

THE MINUTES OF THE ANNUAL GENERAL MEETING OF THE OWNERS, STRATA PLAN V.R. 190 - DOGWOOD PLACE HELD ON MONDAY, DECEMBER 10TH, 2012 AT 7:30 P.M. IN THE RECREATION ROOM, 750 EAST 7TH AVENUE, VANCOUVER, B.C

1. CALL TO ORDER

The Meeting was called to order by the Strata Council President and Chair of the Meeting, Dusttin Van Tinne, at 7:40 p.m.

2. CERTIFY PROXIES AND CORPORATE REPRESENTATIVES AND ISSUE VOTING CARDS, AND DETERMINE THAT THERE IS A QUORUM

At the conclusion of registration, Mark Braam, Property Manager / Agent, Century 21 Prudential Estates (RMD) Ltd., advised The Owners that all fifty nine (59) strata lots were eligible to vote at this Meeting. Twenty-six (26) strata lots / votes were represented at the meeting, 19 in person and 7 by proxy. In accordance with the Bylaws of the Strata Corporation, the required 1/3 quorum had been attained and the Meeting was declared competent to proceed with the transaction of business.

Prior to the Meeting being called to order, the Property Manager and the President verified the proxies and the number of persons registered in person and by proxy.

During the Meeting, they also counted the number of proxy votes in favour and not in favour of 3/4 vote resolutions A and B as indicated by the signatures on the Proxy Appointment forms. If no signature was provided for the 3/4 resolution, it was considered that the person(s) appointing the proxy had abstained from voting for that resolution, unless other voting instructions were provided (which was the case for one suite).

3. PRESENT TO THE MEETING PROOF OF NOTICE OF MEETING

Mr. Braam informed The Owners that the advance Notice of the Annual General Meeting (AGM) had been mailed to all owners / persons entitled to receive notice including the resident owners of 55 strata lots, the non-resident owners of 6 strata lots and 0 mortgagees, at the last address recorded with Century 21 Prudential Estates (RMD) Ltd., on November 20th, 2012 in accordance with the requirements of the *Strata Property Act*. There being no objection or MOTION to the contrary forthcoming, it was

MOVED AND SECONDED

To accept the Notice of the Annual General Meeting as delivered and given.

MOTION CARRIED (Unanimous)

4. APPROVE MINUTES FROM THE LAST GENERAL MEETING

Annual General Meeting held on December 14th, 2011

There being no errors or omissions noted, it was

MOVED AND SECONDED

To approve the Minutes of the Annual General Meeting held on December 14th, 2011 as circulated.

MOTION CARRIED (24 in favour, 0 opposed, 2 abstentions)

5. DEAL WITH UNFINISHED BUSINESS

None

6. RECEIVE REPORTS OF COUNCIL ACTIVITIES AND DECISIONS

Strata Council President's Report

Dusttin Van Tinne stated that this year we completed dealing with replacement of the main cold, main hot and domestic hot water recirculation lines in the ceilings of the First floor East and West common halls. The work included: Drywall removal with asbestos abatement; then the Plumbers replaced the piping; then another Contractor insulated around all the pipes in the ceilings, repaired the drywall and textured, and applied a sealer / primer to the repaired areas only. [Please refer to the November 15th, 2012 Council Minutes for more details.]

The President reported that the Strata Council this year was mainly involved with the interior improvements / upgrading project. Thank you to the Council members and other design group / committee members. We worked hard to get to this stage. If we get a positive vote tonight at this Meeting to approve extra funds, the Strata Council will (likely) approve and sign a contract with Pacifica Painting and Restoration Ltd. [Please refer to the November 15th, 2012 Council Minutes for more details.]

7. REPORT ON THE STRATA CORPORATION'S INSURANCE COVERAGE

The Property Agent / Manager informed the Owners that it is a requirement of the *Strata Property Act* to report on the Strata Corporation's insurance coverage at each annual general meeting. The Owners were referred to the Certificate of Insurance dated April 27, 2012 (2 pages) from BFL CANADA Insurance Services Inc., for the Policy Period April 30, 2012 to April 30, 2013, which was attached to the Notice of the Annual General Meeting; this Certificate of Insurance outlines the Strata Corporation's insurance coverages and deductibles.

