

September 29, 2010 MH Ref: 5113003.99

The Owners, Strata Corp. LMS 4382 c/o Elin Nash, Strata Manager Crosby Property Management Ltd. 600-777 Hornby Street Vancouver. B.C. V6Z 1S4

Dear Ms. Nash and Members of the Strata Corporation:

Re: Ten Year Structural Review Proposal "The Compton" – 1316 West 11th Avenue, Vancouver BC

Thank you for the opportunity to provide a proposal for our services to meet the requirements of the Strata Council for a ten-year structural review of the building. We have based this proposal on the information you provided. The building complex is 9 years old and requires a structural review prior to the expiry of the ten-year warranty period.

Email: enash@crosbypm.com

This review will focus on the observable deficiencies and the general performance of the assemblies. If additional investigative work is warranted (e.g., moisture probes or destructive exploratory openings), a separate scope of services and budget can be determined and negotiated.

Background Information

The Compton complex consists of one 12-storey tower over an underground parking garage. The complex is concrete framed and has 58 residential units; the cladding is a combination of exposed concrete and stone masonry; units are provided with balconies or roof decks; the glazed system consist of aluminum windows; the roof are flat.

Scope of Work

The purpose of this proposal is to identify structural deficiencies in connection with the 10-year warranty period.

We propose the following scope of services:

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

A general visual review (from ground, roof, parking garage and podium levels, if accessible) of the building complex, including the following components:

• Exterior and interior common walls

- Cantilevered balconies
- Parking garage foundation walls
- Main roof

Conduct a visual review of the interior and exterior walls of **five** sample suites, which will be selected upon review of the architectural drawings. Assistance will be required for access to specific suites and should be arranged by the Strata.

Prepare and submit two copies (1 hard copy and 1 pdf) of a professionally signed and stamped letter report, which summarizes the review. The letter report will list observed deficiencies (with sample photographic examples) and recommended actions to correct any identified deficiencies.

Additional investigative work may be recommended to establish a realistic repair plan, if significant deficiencies are discovered during the review.

Fees and Expenses

For the above scope of work we propose a lump sum fee of **\$5,200**. This includes the review and reports (+applicable taxes), including all expenses. We have not included for any meetings with the strata to discuss our findings. Our billing terms are enclosed for your information.

We have assumed for the purposes of this proposal that drawings are available from the Strata. If we are required to obtain the drawings from the City, we will charge the Strata on a time and material basis (budget approximately \$600). These drawings would then become the property of the Strata.

Schedule

We will schedule the site review within four (4) weeks of receiving written authorization to proceed, completion of the owner/occupant questionnaire and the available documents. We will complete our report within four (4) weeks of completing our fieldwork. This proposal is valid for 60 days.

Kindly indicate acceptance of this proposal by signing and returning the enclosed authorization to proceed.

Please do not hesitate to contact the writer if you require additional information or if you have any questions regarding our proposal.



Yours very truly, Morrison Hershfield Limited

Matthew Pel Project Manager

 $\verb|M:INTERNAL| BLDG ENGINEERING \& FACILITIES \\ | WARRANTY REVIEW \\ | PROPOSALS \\ | P$



AUTHORIZATION TO PROCEED

Project 5113003.99

The proposal to provide consulting engineering services in connection with a Warranty Review for Strata Corp. LMS 4382, for \$5,200 is accepted. Morrison Hershfield Limited is hereby authorized by Strata Corporation LMS 4382 to provide the services as outlined in the proposal dated September 29, 2010.

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Client (Print)		
Signing Officer (Print)	Signature	
Position	Date	
Thank you for retaining Morrison Hershfi and date this authorization and return via	ield Limited for the above noted project. If facsimile to 604-454-0403.	Please sign
Attention: Matthew Pel		
Please keep the original for your records.		



Standard Rate Terms Building Engineering

February 2008

Description	Charge Rate \$/hr
Senior Principal	\$230.00
Technical V	\$170.00
Technical IV	\$145.00
Technical III	\$120.00
Technical II	\$95.00
Technical I	\$85.00
Technical Support	\$70.00

- 1. Fees and reimbursable expenses will be billed monthly for the work completed to date and are due upon presentation. Overdue accounts are subject to interest charges after 30 days from invoice date in the amount of 2 percent per month on the outstanding balance (26.8 percent per annum). The Consultant reserves the right, without penalty, to discontinue services in the event of non payment.
- Reimbursable expenses including equipment charges are in addition to fees for performance of service and include all expenditures by the Consultant incurred during the work. A ten percent (10%) administration charge will be added to all reimbursable expenses.
- 3. Fees do not include applicable taxes which will be added on the invoice.
- 4. Rates are subject to adjustment twice each year to reflect cost of living increases.
- 5. If the project is abandoned for any reason, the client shall pay the fees for services rendered and reasonable wrap-up costs to the termination date.
- 6. Rates for attendance at court, discoveries, or hearings, are standard rates plus 50%.
- 7. The Project is prepared for the Client's information and use only and may not be used or relied upon by any other person unless that person is specifically named in this Agreement as a beneficiary of the Project, in which case, the Project may also be used by the additional beneficiary named. The Client agrees to maintain the confidentiality of the Project and reasonably protect the Project from distribution to any other person. If the Client directly or indirectly causes the Project to be distributed to any other person, the Client shall indemnify, defend, and hold the Consultant harmless against any claim of any third party.



8. In consideration of the provision of the Services by the Consultant to the Client under this Agreement, the Client agrees that any and all claims which the Client has, or hereafter may have against the Consultant, the Consultant's servants, employees, Sub-consultants and representatives, in respect of the Services, howsoever arising, whether in contract or in tort, shall be absolutely limited to the amount of the Consultant's professional liability insurance available at the date that that a claim is brought against the Consultant by the Client, including the deductible portion therein.

If for any reason such insurance shall not be available or shall not apply to any claim made by the Client against the Consultant in respect of the Services, the liability of the Consultant to the Client under this Agreement shall be absolutely limited to the:

- a) value of Services re-performance, at the Consultant's own cost of those Services which are proven at law to constitute errors, omissions or negligent acts on the part of the Consultant, or anyone whom the Consultant may be responsible at law, or,
- b) value of the Fees paid to the Consultant in respect of those Services which are proven at law to constitute errors, omissions or negligent acts on the part of the Consultant, or anyone whom the Consultant may be responsible at law.

