (06/06)			
Coverage A - Bodily Injury & Property Damage Liability	Per Occurrence	500	10,000,000
Products & Completed Operations	Aggregate	500	10,000,000
Coverage B - Personal Injury Liability	Per Occurrence	500	10,000,000
Coverage C - Medical Payments	Any One Person		2,500
	Per Occurrence		25,000
Coverage D - Tenants Legal Liability		500	500,000
Non-Owned Automobile - SPF #6 - Form 335002	Per Occurrence		10,000,000
Contractual Liability - SEF #96	Per Occurrence	500	50,000
Excluding Long Term Leased Vehicle - S.E.F. No. 99	Per Occurrence		10,000,000
Limited Pollution Liability Coverage	Aggregate		1,000,000
Employee Benefit Liability - Form 000200	Aggregate	1,000	1,000,000
Advertising Liability - Form 000117	Per Occurrence		500,000
DIRECTORS & OFFICERS LIABILITY - Form G/A2 (05/08) Claims Made Form			
Condominium Discrimination Defense Costs	Per Occurrence	500 Retention	5,000,000
	Aggregate	500 Retention	10,000
			25,000
POLLUTION & REMEDIATION LEGAL LIABILITY - Form XLICL-PARL5CP (05/04)			
Claims Made Form - Limit of Liability - Each Loss, Remediation Expense or Legal Defense Expense		10,000 Retention	1,000,000
VOLUNTEER ACCIDENT INSURANCE PLAN Form 9224344- Plan II			
Principal Sum - \$100,000 Weekly Accident Indemnity - \$500 (maximum 52 weeks)		7 Day Waiting Period	100,000
Accident Expenses - various up to \$5,000 (see policy wording) Dental Expense - \$2,500			
COMPREHENSIVE DISHONESTY, DISAPPEARANCE AND DESTRUCTION Form 500000 (01/00)			
I Employee Dishonesty - Form A			10,000
II Loss Inside the Premises			5,000
III Loss Outside the Premises			5,000
IV Money Orders and Counterfeit Paper Currency			5,000
V Depositors Forgery			5,000
EQUIPMENT BREAKDOWN			
I Physical Damage, Direct Damage, Standard Comprehensive Plus, Replacement Cost - Form C780016 (02/06)		1,000	9,724,000
II Consequential Damage, 90% Co-Insurance - Form C780032 (02/06)		1,000	10,000
III Extra Expense - Form C780033 (02/06)		24 Hour Waiting Period	100,000
IV Ordinary Payroll - 90 Days - Form C780034 (02/06)		24 Hour Waiting Period	100,000

ALL COVERAGES SUBJECT TO POLICY DEFINITIONS

This Policy contains a clause(s), which may limit the amount payable.
 This policy shall not be valid or binding unless countersigned by a duly
 Authorized Representative of the Insurer.

President
Coastal Insurance Services Ltd.



COASTAL INSURANCE SERVICES LTD.

104 - 2331 Marpole Avenue, Port Coquitlam, BC V3C 2A1 Tel: 604-944-1700 Fax: 604-944-1734
1322 Johnston Road, White Rock, BC V4B 3Z2 Tel: 604-531-1020 Fax: 604-531-2031
Toll Free: 1-800-665-3310 Website - www.coastalinsurance.com - e-mail: info@coastalinsurance.com



SCHEDULE OF PARTICIPATING INSURERS

For The Owners of Strata Plan LMS 3462 Heatherstone Policy # CLMS 3462

Term: 10/01/09 to 10/01/10 (mm/dd/yy) 12:01 a.m. Standard Time

Insurer	Coverage	%	Limit (\$)
Aviva Insurance Company of Canada	Property	35	3,403,400
Axa Pacific Insurance Company	Property	35	3,403,400
Royal & Sun Alliance Insurance Company of Canada	Property	30	2,917,200
Aviva Insurance Company of Canada	Commercial General Liability	100	10,000,000
Aviva Insurance Company of Canada	Directors & Officers Liability	100	5,000,000
Aviva Insurance Company of Canada	Employee Dishonesty – Form A	100	10,000
Aviva Insurance Company of Canada	Comprehensive Dishonesty, Disappearance and Destruction	100	5,000
Aviva Insurance Company of Canada	Glass	100	Blanket Exterior Coverage
XL Insurance Company Ltd.	Pollution & Remediation Legal Liability	100	1,000,000
Aviva Insurance Company of Canada	Equipment Breakdown	100	9,724,000
Axa Assurances Inc.	Volunteer Accident Insurance Plan II	100	100,000

DISCLOSURE NOTICE - UNDER THE FINANCIAL INSTITUTIONS ACT

The Financial Institutions act requires that the information contained in this Disclosure Notice be provided to a customer in writing at the time of entering into an insurance transaction.