The Floor was then opened to questions and discussion; there were no questions.

Please note that with reference to Section 1 – All Property Coverage, effective April 30, 2010, the insurance policy is now subject to a 110% margin clause as opposed to the Limited Guaranteed Replacement Cost previously provided. This reduction in coverage means that in the event of a loss or damage to insured property, the All Property Limit stated on the Certificate of Insurance may be increased by an additional 10%. Individual owners should ensure that their own personal insurance policy coverage is adequate to cover any potential short falls in the Strata Corporation's insurance policy coverage.

Please note that CURRENTLY **THE WATER AND SEWER BACKUP DAMAGE DEDUCTIBLES ARE \$5,000.00**, which is now the minimum deductible (the lowest we can get) for all insurance policies issued. Subject to the amount of the resultant water damage to property insured by the Strata Corporation being more than the applicable deductible, the Strata Corporation's Insurance Policy will cover the costs to restore and replace the damage.

INDIVIDUAL OWNERS SHOULD ENSURE THAT THEIR OWN PERSONAL INSURANCE POLICY HAS ADEQUATE COVERAGE IN CASE THE LOSS OR DAMAGE IS LESS THAN \$5,000 OR IN CASE THE STRATA CORPORATION CHARGES BACK THE STRATA CORPORATION DEDUCTIBLE (OR THE AMOUNT OF THE LOSS OR DAMAGE IF IT IS LESS THAN THE APPLICABLE DEDUCTIBLE) TO THE SUITE OWNER RESPONSIBLE FOR A LOSS OR DAMAGE.

Please also note that the Strata Corporation's Earthquake Deductible is 10% which is a large dollar amount.

The following is the contents of a previous memo from Bill Blackall, General Manager of Century 21:

“INSURANCE NOTE:

The Manager would like to remind the owners that the Strata Corporation’s insurance policy does not cover personal belongings or improvements, which may have been made to the strata lots since originally built. Owners who have made improvements to their strata lots, such as flooring upgrades, appliance upgrades, cabinet upgrades, or the installation of other fixtures or chattels, must ensure that all of these are reported to their homeowner insurers, that they have coverage to allow for these improvements to be restored in case of a major loss. Owners are also responsible to ensure that they obtain insurance for their personal belongings as well as for personal liability in case of a civil lawsuit against them.

The Manager also reminds the owners to ensure that they query their broker about obtaining loss assessment coverage to “buy down” the Strata Corporation’s insurance deductibles (which can be a significant amount) to the level of their homeowner’s insurance deductible. A number of homeowner’s insurance policies do not provide this coverage as a matter of course, and this should be specifically requested.

The Manager strongly recommends that if owners have any questions regarding their insurance requirements or their current homeowner policy, they take the Strata Corporation’s insurance certificate to their personal brokers so that they can discuss coverages to avoid any financial hardship in case of an insurable claim.”

[NOTES: Generally, the Strata Corporation’s All Property insurance policy covers the replacement cost of the common property, building structures and **original** construction attachments and fixtures, including stoves, refrigerators, floor coverings, window coverings, etc., for the perils insured. The exact coverages and exclusions are outlined in the policy wordings.

(Note: For Dogwood Place, the Appraisal and Insurance Policy cover the following appliances: “Fridges, stoves, dishwashers, garburators and [stove] hood fans”. Other in-suite appliances do not appear to be included in the Appraisal and therefore are probably not covered by the Strata Corporation’s Insurance Policy.)

Generally, the Strata Corporation’s insurance policy does not cover personal property / possessions / contents and “Improvements and Betterments” made by or for the owner or tenant. “Improvements and Betterments” means physical structural changes, upgrading or enhancement of an individual strata lot, including replacement attachments and fixtures (including floor and window coverings and appliances, etc.) where the replacement cost of these items exceeds the replacement cost of the original attachments and fixtures (generally the whole cost or the excess cost is not covered by the Strata Corporation’s insurance policy).

