



Affidavit #1 of Dan Jacob Sonnenschein
Sworn June 14, 2021

S215858 No.

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

Re: THE OWNERS, STRATA PLAN VR456
IN THE MATTER OF DIVISION 2 OF PART 16 OF THE STRATA PROPERTY ACT, SBC
1998, c. 43

AFFIDAVIT

I, Dan Jacob Sonnenschein, of 601- 1089 West 13th Avenue, Vancouver, B.C. SWEAR THAT:

1. I am the Owner of Strata Lot 6 ("SL6") within the Petitioner, The Owners, Strata Plan VR456 (the "Strata Corporation"), and as such have personal knowledge of the facts and matters herein deposed to save and except where the same are stated to be based on information and belief and where so stated I believe the same to be true.
2. I have owned SL6 since November of 2000. I was a member of the Strata Council until the appointment of the Administrator, Garth Cambrey. According to the Bylaws of the Strata Corporation, all registered owners are Strata Council members.
3. I swear this Affidavit on my own behalf of and with the authority of the Administrator who has been appointed to exercise all of the powers and perform all of the duties of the Strata Corporation.
4. I have read the Facts noted in Part 2 of the Petition of the Strata Corporation and, except as otherwise noted below, the facts noted therein are true and accurate to the best of my information and belief.

Background

5. Strata Plan VR456, which is commonly known as "Spruce West", is a condominium complex located in Vancouver, B.C. and consists of six residential strata lots in one six-storey building, and associated common property. The strata lots comprising the Spruce

West complex have the following civic address: Units 1 through 6 at 1089 West 13th Avenue, Vancouver, B.C.

6. According to the strata plan filed in the Land Title Office in or about August 2, 1977, the Spruce West complex was developed in a single phase. Attached and marked as **Exhibit "A"** to this my affidavit is a true copy of the registered strata plan.
7. The Petitioners in B.C. Supreme Court Action Number NEW-S-S-222743 (the "MacLennan Petition"), Tracey MacLennan and Suzanne Foster, are siblings and executors of their deceased father's estate, which includes strata lot 5 ("SL5"), unit 501, in the building.
8. Ms. MacLennan and Ms. Foster are registered owners of SL5 and, according to court documents filed in the MacLennan Petition, were jointly granted a vote on the strata council in about June 2018. I note the Strata Corporation bylaws state all owners serve on the strata council. Attached and marked as **Exhibit "B"** to this my affidavit is a true copy of the MacLennan Petition.
9. Garth Cambrey (the "Administrator") was appointed as the Administrator to the Strata Corporation for a one-year term commencing April 17, 2020. The terms of this appointment are set out in a consent order of the Supreme Court of B.C. dated April 17, 2020 ("Appointment Order"). Attached and marked as **Exhibit "C"** to this my affidavit is a true copy of the Appointment Order. I signed the Appointment Order on my own behalf.
10. It is my understanding that the Administrator's appointment was extended until November 30, 2021 by a consent order filed on April 15 2020 (the "Renewal Order"). Attached and marked as **Exhibit "D"** to this my affidavit is a true copy of the Renewal Order. I signed the Renewal Order on my own behalf.
11. I note that during the time that Mr. Cambrey has been involved with the Strata Corporation, Lesperance Mendes Lawyers has provided legal advice to the Administrator regarding the proposed winding up of the Strata Corporation and sale of the Spruce West complex to a single purchaser.
12. The Strata Corporation discussed retaining independent legal advice at the Annual General Meeting held on July 13 2020 (the "July 2020 AGM") and the Special General Meeting held on September 2, 2020 (the "September 2020 SGM"). As of today, the Strata Corporation has not opted to obtain independent legal advice. Attached and marked as **Exhibits "E"** and **"F"** to this my affidavit is a true copy of the July 2020 AGM Meeting Minutes and September 2020 SGM Meeting Minutes.

Need for Significant Repairs


13. The Spruce West complex is now approximately 43 years of age and is in need of significant and costly repairs.

14. I have observed major water leaking into my unit, SL6, for over 15 years. I have also observed visible signs of mould in my unit, along with drywall damage in three areas.
15. On March 17, 2009 I received a home inspection report commissioned and paid for by me, covering both my unit and parts of the building (the "Home Inspection Report"). The report shows evidence of water ingress and mould into SL6 as well as other significant problems in the building. Attached and marked as **Exhibit "G"** to this my affidavit is a true copy of the Home Inspection Report.
16. Subsequently, I have observed water ingress into SL5, the unit directly below my unit, which has shown signs of increasing damage over the years. Based on observations I have made, there are signs of mould, ceiling and other drywall damage.
17. In 2017, the Strata Corporation retained Spratt Emanuel Engineering Ltd. ("Spratt") to conduct a visual inspection of the Strata Corporation's building, with a primary focus on the building envelope. Spratt issued a report dated January 2, 2018 that was updated March 6, 2018 to include the main roof ("Spratt Report").
18. The Spratt report concluded the building had been poorly maintained and that many building envelope and structural components required immediate repair "to maintain life safety and occupant livability". Attached and marked as **Exhibit "H"** to this my affidavit is a true copy of the Spratt Report.
19. The Spratt Report recommended replacement of all exterior windows and doors to current building code requirements, rain screen stucco cladding, failed steel-stud frame stucco walls, concrete repairs, and the main and parkade roofs. It also stated that the steel brackets connecting the exit stairs to the exterior wall had failed and that new brackets were required immediately, followed by proper fire stopping between the stairs and concrete sidewalls. Spratt estimated its recommended repairs would cost \$1,100,000 (approximately \$183,000.00 per unit).
20. In April 2018, the City of Vancouver ("City") issued a work order for the Strata Corporation to take immediate steps to repair the exit stairway structural concerns and fire stopping.
21. Based on conversations with Ms. Tracey MacLennan and reading the Spratt Report, the water ingress from my unit has migrated through the cracks in the floor slab to cause water ingress into SL5. There is active water ingress, wet and mouldy drywall, and rotted carpet in SL5.
22. The Strata Corporation retained a second engineering firm, Reid Jones Christoffersen Ltd. ("RJC") in late 2018 to conduct another visual review of the building envelope and parkade structure of Spruce West.
23. RJC issued its report on December 19, 2018 ("RJC Report"). The conclusions contained in the RJC Report mirrored those of the Spratt Report, except that RJC recommended a repair strategy over 5 years and further investigation into the exit stairway concerns were

recommended. RJC estimated the cost of the repairs to be about \$1,680,000. Attached and marked as **Exhibit "I"** to this my affidavit is a true copy of the RJC Report.

24. On July 11, 2019, the City extended the deadline of the City Work Order until August 19, 2019 (the "City's Extension"). The Strata Corporation did not address the City Work Order, except for the installation of grouting, which was not the "proper fire stopping" recommended by the Spratt Report. It is my understanding the City inspector did not find this acceptable. Attached and marked as **Exhibit "J"** to this my affidavit is a true copy of the City's Extension.
25. The Administrator has provided the owners regular updates through email and general meetings including the following:
 - a. Emails dated October 19, and 29, 2020 regarding property purchase and sale updates (a true copy of the email exchange between the Administrator and the owners attached and marked as **Exhibit "K"**);
 - b. Email dated November 3, 2020 regarding an update on the City Work Order (a true copy of the email exchange between the Administrator and Paul Mendes regarding the update to the owners attached and marked as **Exhibit "L"**);
 - c. Email dated November 6, 2020 regarding property purchase and sale updates (a true copy of the email exchange between the Administrator and the owners attached and marked as **Exhibit "M"**);
 - d. A Special General Meeting held on December 8, 2020 (the "December 2020 SGM") held over Zoom (a true copy of the December 2020 SGM meeting minutes is attached and marked as **Exhibit "N"**);
 - e. Email dated December 18, 2020 regarding an update on the exit stairs repair quotation (a true copy of the email exchange between the Administrator and the owners attached and marked as **Exhibit "O"**);
 - f. Email dated January 19, 2021 regarding an update on the City Work Order and Strata windup process (a true copy of the email exchange between the Administrator and Paul Mendes regarding the update to the owners is attached and marked as **Exhibit "P"**);
 - g. A Special General Meeting held on February 11, 2021 (the "February 2021 SGM") held over Zoom (a true copy of the February 2021 SGM meeting minutes is attached and marked as **Exhibit "Q"**); and
 - h. Email dated March 13, 2021 regarding a general update to the Strata Corporation (a true copy of the email exchange between the Administrator and the owners attached and marked as **Exhibit "R"**).