- I, Mike Valiquette, am licensed as a general insurance agent by the Insurance Council of British Columbia
- This transaction is between you and Aviva Insurance Company of Canada Axa Pacific Insurance Company Royal & Sun Alliance Insurance Company of Canada (Insurer) and as indicated on the policies.
- In soliciting the transaction described above, I am representing Coastal Insurance Services Ltd. who does business with the Insurer
- The nature and extent of the Insurer's interest in the agency is none.
- Upon completion of this transaction, the agent will be remunerated by way of commission or fee by the Insurer
- The Financial Institutions act prohibits the Insurer from requiring you to transact additional or other business with the Insurer or any other person or Corporation as a condition of this transaction.

Total Premium

\$20,170

E&OE/TB

Insured's Copy

ANNUAL GENERAL MEETING

THURSDAY, JUNE 24, 2010

STRATA PLAN LMS 3462 - HEATHERSTONE

¾ VOTE "A" – BYLAW AMENDMENT – PERMIT ENTRY TO STRATA LOT

Be It Resolved by a ¾ vote of the Owners, that the Bylaws of Strata Plan LMS3462 be amended by adding the following:

Division 1, Section 7, Permit Entry to Strata Lot, Subsection (5)

(5) Owners, tenants, occupants or visitors who refuse or fail to grant access to enter the strata lot in accordance with this bylaw shall be fined the sum of \$200.00 every 7 days until access is granted. The strata corporation reserves the right to proceed to court pursuant to section 173 of the Strata Property Act to obtain an order for access and entry into a strata lot and an order requiring the owner to pay all costs including, without limitation, all legal costs, of the application.

Rationale:

This would apply to an owner who repeatedly fails to grant access into the strata lot after receiving sufficient notice and is a further refinement of the previous bylaw passed last year.

((4) If the Owner/Resident of a strata lot fails to provide access to the fire inspection company for two consecutive inspections to perform the annual in-suite device testing, the Strata Council may follow or embark on a protocol up to and including arranging for a locksmith to open the door of the strata lot to perform the testing and all the costs incurred will be charged back to the account of this strata lot.)

¾ VOTE "B" – BYLAW AMENDMENT – REPAIR & MAINTENANCE OF PROPERTY BY OWNER

Be It Resolved by a ¾ vote of the Owners, that the Bylaws of Strata Plan LMS3462 be amended by adding the following:

Division 1, Section 2, Repair and Maintenance of property by owner, Subsections (4), (5), (6) & (7)

(4) An owner, tenant, occupant or visitor must immediately report any damage to the owner's strata lot or to common property which is the responsibility of the strata corporation to repair and maintain under these bylaws or insure under section 149 of the Act.

(5) Notwithstanding subsection (4), an owner must, if their strata lot is rented, ensure that it is inspected by the owner or the owner's agent at regular intervals and in any event, not less than once every 6 months, subject to the notice requirements set out in the Residential Tenancy Act and thereafter provide a written report to the strata corporation on the condition of the strata lot and the common property, including any damage to the owner's strata lot or common property that are the responsibility of the strata corporation to repair and maintain under these bylaws or insure under section 149 of the Act.

(6) An owner of a strata lot that is rented who fails to comply with subsections (4) or (5) shall be subject to a fine of \$200.00 for each infraction.

(7) Notwithstanding subsection (6), in the event that there is the damage to the owner's strata lot or common property that is the responsibility of the strata corporation to repair and maintain under these bylaws or insure under section 149 of the Act is caused by the owner or an owner's tenant, occupant, or a visitor and the damage is not covered by insurance, the strata lot owner shall be held responsible for such loss and promptly reimburse the strata corporation for the full costs of repair or replacement of the damage done. If the damage is subject of an insurance claim against the strata corporation's insurance policy, the amount of the strata corporation's deductible, the strata lot owner responsible for the loss or damage caused to the strata lot and/or common property shall be assessed the amount of the deductible.