For improvements and betterments, including alterations approved (and not approved) by the Strata Corporation, individual owners are responsible for their own liability insurance and for their own insurance coverage for the value of the betterments and improvements.

It is suggested that owners check their individual insurance policies carefully to ensure that they have adequate coverage.]

PLEASE ALSO REFER TO THE DOCUMENT FROM BFL CANADA INSURANCE SERVICES INC., DATED SEPTEMBER 2010, REGARDING “THE IMPORTANCE OF UNIT OWNER’S PERSONAL INSURANCE”, WHICH IS ATTACHED TO THESE MINUTES.

8. APPROVE 2011 AUDITED FINANCIAL STATEMENTS

The Owners were referred to the audited Financial Statements, dated 31st October, 2012, enclosed with the Notice of the Annual General Meeting. The Floor was opened for any questions and discussion of the 2011 audited financial statements. An owner asked if Donald Guthrie was an independent auditor. The Property Agent advised that Donald G. Guthrie, Chartered Accountant was independent of Century 21 Prudential Estates (RMD) Ltd. and further explained. It was then

MOVED AND SECONDED

BE IT RESOLVED

As a resolution passed by a majority vote of The Owners, Strata Plan V.R. 190 (the "Strata Corporation"), at this Annual General Meeting held on December 10th, 2012, that the Audited Financial Statements for the year ended 31st December, 2011, as prepared by Donald G. Guthrie, Chartered Accountant, be approved as presented.

End of Resolution

MOTION CARRIED (Unanimous)

9. DEPRECIATION REPORT - CONSIDERATION OF 3/4 VOTE RESOLUTION A

The Owners were referred to 3/4 vote A resolution on the Agenda for the Annual General Meeting. The President, Dustin Van Tinne, read the resolution. It was

MOVED AND SECONDED

To approve 3/4 vote resolution A.

BE IT RESOLVED

As a resolution passed by a 3/4 vote of The Owners, Strata Plan V.R. 190, Dogwood Place (the "Strata Corporation"), at this Annual General Meeting held on December 10th, 2012, pursuant to Section 94 (3) of the Strata Property Act, that the Strata Corporation waives the requirement to obtain a depreciation report.

End of Resolution

It was then

MOVED AND SECONDED)

To amend 3/4 vote resolution A by adding after "...a depreciation report" "by December 13, 2013".

MOTION CARRIED (Unanimous)

The Floor was then opened to questions and discussion. The Owners were referred to the November 15th, 2012 Council Meeting Minutes for detailed information regarding the new requirement for a depreciation report, etc. There were no questions.

A Council member, Peter DeGroot, briefly explained what a depreciation report does, etc. The Strata Council discussed it at great length and decided we don't want to obtain a depreciation report; we have always been proactive with projects coming down the line. The Strata Council and The Owners will review the need for a depreciation report annually. A waiver passed by the Strata Corporation is only good for 18 months, so The Owners will have to vote annually to waive the requirement to obtain a depreciation report. An owner suggested we wait a couple of years and then hopefully it will cost less and be easier to get a depreciation report.

There being no further discussion, question was called on the **MOTION** to approve 3/4 vote resolution A **as amended** and the Chair declared that the **MOTION** was

APPROVED (26 in favour, 0 opposed, 0 abstentions)

10. ADDITIONAL EXPENDITURE FROM THE CONTINGENCY RESERVE FUND (CRF) FOR INTERIOR IMPROVEMENTS, ETC. - CONSIDERATION OF 3/4 VOTE RESOLUTION B

The Owners were referred to 3/4 vote B resolution on the Agenda for the Annual General Meeting. The President, Dusttin Van Tinne, read the resolution. It was

MOVED AND SECONDED

To approve 3/4 vote resolution B.