- 26. On November 3, 2020 the Administrator wrote to the owners that the proposals for the stair repairs exceeded the amount of funds raised at the July 2020 AGM and that the Administrator decided to call the December 2020 AGM to consider a ¾ vote for a special levy to raise an additional \$25,311.00
- 27. At the December 2020 SGM, the Strata Corporation did not approve the proposed ¾ vote resolution for the exit stairs repairs was defeated as it only received approval from 50% of the owners' votes. Attached and marked as **Exhibit "S"** to this my affidavit is a true copy of the December 2020 SGM Meeting Minutes.
- 28. On December 24, 2020 a City representative came to the Strata for a site meeting regarding the status of repairs. On January 26, 2021, an order from the City requiring a building permit for the exit stairs be made by February 25, 2021 was posted on the front entrance of the Spruce West complex (the "January 2021 Order"). It is my understanding that the Administrator also received a copy of the January 2021 Order. Attached and marked as **Exhibit "T"** to this my affidavit is a true copy of the January 2021 Order.
- 29. On February 11, 2021 the Administrator called an SGM (the "February 2020 SGM") and advised the owners that if the Administrator did not receive written waivers of notice from all owners by February 10, 2021, he would consider making application to the BC Supreme Court to impose a special levy. All owners waived the meeting notice, and the February 2021 SGM was held. The proposed \$25,311 special levy needed to complete the exit stair work was approved with payment due April 1, 2021.

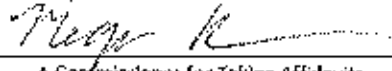
SWORN BEFORE ME at Vancouver,)
 British Columbia, this 14 day of June,)
 2021)
)
)

)
)
 A Commissioner for taking Affidavits)
 for British Columbia)



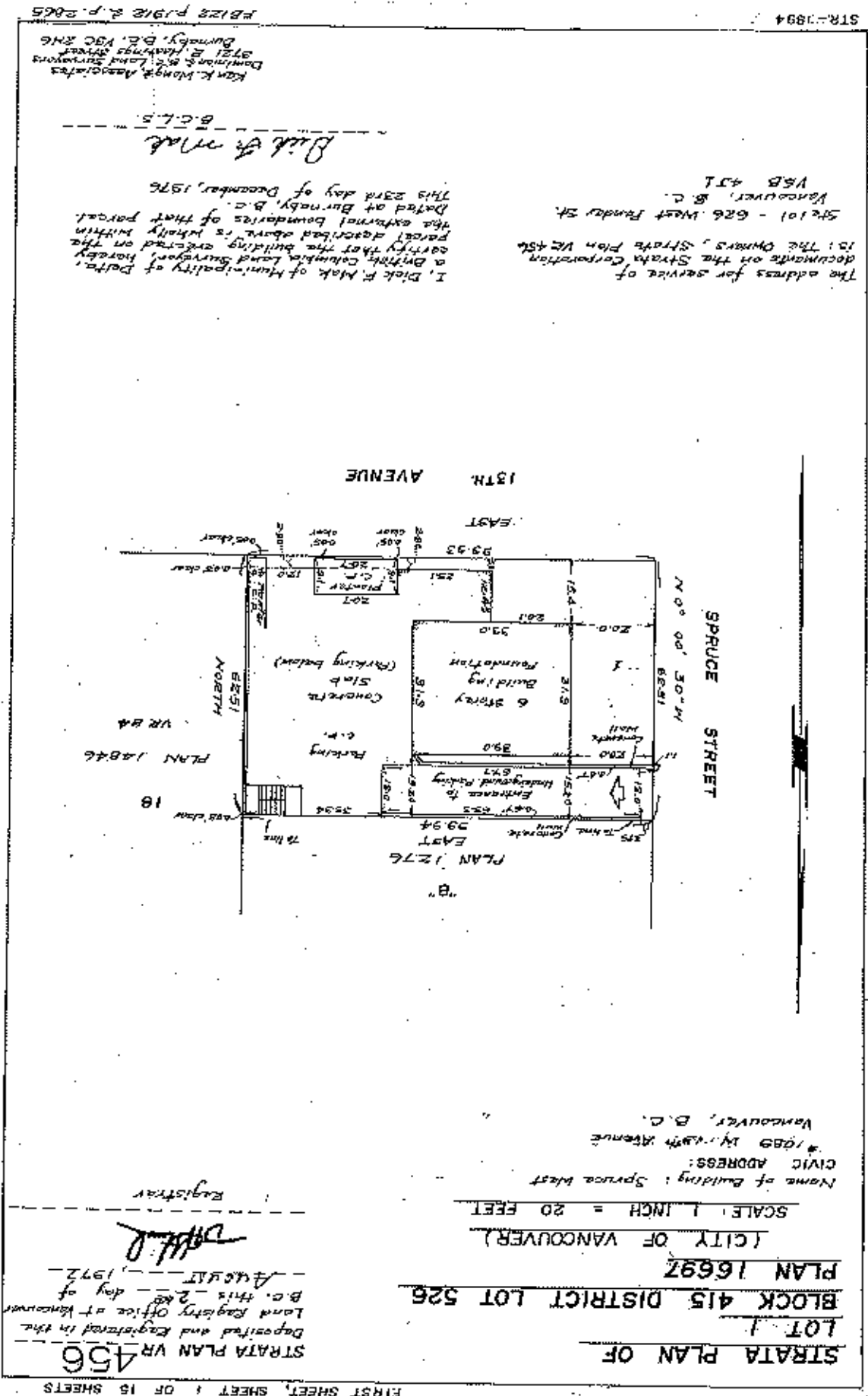
 Dan Jacob Sonnenschein

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

This is Exhibit "A" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567



STRATA PLAN OF
 BLOCK 415 DISTRICT LOT 526
 PLAN 16697
 (CITY OF VANCOUVER)
 SCALE: 1 INCH = 20 FEET
 Name of Building: Spruce West
 CIVIC ADDRESS:
 *1089 W. 13th Avenue
 Vancouver, B.C.

The address for service of documents on the Strata Corporation is: The Owners, Strata Plan 16697, 1089 W. 13th Avenue, Vancouver, B.C.
 VSB 456
 I, Dick F. Mak of Municipality of Delta, a British Columbia Land Surveyor, hereby certify that the building, erected on the parcel described above, is wholly within the external boundaries of that parcel. Dated at Burnaby, B.C. this 23rd day of December, 1976.
 Dick F. Mak
 B.C.L.S.

Kan K. Wong, Associates
 Dominion & Co. Land Surveyors
 3721 E. Hastings Street
 Burnaby, B.C. V3C 5N6
 FB128 P1912 & P. 2065

STRATA PLAN VR 456

SIRATA TITLES ACT

STRATA SHEET	LOT NO.	SCHEDULE OF UNIT ENTITLEMENT	SCHEDULE OF INTEREST UPON DESTRUCTION	INTEREST UPON DESTRUCTION	NUMBER OF VOTES
FORM 1	8	984	123,000	123,000	
	9	971	125,000	125,000	
	10	971	123,000	123,000	
	11	971	127,000	127,000	
	12	971	130,000	130,000	
	13	876	130,000	130,000	
	AGGREGATE	5,738	756,000	756,000	

Accepted as to Form 1, 2 and 3
 this 23rd day of JULY, 1972

[Signature]
 Superintendent of Insurance

STATUTORY DECLARATION:

I, the undersigned, do solemnly declare that:
 (1) I, the undersigned, am the duly authorized agent for the owner-developer;
 (2) The strata plan is entirely for residential use.
 I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

Agent for the Owner-Developer:
[Signature]

Owner-Developer: FAYAT SQUARED
 (1967) 09

Declared before me at Vancouver, B.C., this 15th day of _____, 1972.
[Signature]
 A Commissioner for taking Affidavits in and for the Province of British Columbia

FORM 13
 NEW DEVELOPMENT CERTIFICATE
 (SECTION 4 (1))