Rationale:

It came to Council's attention that a unit had sustained some damage while being rented. After Council was notified, it appeared that this damage had been unreported for some time and this could possibly result in damage to the building envelope (though indications are that this may not be the case). This bylaw is to ensure regular reporting from Strata lots that are rented, to ensure any damage to common property is reported as soon as possible to reduce the damage done and costs to all owners. It is the Strata's intention to work with Baywest to create a template for the required report.

¾ VOTE "C" – BUILDING ENVELOPE STUDY

Be It Resolved by a ¾ vote of the Owners, Strata Plan LMS3462 to approve an expenditure not to exceed \$6,500 (six thousand, five hundred) for the purpose of conducting a Building Envelope Study. Funding of this study will be from the Contingency Reserve Fund."

Rationale:

Council would like to have a Building Envelope study undertaken as part of the 7-10 year annual cycle to ensure that proper maintenance is carried out along with ensuring that the correct approach to the current window items being reported by a few owner is dealt with.

¾ VOTE "D" – WINDOW & BUILDING REPAIRS

Be It Resolved by a ¾ vote of the Owners, Strata Plan LMS3462 to approve an expenditure not to exceed \$20,000 (twenty thousand) to undertake repairs to the windows and building. Funding will be from the Contingency Reserve Fund."

Rationale:

There are some windows and areas of the building which are in need of the 7-10 year annual repair and maintenance. It is expected that after the Building Envelope Study is complete, other semi-regular items will be brought to Council's attention; which will likely also require maintenance. If all of the \$20,000 is not needed, the remaining money will stay in the Contingency Reserve Fund.

¾ VOTE “E” – BALCONY SEMI-ANNUAL MAINTENANCE

Be It Resolved by a ¾ vote of the Owners, Strata Plan LMS3462 to approve an expenditure not to exceed \$50,000 (fifty thousand) to undertake repairs to the balconies. Funding will be from the Contingency Reserve Fund.”

Rationale:

The focus of this semi-annual maintenance will be on the balconies on the east side of the building where some deterioration of the balcony membranes has been noted. After inspections have been done, repairs will be based on the condition and priority, but will likely be focused on the east side of the building. Council's plan is to repair the remaining balconies (likely the west balconies) the following year as another CRF withdrawal of approximately \$40,000.00.

**¾ VOTE “F” – ADDITIONAL CONTRIBUTION TO
CONTINGENCY RESERVE FUND**

“Be It Resolved by a ¾ vote of the Owners of Strata Plan LMS3462 that a contribution of \$40,000 (Forty Thousand), i.e. 22.9% of the total budgeted operating expenses, be made to the Contingency Reserve Fund in the fiscal year of May 1, 2010 to April 30, 2011.”

Rationale:

Section 93 of the Strata Property Act and Section 6.1(3) of the Strata Property Regulations sets out the requirements for the amount of the annual contribution. For Heatherstone, the amount in the Contingency Reserve Fund estimated at June 30, 2010 is estimated to be \$170,830, which is more than 100% of the total annual budgeted contribution to the operating fund for the fiscal year that has just ended. In such a case, the eligible voters must approve any additional contribution by a ¾ vote.

This year's Contingency Reserve Fund withdrawals will far exceed the contributions for the upcoming year thereby creating an overall reduction of approximately \$37,000 from our current balance. It should be noted that our CRF planning is following along the lines of what has been recommended in our CRF report that was commissioned in 2008. And continued contributions will maintain continued health of both the building and finances at Heatherstone as well as help reduce the need for special levies in the future.