WHEREAS:

At the December 9th, 2010 Annual General Meeting, The Owners authorized the Strata Council to expend, after December 31st, 2011, a sum of money not exceeding \$75,000.00 from the Contingency Reserve Fund for the purposes of contracting for interior improvements and for related work and costs, etc., and it has now been determined that \$75,000.00 is not sufficient to proceed with all the interior improvements the Strata Council would like to undertake, therefore

BE IT RESOLVED

As a 3/4 vote resolution of The Owners, Strata Plan V.R. 190, Dogwood Place (the "Strata Corporation"), at this Annual General Meeting held on December 10th, 2012, that the Strata Council be authorized to expend an additional sum of money not exceeding \$35,000.00 (for a total sum not exceeding \$110,000.00) from the Contingency Reserve Fund for the purposes of contracting for interior improvements and for related work and costs, etc.

End of Resolution

[**NOTE:** The interior improvements, etc. in common areas will or could include: Carpet replacement and other new tile (in First Floor Lobby) and vinyl (in Basement hall and other areas) flooring; painting walls, ceilings and doors / frames including the exterior of the suite doors, etc.; painting of the "brick" on the sides of / around the suite and elevator doors; addition of new trim boards / casing at the top of and the sides (at the edges of the "brick") of suites doors; completion of the improvements in the First Floor Lobby including installation of wallpaper on some walls and new light fixtures; undertaking improvements including new flooring in the Basement Recreation ("Party" / "Meeting") room; completion of the improvements in the Basement Sauna / bathroom; installation of new Exit sign and light fixtures; replacing common stairwell and hall doors; etc.]

The Floor was then opened to questions and discussion of the 3/4 vote resolution. The Owners were referred to the November 15th, 2012 Council Meeting Minutes for more information and details regarding the interior improvements / upgrading, etc.

An owner asked why the interior improvements were costing more money. The Property Manager responded that the original authorization of up to \$75,000.00 was just a guesstimate at the time of what most of the interior improvements, etc, contemplated may cost and was the maximum amount which would be available in the Contingency Reserve Fund at that time.

Together with the costs which have already been incurred in 2012 (totalling \$ \$6,703.96), the total contract amount of \$75,762.40 (including HST) in the revised Proposal / Job Estimate / contract received on November 15, 2012 from Pacifica Painting and Restoration Ltd., plus an allowance of \$3,360.00 (including HST) for "Site Manager" services, etc. to be provided by Dusttin Van Tinne, the total cost of the project (just for those items in the Pacifica Proposal) will be over \$85,000.00. Furthermore, the Strata Council would like to undertake additional interior improvements / upgrades.

10. ADDITIONAL EXPENDITURE FROM THE CONTINGENCY RESERVE FUND (CRF) FOR INTERIOR IMPROVEMENTS, ETC. - CONSIDERATION OF 3/4 VOTE RESOLUTION B
(Continued)

The President advised that the total amount of the revised Proposal / Job Estimate / contract received on November 15, 2012 from Pacifica Painting and Restoration Ltd. increased from the original Proposals due to the following Additional Items / extra costs, which the Property Manager and/or Council members suggested and decided were necessary or desirable:

- i) Anti-Fracture membrane for the First floor Lobby area porcelain tile flooring, to prevent possible cracking of the new tiles, etc.;
- ii) Upgrading the new vinyl flooring in the basement areas to a heavier gauge Commercial vinyl product from the light commercial vinyl product chosen by the Designer, which will hopefully mean less chance of damage to the new vinyl flooring (including ripping in the laundry room under the laundry machines);
- iii) New cove rubber baseboard on the walls in the basement areas;
- iv) Addition of a primer coat, prior to finish painting two coats on all doors, to hopefully ensure better adhesion; and,
- v) Painting the railings in the stairwells.

An owner questioned which items in the common areas are included in the revised Proposal / Job Estimate / contract from Pacifica Painting and Restoration Ltd. The Owners were referred to the NOTE below 3/4 vote resolution B (on Page 5 of these Minutes). The interior improvements, etc. in common areas will include:

- i) Carpet (and underlay) replacement and other new tile (in First Floor Lobby) and vinyl (in Basement hall and other areas) flooring;
- ii) Painting walls, ceilings and doors / frames including the exterior of the suite doors, etc.;
- iii) Painting of the "brick" on the sides of / around the suite and elevator doors;
- iv) Plus installation of "Ledger Stone" on the main First Floor East Lobby wall around the mailboxes.