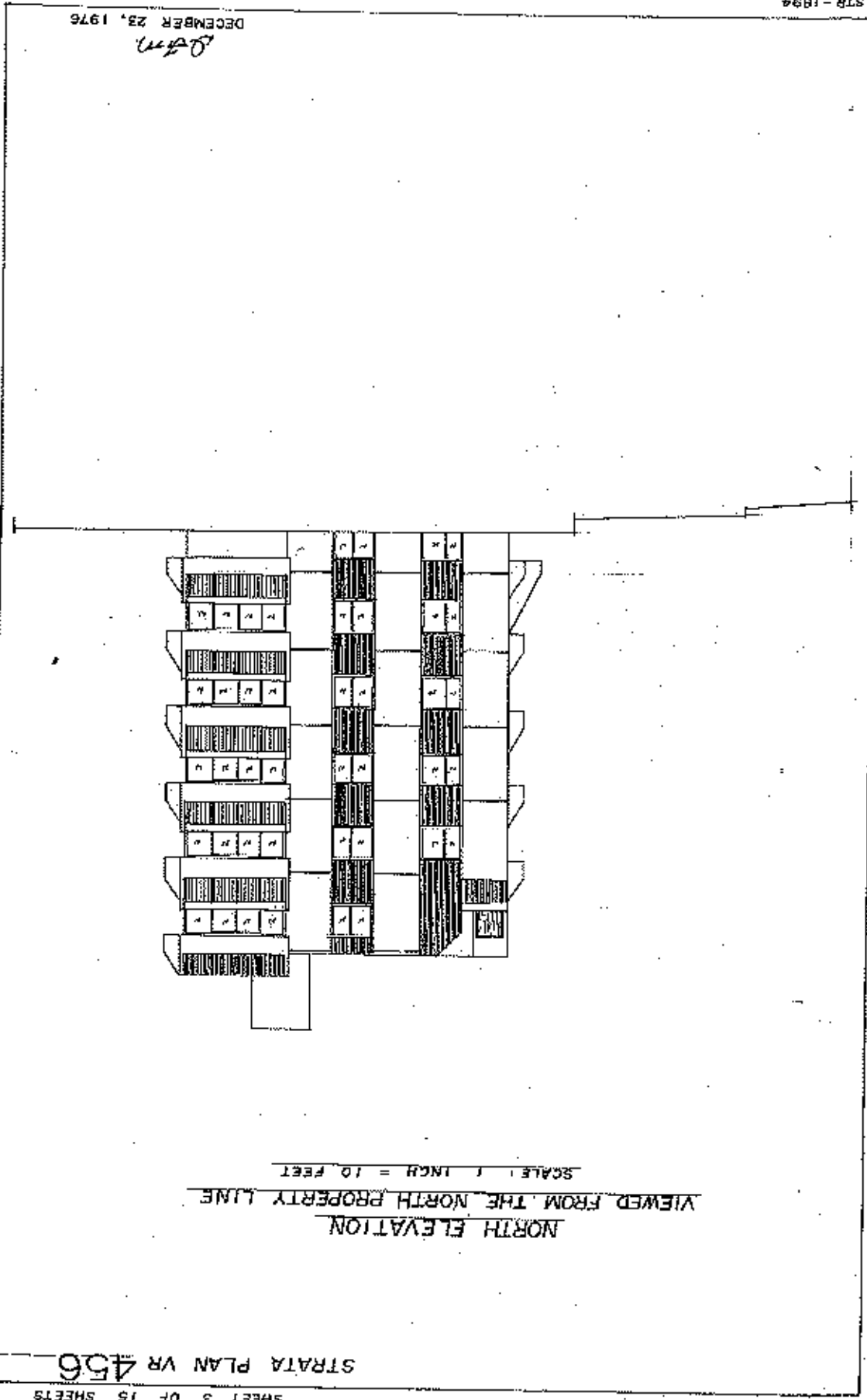
I, Dick F. Mink of Municipality of Delta, a British Columbia Surveyor, hereby certify that the strata lots represented on the strata plan of Lot 1 Block 415 District Lot B26 Plan 16697 constitute a new development and have not, to the best of my knowledge and belief, been previously occupied.

Dick F. Mink
 B.C.L.S.

Dated at Burnaby, B.C., this 23rd day of December, 1976

DECEMBER 23, 1976

D.F.M.

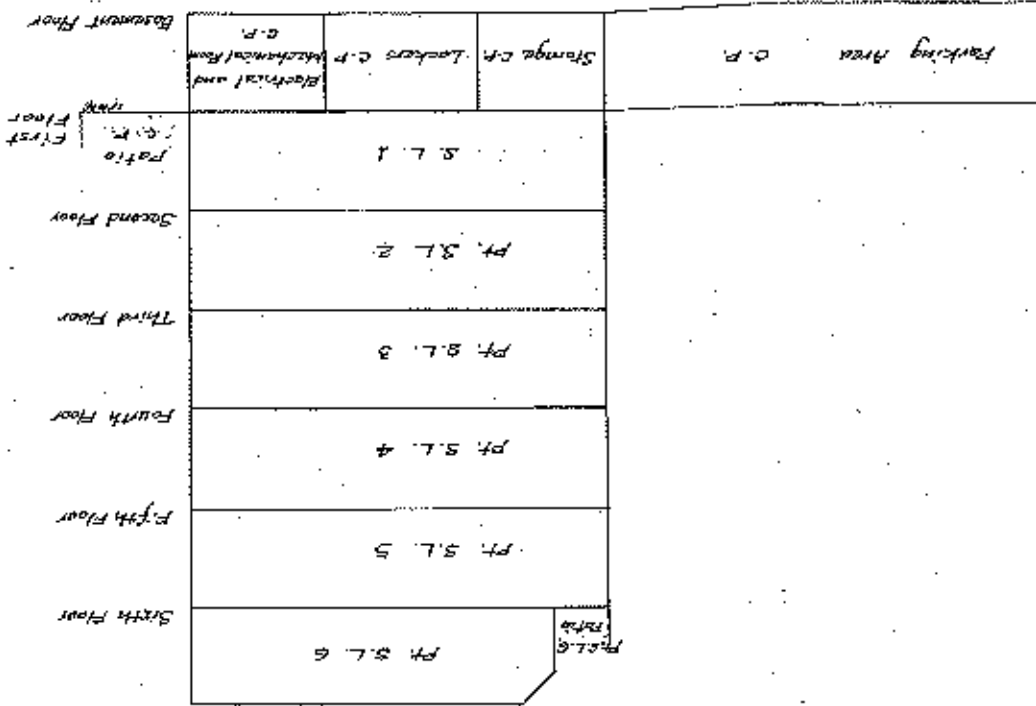


STRATA PLAN VR 456

NORTH DIAGRAMMATIC ELEVATION

SECTION A - A

SCALE: 1 INCH = 10 FEET



LEGEND

S.L. denotes STRATA LOT:
 C.P. denotes Common Property
 P.S.L. denotes PART of STRATA LOT

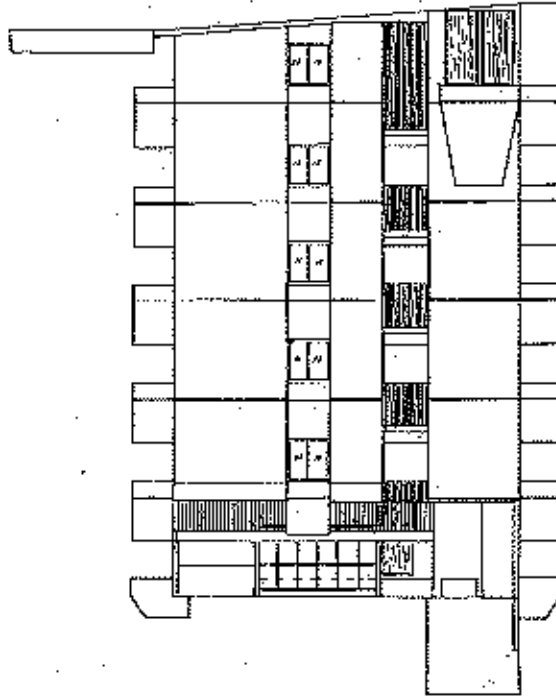
DECEMBER 23, 1976

BTH

SHEET 5 OF 15 SHEETS

STRATA PLAN VR 456

EAST ELEVATION
VIEWED FROM THE EAST PROPERTY LINE
SCALE: 1 INCH = 10 FEET

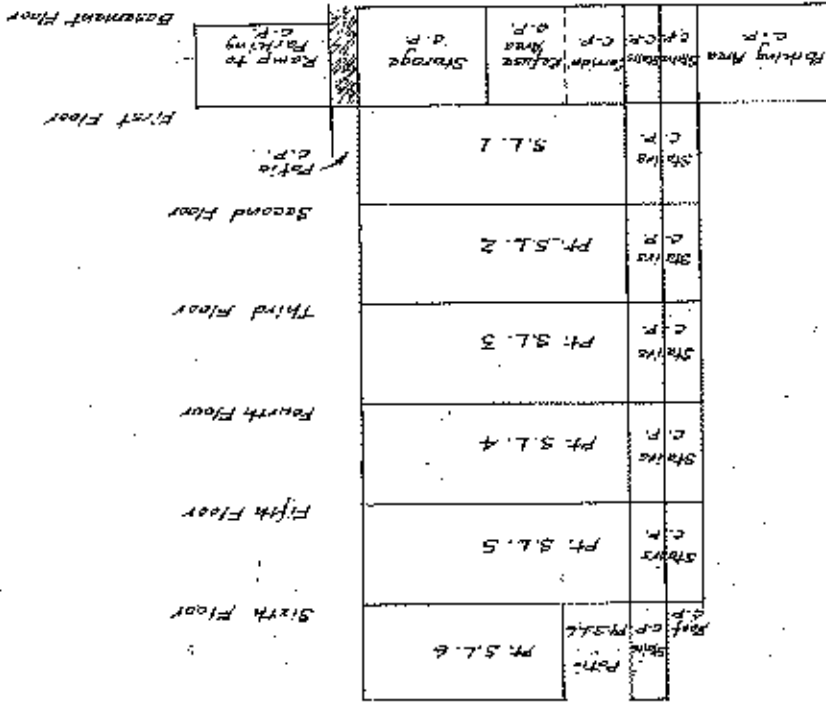


DECEMBER 23, 1976

UFA

STRATA PLAN VR 456

EAST DIAGRAMMATIC ELEVATION
SECTION B - B
SCALE: 1 INCH = 10 FEET



LEGEND

S.L. denotes Strata Unit
 C.P. denotes Common Property
 P.S.L. denotes Part of Strata Lot