Balance Sheet
Heatherstone (lms3462)
April 30, 2010

Wednesday, May 5, 2010

	April 2010	March 2010	Change
ASSETS			
CURRENT ASSETS			
Bank - Operating	9,622.69	4,915.13	4,707.56
Accounts Receivable	633.81	746.34	(112.53)
TOTAL CURRENT ASSETS	\$ 10,256.50	5,661.47	4,595.03
OTHER ASSETS			
Accrued Interest	58.96	0.00	58.96
Prepaid - Insurance	8,404.15	10,084.98	(1,680.83)
TOTAL OTHER ASSETS	\$ 8,463.11	10,084.98	(1,621.87)
CRF			
CRF Bank - General	162,833.79	158,917.12	3,916.67
TOTAL CRF	\$ 162,833.79	158,917.12	3,916.67
SPECIAL LEVY BANK			
Spec Levy Bank - Hallways	1.40	1.40	0.00
TOTAL SPECIAL ASSESSMENT BANK	\$ 1.40	1.40	0.00
TOTAL ASSETS	\$ 181,554.80	174,664.97	6,889.83
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accrued Liabilities	23.00	23.00	0.00
TOTAL CURRENT LIABILITIES	\$ 23.00	23.00	0.00
LONG TERM AND OTHER LIABILITY			
Key Deposit	30.00	15.00	15.00
TOTAL LONG TERM AND OTHER LIABILITY	\$ 30.00	15.00	15.00
CONTINGENCY RESERVE FUND			
CRF - General	162,888.04	158,917.12	3,970.92
Loan From CRF	2,000.00	3,000.00	(1,000.00)
TOTAL CONTINGENCY RESERVE FUND	\$ 164,888.04	161,917.12	2,970.92
OPERATING FUND			
Operating Surplus/(Deficit) Current Year	18,835.12	14,931.21	3,903.91
Operating Surplus/(Deficit) Prior Years	(2,222.76)	(2,222.76)	0.00
TOTAL OPERATING SURPLUS/(DEFICIT)	\$ 16,612.36	12,708.45	3,903.91
SPECIAL LEVY			
Spec. Levy	1.40	1.40	0.00
TOTAL SPECIAL LEVY	\$ 1.40	1.40	0.00
TOTAL LIABILITIES AND EQUITY	\$ 181,554.80	174,664.97	6,889.83

Liane Brown

Liane Brown, Strata Manager

May 7, 2010

Date

Heatherstone (lms3462)
Proposed Budget Summary

	Apr 30, 2010 Year To Date Actual	Jun 30, 2010 Estimated Year End	2009-2010 Annual Budget	2010-2011 New Budget
TOTAL OWNER CONTRIBUTION	155,113	186,135	186,135	208,800 *
Operating Fund				
Opening Balance	(2,223)	(2,223)	(2,223)	1,590
Owner's Contribution	125,946	151,135	151,135	168,800 *
Other Income	3,052	3,662	500	600
Total Operating Expenses	(110,163)	(150,984)	(157,035)	(169,400)
Ending Balance	16,612	1,590	(7,623)	1,590
Contingency Reserve Fund				
	SEE ENCLOSED RESOLUTION			
Opening Balance	135,244	135,244	135,244	170,830
Owner's Contribution	29,167	35,000	35,000	40,000 *
Interest Income	478	587	587	821
End Balance of Loan	(2,000)	-	-	-
Transfer to Building Envelope Study	-	-	-	(6,500)
Transfer to Window & Building Repairs	-	-	-	(20,000)
Transfer to Balcony Repairs/ Replacements	-	-	-	(50,000)
Ending Balance	162,888	170,830	170,830	135,151
Special Levy - Hallways				
Opening Balance	-	-	-	-
Owner's Contribution	40,000	40,000	40,000	-
Interest Income	35	35	35	-
Expenditure	(40,034)	(40,035)	(40,035)	-
Ending Balance	1	-	-	-
Building Envelope Study				
Opening Balance	-	-	-	-
Transfer from CRF	-	-	-	6,500
Interest Income	-	-	-	14
Ending Balance	-	-	-	6,514
Window & Building Repairs				
Opening Balance	-	-	-	-
Transfer from CRF	-	-	-	20,000
Interest Income	-	-	-	43
Ending Balance	-	-	-	20,043
Balcony Maintenance				
Opening Balance	-	-	-	-
Transfer from CRF	-	-	-	50,000
Interest Income	-	-	-	108
Ending Balance	-	-	-	50,108