The interior improvements, etc. in common areas could include:

- i) Addition of new trim boards / casing at the top of and the sides (at the edges of the "brick") of suites doors;
- ii) Completion of the improvements in the First Floor Lobby including installation of wallpaper on some walls and new light fixtures;
- iii) Undertaking improvements including new flooring in the Basement Recreation ("Party" / "Meeting") room;
- iv) Completion of the improvements in the Basement Sauna / bathroom;
- v) Installation of new Exit sign and light fixtures;
- vi) Replacing common stairwell and hall doors;
- vii) Etc.

The President commented that the Strata Council would really like to do the new trim boards / casing around the suite doors and new lighting in the Lobby.

An owner questioned the installation of new wallpaper on some walls in the First floor Lobby. The President advised that wallpaper was in the design concept received from Beyond Beige Interior Design Inc., but a final decision has not yet been made.

An owner commented that she had painted the inside of her suite door and the finish didn't look better, but there were no problems with adhesion. The Property Manager noted that all doors / frames will be primed before being finish painted two coats, so hopefully the adhesion of the primer and paint will be satisfactory. A Council member stated that the contractor is responsible for quality work and so would have to rectify any finish deficiencies.

10. ADDITIONAL EXPENDITURE FROM THE CONTINGENCY RESERVE FUND (CRF) FOR INTERIOR IMPROVEMENTS, ETC. - CONSIDERATION OF 3/4 VOTE RESOLUTION B
(Continued)

An owner questioned why (porcelain) tile was being installed in the First floor Lobby to replace the existing carpet. The President responded that the tile is non-slip and easier to keep clean than carpet. It was also noted that tile in the main Lobby is a higher quality, upgraded finish / look, similar to what most buildings have in their main entry areas.

With regard to the improvements in the "Party" / "Meeting" ("Recreation") room, all work (labour) to date has been voluntary, plus some minimal materials. The President would like to thank Peter DeGroot for taking most of the original wallpaper off the walls. Further repairs and skim coating are required on the walls, etc. We would like to do improvements in this room, but it has not been a priority in the past.

An owner donated a newer toilet and sink for the Basement Sauna / bathroom. A newer toilet has also been donated for the basement washroom (beside the Laundry room).

The Elevator improvements will include flooring only. We want to consider improvements to / refinishing of the elevator walls as part of overall elevator updates / upgrading.

In order to proceed with most of the interior improvements sooner (i.e. in 2012), Council thought about deleting the new vinyl flooring in the basement areas prior to this Annual General Meeting. However, when Pacifica Painting and Restoration Ltd. send an amended Proposal with the basement flooring deleted, they also deleted the \$4,650.00 plus HST discount for all items priced as one project.

If The Owners approve the additional expenditure amount tonight for the interior improvements / upgrading project, and then tonight at the Council Meeting following this AGM if the Strata Council approves the revised Proposal / Job Estimate / contract from Pacifica Painting and Restoration Ltd., Pacifica has told us that they can start the first full week of January (i.e. Monday, January 7th, 2013). Pacifica has told us they expect to complete their contracted work in 3 to 5 weeks; however, it could take longer.

An owner questioned if there was sufficient money in the Contingency Reserve Fund (CRF). The Owners were referred to Page 4 of the Proposed 2013 Budget. If all the budgeted Expenditures from the CRF (including the additional \$35,000.00 for interior improvements, etc.) are made in 2013, the balance in the Contingency Reserve Fund at December 31, 2013 is estimated to be \$52,286. An owner asked if there are sufficient funds in the CRF for emergencies. The Property Manager responded that \$50,000 is not sufficient if there was a major emergency(s), particularly taking into account cash flow.

Following a lengthy discussion, question was then called on the **MOTION** to approve 3/4 vote resolution B to authorize an additional expenditure not exceeding \$35,000.00 (for a total sum not exceeding \$110,000.00) from the Contingency Reserve Fund for interior improvements, etc., and the Chair declared the **MOTION** was

APPROVED (25 in favour, 0 opposed, 1 abstention)

11. APPROVE 2013 BUDGET

The Owners were referred to the Proposed 2013 Operating Budget enclosed with the Notice of the Annual General Meeting. The President read the resolution. It was

MOVED AND SECONDED

To approve the resolution on the Agenda for the Annual General Meeting.