DECEMBER 23, 1978

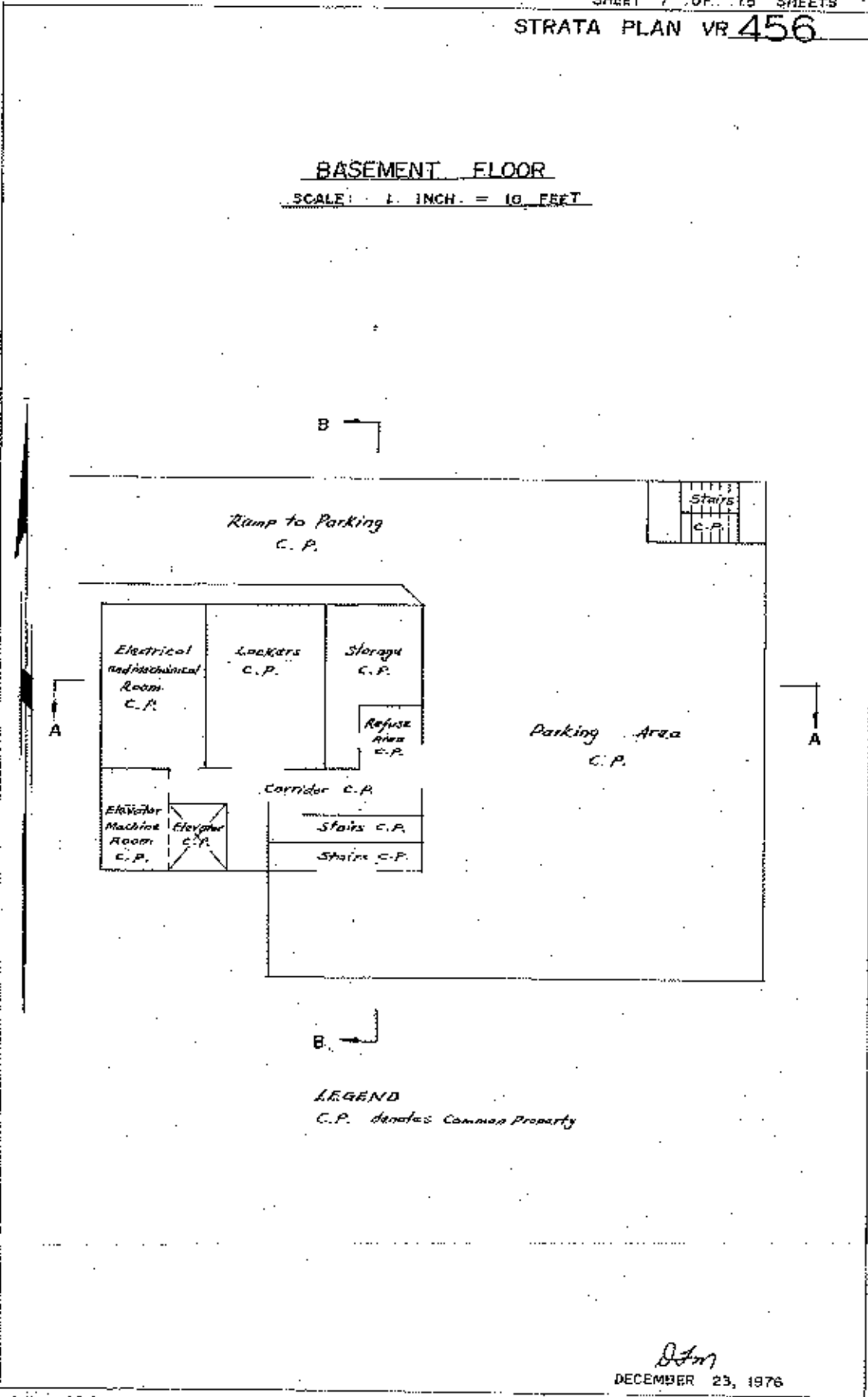
Handwritten initials

STRATA PLAN VR 456

Status: Filed

BASEMENT FLOOR

SCALE: 1/4" INCH. = 10 FEET



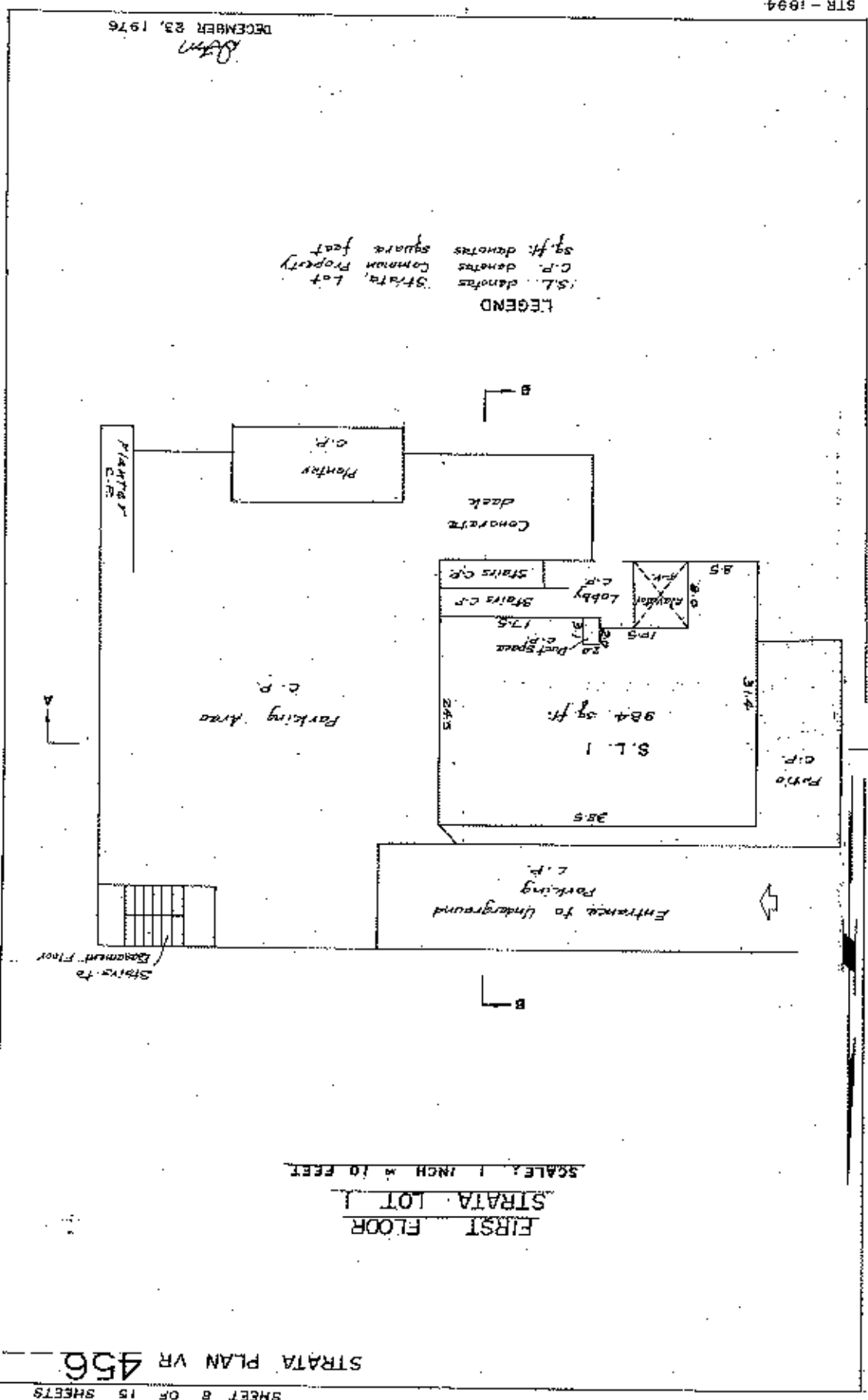
Plan #: VAS456 App #: N/A CM #: (Altered)