Heatherstone (Ims3462)
Proposed Budget - July 1, 2010 to June 30, 2011

Account	Account Name	Apr 30, 2010 Year To Date Actual	Jun 30, 2010 Estimated Year End	2009-2010 Annual Budget	2010-2011 New Budget
RECEIPTS / REVENUE					
5285-0000	Interest Income	51.76	62.11	500.00	0.00
5290-0000	Fobs/Keys/Remotes	950.00	1,140.00	0.00	0.00
5310-0000	Late Payment Penalty	475.00	570.00	0.00	0.00
5385-0000	MoveIn/Out Fee	1,575.00	1,890.00	0.00	600.00
5455-0000	Prior Years Surplus	0.00	0.00	5,400.00	0.00
5500-0000	Owners' Contributions	155,113.10	186,135.00	186,135.00	208,800.00
TOTAL RECEIPTS / REVENUE		\$ 158,164.86	\$ 189,797.11	\$ 192,035.00	\$ 209,400.00
EXPENSES & RESERVES					
ADMINISTRATIVE EXPENSES					
6004-0000	Statutory Review of Books	367.50	367.50	375.00	400.00
6018-0000	Appraisal	682.50	682.50	0.00	0.00
6028-0000	Bank Charges	242.50	291.00	250.00	300.00
6068-0000	Miscellaneous	150.00	180.00	200.00	200.00
6078-0000	Insurance Deductibles / Claims	0.00	0.00	10,000.00	10,000.00
6080-0000	Insurance Premium	16,151.00	21,193.55	19,500.00	23,000.00
6098-0000	Management Fees	12,675.00	15,210.00	15,210.00	16,600.00
6128-0000	Postage/Copies/Office Exp.	1,148.65	1,378.38	1,000.00	1,200.00
TOTAL ADMINISTRATIVE EXPENSES		31,417.15	39,302.93	46,535.00	51,700.00
UTILITIES					
6308-0000	Electricity	8,872.81	11,559.37	10,000.00	12,000.00
6316-0000	Gas	20,254.81	31,432.22	32,000.00	30,000.00
6336-0000	Water & Sewer	5,683.88	14,135.76	8,000.00	12,000.00
TOTAL UTILITIES		34,811.50	57,127.35	50,000.00	54,000.00
CONTRACT / BLDG EXPENSES					
7002-0000	Alarm Monitoring	1,150.11	1,225.08	1,000.00	1,300.00
7048-0000	Elevator & License	2,671.90	3,482.52	3,400.00	3,300.00
7069-0000	Fire Protection	577.50	693.00	1,600.00	700.00
7076-0000	Garage Door	390.32	520.43	500.00	600.00
7080-0000	Garbage Collection	1,840.30	2,208.36	2,700.00	2,600.00
7096-0000	Janitorial	7,530.91	10,044.24	11,000.00	20,000.00
7100-0000	Landscaping	2,872.80	4,972.80	3,400.00	4,000.00
7126-0000	Mechanical	907.20	1,209.60	1,200.00	1,300.00
7162-0000	Recycling	641.15	769.38	700.00	900.00
7182-0000	Security	4,347.00	5,216.40	7,000.00	7,000.00
TOTAL CONTRACT / BLDG EXPENSES		22,929.19	30,341.81	32,500.00	41,700.00
REPAIRS & MAINTENANCE EXPENSES					
7550-0000	Carpet Cleaning	0.00	0.00	1,000.00	0.00
7580-0000	Drain Cleaning	2,340.45	2,808.54	4,000.00	0.00
7632-0000	Building Cleaning	0.00	0.00	0.00	2,500.00
7648-0000	Fire Protection	182.60	219.12	1,600.00	1,500.00
7656-0000	Garage Door	274.75	329.70	1,000.00	500.00
7660-0000	Repairs & Maintenance	6,869.26	8,243.11	12,000.00	4,000.00
7702-0000	Irrigation	658.09	789.71	800.00	1,000.00
7710-0000	Landscaping Improvement	0.00	0.00	0.00	3,500.00
7720-0000	Lighting	1,060.27	1,272.32	600.00	1,000.00
7738-0000	Mechanical	7,570.50	8,090.60	2,000.00	3,000.00
7770-0000	Plumbing	1,882.68	2,259.22	2,000.00	2,500.00
7832-0000	Security Repairs & Upgrades	0.00	0.00	1,000.00	500.00
7848-0000	Snow Removal	78.29	93.95	1,000.00	1,000.00
7882-0000	Supplies	88.21	105.85	200.00	200.00
7912-0000	Window Cleaning	0.00	0.00	800.00	800.00
TOTAL REPAIRS & MAINTENANCE EXPENSES		21,005.10	24,212.12	28,000.00	22,000.00