BE IT RESOLVED

As a resolution passed by a majority vote of The Owners, Strata Plan V.R. 190, at this Annual General Meeting held on December 10th, 2012, that the Proposed 2013 Operating Budget in the total amount of \$210,348.00, and requiring total owner contributions (strata fees) in the amount of \$186,000.00, be approved by The Owners as presented.

End of Resolution

The Floor was then opened to questions and discussion. There were no questions.

A 2.99% increase in Strata Fees is proposed for 2013. A Council member, Peter DeGroot, commented that Council got together and went through the Budget item by item and there was discussion regarding increasing Strata Fees. Council thought a 3% increase in Strata Fees was reasonable. There was no increase in Strata Fees for 2012.

Question was then called on the **MOTION** to approve the Proposed 2013 Operating Budget as presented and the **MOTION** was

CARRIED (Unanimous)

12. ELECT STRATA COUNCIL

There was no objection to turning over the Chair to the Property Manager / Agent to conduct the election of the Strata Council for the next year. The Owners were informed that, in accordance with the *Strata Property Act* and the Bylaws, at each annual general meeting, the term of office of each of the existing council members ends at the end of the annual general meeting at which the new council is elected and the eligible voters who are present in person or by proxy at the meeting must elect a new council. A person whose term as council member is ending is eligible for re-election. The council must be elected from among the owners, and must have at least 3 and not more than 7 members.

The Floor was then opened for nominations to the Strata Council for the next year (2012 / 2013) and the following owners were nominated:

Dusttin Van Tinne	Suite 219	Peter DeGroot	Suite 115
Francisco Mendonca	Suite 206	Jessica Kalra	Suite 216
Charlene Brown	Suite 220	Erica Sprague	Suite 316
Megan Atkinson	Suite 214	Jay McGeachan	Suite 217
Ravina Johal	Suite 207	Nichole Gobbi	Suite 105

Following a final call for nominations or volunteers, it was

MOVED AND SECONDED

That nominations be declared closed.

MOTION CARRIED (Unanimous)

12. ELECT STRATA COUNCIL (Continued)

The nominees were then asked to accept or decline their nominations. Eight (8) nominees present in person accepted their nominations, and Nichole Gobbi declined. Following discussion regarding how an election could and/or must be conducted, Jessica Kalra declined her nomination (as she is leaving next July for a year). Megan Atkinson was not in attendance at the Annual General Meeting and did advise another owner who was in attendance or the Property Manager that she would accept a nomination to the Strata Council. It was then

MOVED AND SECONDED**BE IT RESOLVED**

As a majority vote resolution of The Owners, Strata Plan V.R. 190, at this Annual General Meeting held on December 10th, 2012, that the following persons, who have agreed to accept their nominations or volunteered to serve on the council, be elected to council:

DUSTTIN VAN TINNE	SUITE 219	PETER DEGROOT	SUITE 115
FRANCISCO MENDONCA	SUITE 206	CHARLENE BROWN	SUITE 220
ERICA SPRAGUE	SUITE 316	JAY MCGEACHAN	SUITE 217
RAVINA JOHAL	SUITE 207		

End of Resolution

MOTION CARRIED (Unanimous)

13. DEAL WITH OTHER NEW BUSINESS AND GENERAL DISCUSSION**a) Thank You to Council Members**

An owner thanked Council members as over the past few years their work has been great.

b) Cats / Small Pets – Consideration of Amendments to Bylaws

An owner stated that, for the next annual general meeting, she would like the Strata Council to consider proposing Bylaw amendments to allow small pets including cats, but not dogs.

14. TERMINATE OR ADJOURN THE MEETING

There being no further business to come before The Owners, it was

MOVED

To terminate the Meeting at 8:50 p.m.