RCVD: 1998-02-26 ROST: 2019-07-05 10:52:43

LEGEND

C.P. denotes Common Property

D. J. M.
DECEMBER 23, 1976



STRATA PLAN VR 456
 SHEET 8 OF 15 SHEETS

FIRST FLOOR
 STRATA LOT 1
 SCALE: 1 INCH = 10 FEET

LEGEND
 S.L. denotes Strata Lot
 C.P. denotes Common Property
 sq. ft. denotes square feet

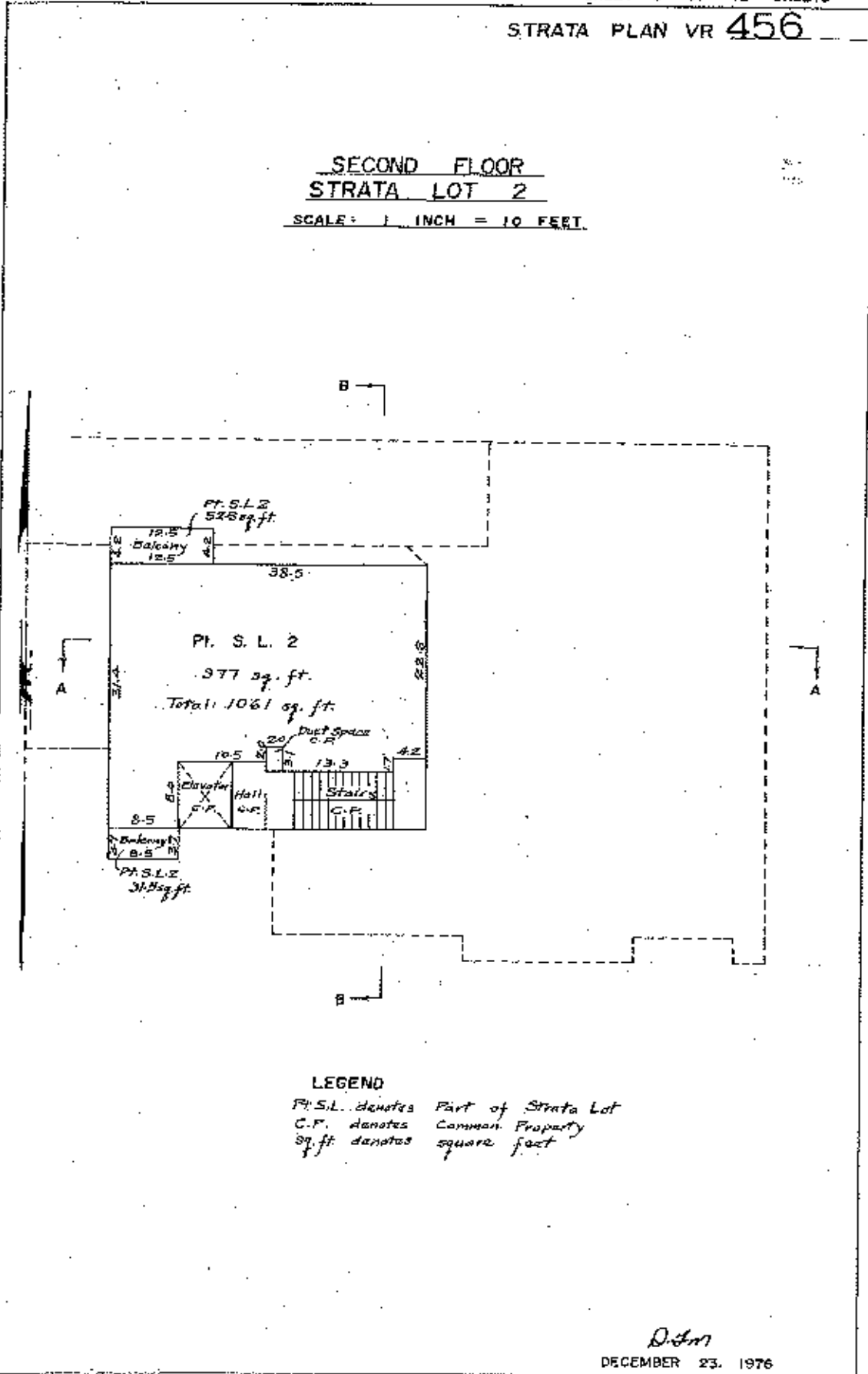
DECEMBER 23, 1976

DM

STRATA PLAN VR 456

SECOND FLOOR
STRATA LOT 2

SCALE: 1 INCH = 10 FEET.



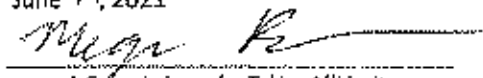
LEGEND
 Pt. S.L. denotes Part of Strata Lot
 C.P. denotes Common Property
 sq. ft. denotes square feet

D. J. M.
 DECEMBER 23, 1976

STR - 1694

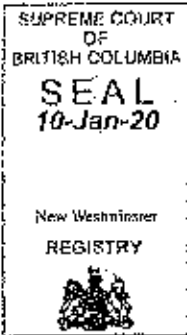
Status: Filed
 Plan #: VAS456 App #: N/A Cit #: (Altered)
 RCVD: 1998-02-26 RGST: 2019-07-05 10:52:43

This is Exhibit "B" referred to in the affidavit
of, Dan Sonnenschein affirmed before me on
June 14, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3667



NO. *Court File No.* **NEW-S-S-222743**
NEW WESTMINSTER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

TRACEY ANNE MACLENNAN AND SUZANNE ELISE FOSTER,
EXECUTORS of the Will of
COLIN MACKENZIE MACLENNAN, DECEASED

PETITIONERS

AND:

THE OWNERS, STRATA PLAN VR 456

RESPONDENT

PETITION TO THE COURT

ON NOTICE TO:

The Owners, Strata Plan VR 456
c/o Suite 101 – 626 West Pender Street
Vancouver, BC V6B 4J1

This proceeding is brought for the relief set out in Part 1 below, by

the person(s) named a petitioner(s) in the style of proceedings above

.....{*name(s)*}.....(the petitioner(s))

If you intend to respond to this petition, you or your lawyer must

- (a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and
- (b) serve on the petitioner(s)
 - (i) 2 copies of the filed response to petition, and
 - (ii) 2 copies of each filed affidavit on which you intend to rely at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

Time for response to petition

A response to petition must be filed and served on the petitioner(s),

- (a) if you reside anywhere within Canada, within 21 days after the date on which a copy of the filed petition was served on you,
- (b) if you reside in the United States of America, within 35 days after the date on which a copy of the filed petition was served on you,
- (c) if you reside elsewhere, within 49 days after the date on which a copy of the filed petition was served on you, or
- (d) if the time for response has been set by order of the court, within that time.

(1)	The address of the registry is: 651 Carnarvon Street, Begbie Square, New Westminster, BC V3M 1C9
(2)	The ADDRESS FOR SERVICE of the petitioner is: Hamilton & Company 4 th Floor, 500 Sixth Avenue, New Westminster, BC V3L 1V3 E-mail address for service (if any) of the petitioner: shamilton@hamiltenco.ca
(3)	The name and office address of the petitioner's lawyer is: G. Stephen Hamilton Hamilton & Company 4 th Floor, 500 Sixth Avenue New Westminster, BC V3L 1V3 Telephone: 604-630-7462

CLAIM OF THE PETITIONER

Part 1: ORDERS SOUGHT

1. Pursuant to s.174 of the Act, an order appointing an administrator (The "Administrator") to exercise the powers and duties of The Owners, Strata Plan VR 456 (the "Strata Corporation") and Strata Council until further court order;
2. The Administrator shall take all reasonable steps to investigate the condition of the Strata Corporation's common property, including:

- (a) Hiring an independent engineering firm to prepare a written report, which describes the condition of the common property, identifies any repairs required to the common property, and establishes a reasonable timeline for the completion of the repairs;
 - (b) Hiring consultants or appraisers to evaluate whether it is in the best interests of owners to wind-up the Strata Corporation;
 - (c) Ensuring all owners have access to any report prepared or received by the Administrator;
 - (d) Recommending what work, if any, should be done to repair the Strata Corporation's common property (the "Repairs"), and the estimated cost of the Repairs; and
 - (e) Raising sufficient funds by special levy to pay for the Repairs.
3. The Administrator may retain professionals, including legal counsel, for opinions, advice and services in relation to the Administrator's duties;
5. The Administrator's fees shall be rendered monthly, and shall be payable by the Strata Corporation, provided that at the request of any party, the Administrator shall pass his accounts before the Registrar of the Supreme Court of British Columbia;
6. The Strata Corporation add the Administrator as a named insured on its errors and omissions insurance policy, at the expense of the Strata Corporation;
7. In the alternative, the Administrator may purchase liability insurance coverage for the work performed as the Administrator under this Order, and all expenses associated in obtaining the insurance coverage be charged to the Strata Corporation as an expense of the Administrator;
8. The Administrator shall report to the Court by August 1, 2020, or such other date as determined by this Honourable Court, with respect to the steps taken under this Order, the costs incurred by the Administrator, and whether the appointment should continue;

9. The Administrator be at liberty to apply to the Court for directions to assist and permit the discharge of the Administrator's duties hereunder;
10. The Administrator and/or any party have liberty to apply to this Court to substitute another Administrator for the one appointed, extend the term of an Administrator for any subsequent term or terms, or to expand or reduce the scope of an Administrator's powers, as this Court deems appropriate;
11. If any $\frac{3}{4}$ vote resolution or majority vote resolution of the owners is required to give effect to any of the Orders set out herein, and if such resolution does not pass at a general meeting of the owners, the Administrator and/or any party have leave to apply to this Court for an Order approving the resolution;
12. No person shall issue any legal process against the Administrator or any employee or representative of the Administrator related to this appointment without leave of the British Columbia Supreme Court;
13. Further, or in the alternative, pursuant to s.165 of the *Strata Property Act*, S.B.C. 1998, c.43 (the "*Act*"), the Strata Corporation:
 - (a) Repair its common property, including the building envelope, roof, stucco deck walls and glazing, stairwells, exterior walls, balconies and any resultant damage to the Petitioner's strata lot due to water ingress;
 - (b) Hire the services of a qualified and licensed building envelope consultant (the "Consultant") to investigate the condition of the common property and to prepare a full building envelope condition assessment report (the "BECA");
 - (c) Deliver the BECA to the Petitioners within 7 days of it being received by the Strata Corporation;
 - (d) Instruct the Consultant to prepare specifications for the repair work identified in the BECA and prepare tender documents for delivery to qualified bidders;

- (e) To finance the repair work, assess a special levy in the sum of \$1,700,000.00, to be paid by owners within 90 days of the court's order; and
 - (f) To finance the BECA and the Consultant's fees for preparing specifications and tender documents, immediately assess a special levy in the sum of \$30,000.00, to be paid by owners within 30 days of the Court's order.
14. Further, or in the alternative, an order winding-up the Strata Corporation in accordance with s. 284 of the *Act*;
15. Costs; and
16. Such further and other relief as this Honourable Court may deem just and proper.

Part 2: FACTUAL BASIS

Background

1. The Petitioners, Tracey Anne MacLennan and Suzanne Elise Foster (the "Petitioners"), are Executors of the Will of Colin MacKenzie MacLennan, Deceased, of Strata Lot 5 ("SL5, also known as Unit 501"), civically located at Unit 501 -- 1089 West 13th Avenue, in the City of Vancouver, in the Province of British Columbia.
2. The Respondent, The Owners, Strata Plan VR 456 (the "Strata Corporation") commonly known as "Spruce West", is a Strata Corporation with a service address for these proceedings at c/o Suite 101 - 626 West Pender Street, in the City of Vancouver, in the Province of British Columbia.
3. In 2018, the Petitioners were appointed as executors of their deceased father Colin MacKenzie MacLennan's estate (the "Estate").
4. The Petitioners became strata members in or around June 2018.
5. The Strata Corporation was constructed in or around 1977 and is comprised of 6 residential strata lots. The building has six storeys, including a below-grade concrete parkade level. Each floor of the building has a single strata lot, which is accessed by an elevator or a split

stairwell. The building is built with reinforced concrete and the exterior walls are a reinforced cast-in-place concrete system.

Building Envelope Failure – History

6. The Strata Corporation has suffered from significant water ingress problems for many years.

7. The stairwell of the building has been particularly affected by the failure of the building envelope. Major leaks have been reported in the east stairwell at ground and basement levels and serious water leakage has also affected the building lobby since at least 1998.

8. Targeted repairs relating to water dripping into the basement-parking passageway were attempted in or around September 2001. Milani Plumbing & Heating (“Milani”) found that the bathtub in Unit 101 had draining problems. This was found to have damaged the plaster on the wall, which caused water to flow down to the basement when the shower was in use. Milani installed a sealing gasket which prevented leakage for some time. However, in or around September 19, 2001, water had once again appeared on the basement floor of the parking lot passageway.

9. In or around 2003, Units 401, 501, and 601 all sustained damage as a result of major leaks through the building’s roof.

10. SL5 has suffered from water ingress for approximately 17 years.

Spratt Emanuel Engineering Ltd. – Visual Building Condition Assessment

11. On or about December 19, 2017, Spratt Emanuel Engineering Ltd. (“SEE”) conducted a Visual-Only Building Condition Survey of the Strata Corporation’s building to assess its current condition.

12. The SEE Report concluded that the Strata Corporation had been poorly maintained and the building envelope and structural components were in need of immediate repair. At the time of the SEE Report, the estimated cost to repair the Strata Corporation’s building totalled \$1,110,000.00 inclusive of taxes and engineering fees.

The Roof

13. The SEE report states that the main roof consists of a 2-ply torch-applied SBS membrane which appears to be installed over insulation placed on top of the concrete roof slab.

14. The SEE report notes that the roof membrane appears to be terminated at the elevator overrun structure with a single gumlip cap flashing. The caulking applied to the gumlip is aged and requires replacement.

15. According to the SEE report, the Roof Deck was installed incorrectly which contributes to the problems pertaining to the failing building envelope. The SBS membrane at Unit 601 was not continued over the parapet curb as is best practice. The top-mounted guard rail and cap flashing were both left in place. In addition to having poor waterproofing, the area has a transition from roofing to flashing which had a repair attempt using asphaltic mastic, which is completely ineffective. The SEE report concludes that the mastic is now deteriorated from UV exposure, and allows water ingress at every guardrail post.

Exterior Walls, Windows and Balconies

16. The exterior walls are precast concrete panels. The walls have been treated with a hydrophobic clear penetrating sealer. Despite this, there are numerous locations on all elevations of the building which are experiencing active water ingress through unscaled cracks in the concrete. The hydrophobic clear penetrating sealer has failed and is completely ineffective at preventing water ingress in cracks and joints.

Unit 601

17. The SEE report finds that there are multiple points of water ingress in Unit 601 along the east elevation of the Roof Deck. The water ingress occurs because of poor installation of the door sill, jamb and head which allows wind driven rain to penetrate.

18. At the south end of the Roof Deck, water ingress is occurring at the outswing door from the suite onto the deck.

19. The interior finishes of Unit 601 are heavily damaged including mouldy dry wall, rotten carpet, and rusted steel stud framing. The wall assembly is completely uninsulated and has been installed without a moisture barrier behind the stucco. Due to active water ingress which has occurred consistently over a lengthy period of time, the steel stud structure is heavily rusted.

20. Additional heavy water ingress is actively occurring at the northeast corner of Unit 601, where there is heavy mould and water saturated finishes at the building outside corner.

21. Dampness has also been found in the living room below the fixed pane of the sliding door onto the north deck. The door frame was installed on a wood curb and there is no evidence of a waterproof membrane.

22. On the north balcony there is a second instance of water ingress occurring at the head of the sliding door. This appears to be related to balcony parapet saddle detail on the deck above.

Unit 501

23. The SEE report found that water ingress from Unit 601 is migrating through cracks in the floor slab to cause water ingress in Unit 501. There is also active water ingress, wet and mouldy drywall, and rotted carpet in the closet located at the east corner of the suite.

24. On the north side of the bedroom the drywall at the head, jambs and sill of the window are wet. There appears to be water ingress occurring at the window frame or perimeter waterproofing details.

25. On the south facing deck there is evidence of water ingress through the balcony and parapet walls on the suite above.

26. In the elevator lobby for Unit 501, mouldy wallpaper was observed near the floor level. The location was tested with a moisture meter and found to be saturated with moisture.

27. In or around December 2018, the north wall ceiling in the master bedroom of Unit 501 collapsed due to water saturation.

Emergency Exit Stairwells

28. The building has two emergency exit stairwells (the "Stairwells") which are located at the southeast corner of the building against the exterior walls.