Heatherstone (lms3462)
Proposed Budget - July 1, 2010 to June 30, 2011

Account	Account Name	Apr 30, 2010 Year To Date Actual	Jun 30, 2010 Estimated Year End	2009-2010 Annual Budget	2010-2011 New Budget
	TOTAL OPERATING EXPENSES	110,162.94	150,984.20	157,035.00	169,400.00
	CRF & OTHER BUDGETED RESERVE FUNDS				
8920-0000	Contingency Reserve Fund	29,166.70	35,000.00	35,000.00	40,000.00
	TOTAL RESERVE FUNDS	29,166.70	35,000.00	35,000.00	40,000.00
	TOTAL EXPENSES & RESERVES	139,329.64	185,984.20	192,035.00	209,400.00
	SURPLUS / (DEFICIT)	18,835.22	3,812.91	-	-

BUDGET NOTES DETAILS
HEATHERSTONE – STRATA PLAN LMA 3462
FISCAL YEAR – July 1, 2010 to June 30, 2011

As per the *Strata Property Act, Section 92 (a)*, to meet all the expenses, our Strata Corporation must establish, and the Owners must contribute, by means of Strata Fees, to an operating fund for common expenses that usually occurs once a year or more often than once a year.

NOTE THAT THE HST IS BEING INTRODUCED IN JULY 2010. BUDGETED ITEMS OTHER THAN INSURANCE AND UTILITIES HAVE BEEN INCREASED BY 7% ACCORDINGLY.

RECEIPTS/REVENUE

5285. INTEREST INCOME

Interest earned from bank deposits at HSBC. This is reduced to zero this year.

5290. FOBS/KEYS/REMOTES

Money received from the owners through the sale of key fobs and garage remotes.

5310. LATE PAYMENT PENALTY

Late payment penalties in accordance with the Strata Bylaws.

5385. MOVE IN / OUT FEE

Move in / out fees collected from strata owners to cover the building maintenance due to wear and tear per the Strata Bylaws.

5500. OWNERS' CONTRIBUTIONS

Strata Fees are the major source of income for the Strata Corporation to operate the common property and facilities of the building. Total fees, combined with other forms of income, must cover all the anticipated operating expenses, capital expenditures and reserve requirements for the fiscal year in order to break even at the end. There is a 12% increase budgeted for this coming fiscal year.

ADMINISTRATIVE EXPENSES

6004. STATUTORY REVIEW OF BOOKS

A Statutory review of the Strata Corporation's trust accounts as required by the Real Estate Services Act.

6018. APPRAISAL

The appraisal contract is renewed every 3 years, paid for in year 1. The renewal is due in 2012 / 2013.

6028. BANK CHARGES

Bank charges and fees associated with the Strata Corporation's Operating Account at HSBC.

6068. MISCELLANEOUS

This category covers the miscellaneous expenses of the Strata Corporation.

6078. INSURANCE DEDUCTIBLES / CLAIMS

Insurance deductible to be covered by the Strata Corporation in the event that damages occur due to malfunction / failure of common facility and / or common property.

6080. INSURANCE PREMIUM

Insurance premiums are expected to increase as the property replacement costs and insurance rates increase. The current policy renews in October, and an industry-wide premium increase of 30% is being projected at that time. The amount budgeted is therefore at current rates plus a 30% increase for the last 9 months.

6098. MANAGEMENT FEES

This category covers the cost of the strata management contract with Baywest Management including a 3% increase.

6128. POSTAGE/COPIES/OFFICE EXP.

This category covers the postage and photocopy costs of notices, meeting notice packages, minutes, financial statements, bylaws and correspondence, as routinely distributed to or requested by Council members, resident Owners and non-resident Owners.

UTILITIES

6308. ELECTRICITY

Based on last year's actual cost plus a 10% estimated increase.

6316. GAS

Based on last year's actual cost plus a 10% estimated increase.

6336. WATER & SEWER TAX

Based on last year's actual cost plus a 10% estimated increase.

CONTRACT / BLDG EXPENSES

7002. ALARM MONITORING

Cost of the annual alarm monitoring service contract.

7048. ELEVATOR & LICENSE

Cost to inspect and maintain the elevator as contracted.

7069. FIRE PROTECTION

This category covers the annual testing of the fire safety equipment as per the service agreement.