MOTION CARRIED

Respectfully submitted,
Mark Braam, B. Com., Property Manager / Agent
CENTURY 21 PRUDENTIAL ESTATES (RMD) LTD.
PROPERTY MANAGEMENT DIVISION
7320 Westminster Highway, Richmond, BC V6X 1A1
Telephone: (604) 273-1745 (9:00 a.m. to 5:00 p.m. and 24 Hour Emergency)

IT HAS BECOME A STANDARD PRACTICE IN THE REAL ESTATE INDUSTRY THAT OWNERS PROVIDE TWO (2) YEARS OF COUNCIL AND GENERAL MEETING MINUTES TO POTENTIAL PURCHASERS. PLEASE RETAIN YOUR MINUTES FOR TWO YEARS AS THERE IS A FEE TO OWNERS WHO REQUIRE ADDITIONAL COPIES OF THE MINUTES.

UNDER THE STRATA PROPERTY ACT, PROPERTY MANAGERS WORK FOR THE OWNERS OF THE STRATA CORPORATION. UNDER THE STRATA PROPERTY ACT AND THE PRIVACY ACT, WHEN SELLING YOUR UNIT THE PROPERTY MANAGER MAY ONLY COMMUNICATE WITH THE OWNER OR THE SELLER'S AGENT UPON PRESENTATION OF THE WRITTEN VERIFICATION OF SUCH A RELATIONSHIP. THE PROPERTY MANAGER CAN NOT COMMUNICATE INFORMATION ABOUT THE STRATA CORPORATION OR YOUR STRATA LOT WITH PURCHASERS OR THE AGENT FOR THE PURCHASER WITHOUT WRITTEN AUTHORIZATION FROM THE OWNER. ALL QUESTIONS OR CONCERNS SHOULD BE DIRECTED TO THE OWNER OF THE UNIT OR THE OWNER'S AGENT.



International Risk and Insurance Services

THE IMPORTANCE OF UNIT OWNER'S PERSONAL INSURANCE

Most strata unit owners dutifully attend the strata corporation's Annual General Meeting, doing their best to contribute to the community a strata corporation constitutes. When owners are provided with the strata's insurance report, some mistakenly believe the corporation's insurance policy will protect their personal assets in the event of a loss; such is not the case.

Unit owners, whether living in the unit or as an investor, should always make sure their personal assets and liabilities are adequately protected by their own personal insurance policy.

A typical unit owner's policy provides a variety of coverage:

- Personal Property: in general terms, this coverage includes all the content items a unit owner brings into the unit or keeps in a storage locker on premises, such as furniture, electronics, clothing, etc. Most policies will also cover the personal property while it is temporarily off premises, on vacation for example.
- Additional Living Expenses: this coverage helps unit owners and their families deal with the extra expenses which can often result if the home is made unfit for occupancy due to an insured loss or damage. Whether it is a fire or significant water damage due to no fault of their own, unit owners may have to move out while their unit is being repaired. In the case of an investment unit, this coverage helps pay the owner's rental income loss due to the tenant moving out.
- Betterments & Improvements: many unit owners spend considerable money making the unit their own; old carpet is replaced with hardwood flooring, cabinets and counter tops are updated and fixtures modernized to the 21st century. The unit owner's personal insurance policy provides coverage for these items, which are specifically excluded from coverage under all strata corporations' insurance policies.
- Strata Deductible Assessment: more and more strata corporations have by-laws in place to facilitate charging back the strata deductible to the unit owner responsible for a loss or damage. Unit owners or their tenants need not be liable for this significant assessment to be made, in many cases the mere fact the damage originates in the unit is sufficient to make the assessment valid. Strata deductibles can be as low as \$1,000 and as high as \$500,000. Unit owners' personal policies cover this risk to a specific limit; owners need to make sure they are fully insured.
- Personal Liability: at home or pretty much anywhere in the world, unit owners' policies also provide comprehensive protection for claims against them for property damage and bodily injury.

Why get personal insurance? Because not getting it is much too risky and expensive!

NOTE: each unit owner has specific insurance requirements which should be discussed with an insurance broker to ensure the right protection is in place for the right price.

September 2010.

BFL CANADA Insurance Services Inc.

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