29. The SEE Report found that both Stairwells suffer from active water ingress which has caused spalling concrete and potential structural deficiencies.

30. The SEE Report divides its analysis of the Stairwells into two portions:

- (a) Stairwell A is the stair which begins at the Level 6 elevator lobby and exits through an exterior door to the east parking area
- (b) Stairwell B is defined as the stair which begins at the roof deck of Unit 601 and exits at the main floor elevator lobby

31. Stairwell B has active water ingress at the exterior fire-rated steel door at the top of the stairwell which opens inward from the Unit 601 roof deck. The fire-rated steel door has no waterproofing details.

32. Stairwell B also has an active water ingress from the perimeter of the south facing window. The concrete is heavily cracked and spalled.

33. At level 3, Stairwell B has active water ingress which appears to be coming from the floor line cold joint between levels 3 and 4, on the south elevation.

The Parkade

34. The Strata Corporation is served by a single level underground parkade. There are multiple locations of active water ingress at the parkade ceiling. The majority of the leaks are along the west foundation wall beginning at the north side at Stall No. 5, continuing south toward Stall No. 1. Active leaks are occurring in multiple cracks spaced between 4' and 6' apart.

35. Active water ingress is also occurring through cracks and penetrations in the roof slab over the electrical room and elevator lobby entry doors.

Conclusions and Recommendations

36. The SEE Report concludes by stating that global building envelope renewal is required immediately to maintain "life safety and occupant liveability". It states that the failure of the building envelope is due to the following:

- (a) Poorly executed past repairs;
- (b) Ongoing water ingress;
- (c) Face-sealed stucco detailing;
- (d) Top-mounted deck guards, incomplete or absent flashing details, cracked and actively leaking exposed mass concrete walls; and
- (e) Defective water membranes, all of which are resulting in water damage to structural elements and interior finishes.

37. The interior steel stud systems holding insulation and interior drywalls are poorly constructed and cause heavy condensation damage and high energy costs due to extensive thermal bridging of wall and suspended slab systems.

38. The SEE Report also states in its conclusion that the parkade roof membrane has failed and that a new membrane is required to stop the active water ingress.

39. With regards to the Emergency Exit Stairwells, the SEE Report states that the steel brackets between emergency exit stair stringers and the exterior walls have failed. New brackets must be designed and installed. After the new brackets are installed, the failed or missing fire stopping grout between the stairs and sidewalls must be replaced. This repair must be done immediately.

Read Jones Christoffersen Ltd

40. On or about October 31, 2018 Read Jones Christoffersen Ltd. ("RJC") conducted a visual inspection of the building envelope and parking structure at the Strata Corporation (the "RJC Review").

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41. On or about December 19, 2018 the Strata Corporation received a report from RJC dated December 19, 2019 (the "RJC Report"). The RJC Report agrees with the findings of the SEE Report, concluding it is apparent the Strata Corporation is experiencing building envelope failure at various locations of the building.

42. The RJC Report generally agrees with the points made in the SEE Report, noting that the failure of the building envelope has caused numerous areas of leakage and damage to interior finishes. However, the RJC Report projects repair costs at approximately \$1.67 million.

43. The RJC Report states that the numerous active leaks on the underside of the plaza level concrete slab are due to the lack of a membrane in the area. It recommends the installation of a waterproof membrane over the plaza slab.

44. With regards to the Stairwells, the RJC Report provides that substantial leaks were noted at the roof level and at the east landings of various floors. This has caused spalled concrete and corrosion of the reinforced steel.

Exterior Walls and Balconies

45. The RJC Report states that the exterior walls and balcony edges have numerous areas of concrete delamination as a result of corrosion of the underlying reinforcing steel.

46. It recommends that these issues be addressed as the integrity of the structure may be compromised and create a falling hazard to pedestrians below.

Roof

47. The RJC Report agrees with the findings of the SEE Report as they pertain to the roof of the building. The RJC Report notes that the sixth floor roof deck has poor perimeter terminations, which causes numerous leaks into the fifth floor unit below.

48. The RJC Report recommends full replacement of the membrane with appropriate detailing at railing, walls and door thresholds.

Conclusion

49. The RJC Report concludes by stating that it is apparent the Strata Corporation's building envelope is failing at various locations.

Governance

50. There has been a pattern of Strata Council members, Agnes Mui ("Ms. Mui") and James Mok ("Mr. Mok"), concealing from or not sharing with owners of the Strata Corporation important information, to the extent that some owners have lost faith in the Strata Council's ability to act in the best interests of owners.

51. On March 29, 2018 the Strata Council received an email advising that the Vancouver Fire Department and City of Vancouver attended the Strata Corporation on March 19, 2018 and made a number of important findings regarding the stairwells. The City of Vancouver subsequently issued a city order (the "City Order") to strata council member Ms. Mui on April 9, 2018. The City Order had a compliance deadline of "immediately".

52. The City Order was not shared in its entirety with the rest of the owners until April 17, 2018, when Ms. Mui posted the City Order in the entry of her unit's hallway during an owners' meeting. Although Ms. Mui shared selective portions of the City Order with owners in a March 19, 2018 email, her email was unclear and failed to convey the gravity of the situation.

53. The owners of the Strata Corporation were not informed as to whether any steps were being taken by the strata council to comply with the City Order.

54. The owners elected to contact the City to ascertain the status of the City Order and whether the strata council had taken steps to comply with it.

55. The City of Vancouver responded by stating that they had no response on record. The City noted that it had tried to contact Ms. Mui many times but had been unable to get in touch with her and assumed she had left the Strata Corporation. The Estate provided the City of Vancouver with the SEE Report and the RJC Report and requested that they post any order publically should they choose to conduct a second inspection.

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56. On June 11, 2019, the Strata Corporation received an email from the City of Vancouver with a follow up order providing a new deadline of August 19, 2019. The Chair of the Strata Corporation, Mr. Mok, responded that the Strata Council would be taking steps to respond to the City of Vancouver.

57. Mr. Mok or Ms. Mui did not take reasonable steps to address the City Order. In an effort to investigate the circumstances noted by the City Order, a strata owner Dan Sonnenschein ("Mr. Sonnenschein") obtained several quotes from contractors to investigate and comply with the City Order, which he shared with the owners by email.

58. The quoting contractors discovered that work had been done on the stairwell in response to the City Order (the "Work"). This Work was done without informing all owners or with necessary funding approval.

59. The Work was well below the standard expected by the City of Vancouver and will now cost the Strata Corporation \$13,000.00 to repair, prior to beginning the actual work required to comply with the City Order.

60. The Petitioners believe the Work was paid for with Strata Corporation funds, but there is no mention of this any minutes, nor was there a special levy to fund the Work. There is nothing mentioned in any of the agenda notes, and the Work was not disclosed to owners during the Annual General Meeting in 2018.

61. The repair of the Work authorized by Mr. Mok or Ms. Mui will cost each owner approximately \$2,000.00 as there are no remaining funds in the contingency reserve fund.

62. On July 31, 2019, owners received a notification from Mr. Mok and Ms. Mui informing owners of a Special General Meeting to be held on August 6, 2019. However, there was still no information pertaining to the City Order.

63. On August 8, 2019, Mr. Sonnenschein informed the Petitioners that he had contacted the City of Vancouver to ascertain if they had responded to his request for an extension to comply with the City Order. He was informed that his request was approved and sent by registered mail

to Ms. Mui on July 12, 2019. Ms. Mui did not share this information with the owners and the City Order's deadline was August 19, 2019.

Mistrust

64. Mr. Mok and Ms. Mui appear to mistrust professionals and the advice that they provide to the Strata Corporation regarding repairs and maintenance.

65. Both Mr. Mok and Ms. Mui have challenged the findings of the SEE Report, which significantly impedes the owners' ability to complete the repairs needed.

66. As a result of the Strata Corporation's failure to deal with building repairs in a reasonable manner or at all, the Petitioners retained a lawyer to assist with the building problems.

67. In response to the Petitioners legal counsel letter, Mr. Mok and Ms. Mui hired Clark Wilson LLP and apparently incurred legal expense in the name of the Strata Corporation without approval of owners. The total amount of invoices allegedly owed to Clark Wilson LLP is \$16,780.78. A resolution to approve spending for legal services was defeated at a special general meeting held October 22, 2019.

Conclusion

68. It appears the Strata Corporation is unable to discharge its duty to repair the building and deal with the repair issues identified in the SEE Report and confirmed by the RJC Report. Owners have been discussing the need for repairs for many years, but the repairs are not getting done, and the owners have not developed a reasonable plan to deal with the repairs.