7076. GARAGE DOOR

This category covers the cost of the contract for the inspection and maintenance of the garage gate.

7080. GARBAGE COLLECTION

This category covers the cost of the contract for the removal of garbage/recycling items from the strata.

7096. JANITORIAL

Janitorial expenses for the cleaning of all common areas.

7100. LANDSCAPING

This category covers the cost of the 10-month landscaping contract.

7126. MECHANICAL

This category covers the cost of the contract to inspect and maintain mechanical equipment in the common property.

7162. RECYCLING

This category covers the removal of recyclables.

7182. SECURITY

This category covers the mobile security patrols performed by Paladin Security.

REPAIRS & MAINTENANCE EXPENSES

7632. BUILDING CLEANING

Cost for cleaning the exterior of the building.

7648. FIRE PROTECTION

This amount is an allowance for repairing deficiencies identified under **7069 FIRE PROTECTION** above.

7656. GARAGE DOOR

This amount is allocated to cover the cost of repairs to the garage gates.

7660. REPAIRS & MAINTENANCE

This amount is allocated to perform regular preventative maintenance and repairs to Limited Common Property, Common Property and Common Assets (other than that has been allocated to specific line items).

7702. IRRIGATION

This item covers the annual commissioning / decommissioning of the landscape irrigation system.

7710. LANDSCAPING IMPROVEMENT

This item covers some improvements to the landscaping.

7720. LIGHTING

This item covers lighting repairs and light bulb replacement.

7738. MECHANICAL

This item covers repairs to such items as boiler systems and hallway ventilation systems. The amount budgeted is unchanged from last year. Last year's expenses included an unusual item of \$6,010 for repairs to the make-up air unit, which is not expected to recur.

7770. PLUMBING

This item covers repairs usually related to water leaks.

7832. SECURITY REPAIRS & UPGRADES

This item provides funds to enhance aspects of building security as needed.

7848. SNOW REMOVAL

This amount is allocated to cover the cost of the annual snow removal service.

7912. WINDOW CLEANING

This category covers the cost of the annual cleaning of the exterior inaccessible windows.

CONTINGENCY RESERVE FUND

8920. CONTINGENCY RESERVE FUND

As stipulated under Section 92 of the Strata Property Act, common expenses that usually occur less often than once a year or that do not usually occur, may be financed by a withdrawal from the Contingency Reserve Fund.

Section 93 of the Strata Property Act and Section 6.1(3) of the Strata Property Regulations sets out the requirements for the amount of the annual contribution. For Heatherstone, the amount in the Contingency Reserve Fund estimated at June 30, 2010 is estimated to be \$170,830, which is more than 100% of the total annual budgeted contribution to the operating fund for the fiscal year that has just ended. In such a case, the eligible voters must approve any additional contribution by a 3/4 vote. Additional contributions to the CRF will reduce the need for special levies in the future. Council is proposing to contribute an amount of \$40,000 into the Contingency Reserve Fund in 2010 / 2011.

Heatherstone (Ims3462)							
Proposed Strata Fee Schedule							
For the Year July 1, 2010 to June 30, 2011							
Unit#	SL#	U/E	Old Strata Fee	Operating Portion	CRF/Reserves Portion	Fee Inc By	New Strata Fee
101	1	68	\$254.96	\$231.21	\$54.79	\$31.04	\$286.00
102	17	40	\$149.98	\$136.01	\$32.23	\$18.26	\$168.24
103	16	64	\$239.96	\$217.61	\$51.57	\$29.22	\$269.18
104	9	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
105	8	58	\$217.46	\$197.21	\$46.73	\$26.48	\$243.94
106	7	56	\$209.97	\$190.41	\$45.12	\$25.56	\$235.53
107	6	55	\$206.22	\$187.01	\$44.32	\$25.11	\$231.33
108	5	55	\$206.22	\$187.01	\$44.32	\$25.11	\$231.33
109	4	56	\$209.97	\$190.41	\$45.12	\$25.56	\$235.53
110	3	74	\$277.46	\$251.62	\$59.62	\$33.78	\$311.24
111	2	75	\$281.20	\$255.02	\$60.43	\$34.25	\$315.45
201	18	69	\$258.71	\$234.61	\$55.60	\$31.50	\$290.21
202	29	65	\$243.71	\$221.01	\$52.37	\$29.68	\$273.39
203	28	68	\$254.96	\$231.21	\$54.79	\$31.04	\$286.00
204	27	64	\$239.96	\$217.61	\$51.57	\$29.22	\$269.18
205	26	75	\$281.20	\$255.02	\$60.43	\$34.25	\$315.45
206	25	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
207	24	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
208	23	56	\$209.97	\$190.41	\$45.12	\$25.56	\$235.53
209	22	55	\$206.22	\$187.01	\$44.32	\$25.11	\$231.33
210	21	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
211	20	74	\$277.46	\$251.62	\$59.62	\$33.78	\$311.24
212	19	75	\$281.20	\$255.02	\$60.43	\$34.25	\$315.45
301	30	69	\$258.71	\$234.61	\$55.60	\$31.50	\$290.21
302	47	65	\$243.71	\$221.01	\$52.37	\$29.68	\$273.39
303	46	65	\$243.71	\$221.01	\$52.37	\$29.68	\$273.39
304	45	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
305	44	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
306	43	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
307	42	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
308	41	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
309	40	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
310	39	64	\$239.96	\$217.61	\$51.57	\$29.22	\$269.18
311	38	75	\$281.20	\$255.02	\$60.43	\$34.25	\$315.45
312	37	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
313	36	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
314	35	56	\$209.97	\$190.41	\$45.12	\$25.56	\$235.53
315	34	55	\$206.22	\$187.01	\$44.32	\$25.11	\$231.33
316	33	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
317	32	74	\$277.46	\$251.62	\$59.62	\$33.78	\$311.24
318	31	76	\$284.95	\$258.42	\$61.24	\$34.70	\$319.65

Heatherstone (Ims3462)							
Proposed Strata Fee Schedule							
For the Year July 1, 2010 to June 30, 2011							
Unit#	SL#	U/E	Old Strata Fee	Operating Portion	CRF/Reserves Portion	Fee Inc By	New Strata Fee
401	48	69	\$258.71	\$234.61	\$55.60	\$31.50	\$290.21
402	65	65	\$243.71	\$221.01	\$52.37	\$29.68	\$273.39
403	64	65	\$243.71	\$221.01	\$52.37	\$29.68	\$273.39
404	63	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
405	62	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
406	61	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
407	60	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
408	59	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
409	58	50	\$187.47	\$170.01	\$40.29	\$22.83	\$210.30
410	57	64	\$239.96	\$217.61	\$51.57	\$29.22	\$269.18
411	56	74	\$277.46	\$251.62	\$59.62	\$33.78	\$311.24
412	55	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
413	54	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
414	53	56	\$209.97	\$190.41	\$45.12	\$25.56	\$235.53
415	52	55	\$206.22	\$187.01	\$44.32	\$25.11	\$231.33
416	51	57	\$213.72	\$193.81	\$45.93	\$26.02	\$239.74
417	50	74	\$277.46	\$251.62	\$59.62	\$33.78	\$311.24
418	49	75	\$281.20	\$255.02	\$60.43	\$34.25	\$315.45
3218	10	96	\$359.94	\$326.42	\$77.35	\$43.83	\$403.77
3228	11	96	\$359.94	\$326.42	\$77.35	\$43.83	\$403.77
3238	12	96	\$359.94	\$326.42	\$77.35	\$43.83	\$403.77
3248	13	96	\$359.94	\$326.42	\$77.35	\$43.83	\$403.77
3258	14	96	\$359.94	\$326.42	\$77.35	\$43.83	\$403.77
3268	15	96	\$359.94	\$326.42	\$77.35	\$43.83	\$403.77
Monthly Total		4137	\$15,511.31	\$14,066.67	\$3,333.33	\$1,888.69	\$17,400.00
Annual Total				X12	X12	X12	X12
				\$168,800.00	\$40,000.00	\$22,664.28	\$208,800.00

Strata Property Act

FORM A

PROXY APPOINTMENT

Re: Strata Lot _____ of Heatherstone **AND/OR**

Civic address 3218-3278 Heather St. Vancouver BC

I/We, _____, the owner(s) of the strata
lot described above, appoint _____

to act as my/our proxy at the Annual General Meeting to be held on **Tuesday, June 24, 2010**

Date: _____

Signature of Owner

Signature of Owner