69. The City Order has not been complied with, and the Strata Corporation has failed to take meaningful steps to repair and replace the failed building components.

70. Ms. Mui and Mr. Mok are aware of the condition of Unit 501. At the Petitioners' request, Ms. Mui inspected Unit 501 in late 2018 when the master bedroom ceiling collapsed. In early 2019, Mr. Mok inspected Unit 501 with RJC.

71. During the September 23, 2019 Strata Council meeting, Ms. Mui and Mr. Mok did not allow the Petitioners, representing SL5, to participate in voting because they claimed SL5 had resigned from Strata Council, but they were unable to provide evidence or further information. The Petitioners had not resigned from council, and the Petitioners perceive the strategy of Mr. Mok and Ms. Mui was to deny the vote of SL5 to secure an affirmative vote to approve hiring Clark Wilson LLP for legal services.

Part 3: LEGAL BASIS

1. The duty to repair arises from s. 72 of the *Strata Property Act* (the "Act") and is fundamental to the role of a strata corporation. (*Royal Bank of Canada v. Holden* (1996), 7 R.P.R. (3d) 80 (B.C.S.C.)).
2. Absent exceptional circumstances, it is always the strata corporation's responsibility, not the owners individually, to repair and maintain the common property.
3. The Strata Corporation's responses to the duty to repair are measured by a standard of reasonableness. (*John Campbell Law Corp. v. Strata Plan 1350*, 2001 BCSC 1342).
4. Generally, the source of the damage, or cause of the need for repair or maintenance does not matter; the Strata Corporation must repair and maintain the building to make it 'good'. (*Taychuk v. Strata Plan LMS 744*, supra, citing *Sterloff v. Strata Plan VR 2613* (1994), 38 R.P.R. (2d) 102 (B.C.S.C.); *Manton v. York Condominium Corp. No. 461*(1984), 49 O.R. (2d) 83 (Co. Ct.); and *Fudge v. Strata Plan NW 2636*, 2012 BCPC 409 (*Ross v. Strata Plan VIS 1098* (2 August 2002), Victoria 02-1331 (B.C.S.C.) (*Elahi v. Strata Plan VR 1023*, 2011 BCSC 1665); (*York Condominium Corp. No. 59 v. York Condominium Corp. No. 87* (1983), 148 D.L.R. (3d) 660 (Ont. C.A.), *Strata Plan 1229 v. Trivantor Investments International Ltd.* (1995), 4 B.C.L.R. (3d) 259 (S.C.)).
5. The duty to repair is not a duty that may be avoided - even if the decision not to repair is unanimous. *Strata Plan 1229 v. Trivantor*, supra.
6. The court may order repairs and impose a special levy on owners under ss. 164, 165, 173 or 174. *Tadeson v. Owners, Strata Plan NW 2644*, 1999 CanLII 6999 (BCSC)

7. In *Tadeson supra*, a building envelope repair resolution was not passed because the Strata Corporation could not obtain the necessary $\frac{3}{4}$ vote to approve the expenditure. The owners who wanted the building envelope repaired, sued the Strata Corporation and were granted an order requiring the Strata Corporation to levy its owners for the full repair described in the engineering report obtained by the Strata Corporation.

8. Thus, it is a fundamental duty of a Strata Corporation to repair and maintain the common property, and only in extraordinary circumstances does the court order any remedy other than a special levy that will allow for the fulfillment of the Strata Corporation's duty to repair.

9. This case is an ordinary situation, and the court should impose the duty to repair on the Strata Corporation.

10. The 'test' for the appointment of an Administrator was set out in *Lum v. Strata Plan VR 519*, 2001 BCSC 493:

- a) whether there has been established a demonstrated inability to manage the strata corporation;
- b) whether there has been demonstrated substantial misconduct or mismanagement or both in relation to the affairs of the strata corporation;
- c) whether the appointment of an administrator is necessary to bring order to the affairs of the strata corporation;
- d) whether there is a struggle among competing groups within the strata corporation such as to impede or prevent proper governance of the strata corporation; and
- e) whether only the appointment of an administrator has any reasonable prospect of bringing to order the affairs of the strata corporation.

11. For more than 10 years, the Strata Corporation has been unable to address significant and costly repairs in a timely and effective manner. The appointment of an administrator is the only action that has any reasonable prospect of bringing order to the affairs of the Strata Corporation.

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12. The court may order the wind-up of the Strata Corporation in accordance with s. 284 of the *Act*.

Part 4: MATERIAL TO BE RELIED ON


1. Affidavit #1 of Tracey McLennan made January 9, 2020.

The petitioner estimates that the hearing of the petition will take 2 hours.

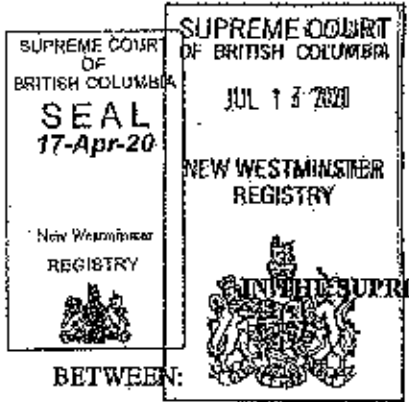
Date: January 10, 2020


Signature of G. Stephen Hamilton
Lawyer for petitioners

This is Exhibit "C" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
650-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567



NO. NEW-S-S-222743
NEW WESTMINSTER REGISTRY

Authorized Signing Officer
[Signature]

I certify that this document is a true copy of the original document on file at the court in New Westminster, B.C.

BETWEEN:

TRACEY ANNE MACLENNAN AND SUZANNE ELISE FOSTER,
EXECUTORS of the Will of
COLIN MACKENZIE MACLENNAN, DECEASED

PETITIONERS

AND:

THE OWNERS, STRATA PLAN VR 456

RESPONDENT

CONSENT ORDER

BEFORE)	A JUDGE OF THE COURT)	APRIL 17, 2020
))	
))	
))	

ON THE APPLICATION of the Petitioners Tracey Anne MacLennan and Suzanne Elise Foster, Executors of the Will of Colin MacKenzie MacLennan, without a hearing, and by consent:

THIS COURT ORDERS that:

1. Garth Cambrey is appointed as administrator of The Owners, Strata Plan VR 456 (the "Strata Corporation") to exercise all the powers and perform all the duties of the Strata Council and Strata Corporation, subject to the requirements of the *Strata Property Act* (the "Act") and Bylaws;
2. Garth Cambrey (the "Administrator") shall take all reasonable and necessary steps to investigate and complete a voluntary winding-up of the Strata Corporation with Liquidator in accordance with Part 16, Division 2 of the *Act* (the "Winding-up"), which may include:
 - (a) Entering into a listing contract, without a vote of owners, with a qualified real estate agent to list the building all strata lots and the common property (the "Strata Lands") for sale. The commission payable to the real estate agent shall not exceed 2.5% of the gross selling price of the Strata Lands, unless otherwise approved by a 2/3 vote of owners or further order of this court;
 - (b) Hiring an appraiser to appraise the value of the Strata Lands;

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- (c) Reviewing and negotiating offers for the purchase and sale of the Strata Lands in consultation with owners;
 - (d) Locating a qualified liquidator for the purpose of the Winding-up of the Strata Corporation;
 - (e) Convening a special general meeting to appoint a liquidator and cancel the strata plan in accordance with s. 277 of the *Strata Property Act* (the "Act");
 - (f) Applying to the Supreme Court of British Columbia to confirm any winding-up resolution approved by the owners by a 80% vote in accordance with s. 278.1 of the *Act*;
3. The Administrator shall take all reasonable and necessary steps to extend the time to complete the repairs to the building's exit stairs as ordered by the City of Vancouver on June 6, 2019 (the "City Ordered Repairs"), and in the event that the time is not extended, take, in consultation with the owners, all reasonable and necessary steps to carry out those repairs, including:
- (a) Hiring a consulting engineer to prepare an assessment report;
 - (b) Hiring an engineer to prepare design drawings and specifications for the City Ordered Repairs, including tender documents;
 - (c) Present the owners with the design drawings and specifications and recommend a repair for the City Ordered Repairs;
 - (d) Tender the City Ordered Repairs to qualified contractors with the assistance of a consulting engineer or other professionals;
 - (e) Draft one or more resolutions pertaining to the Administrator's proposed repair, the estimated cost or costs as applicable, the name of the engineering firm or other contractor to be hired to supervise or perform the work and put the resolution or resolutions to a $\frac{3}{4}$ vote of the owners for their approval and acceptance at a meeting called for such purpose;
 - (f) Act as the Strata Corporation's representative in respect of contracts with a general contractor and consulting engineer for the City Ordered Repairs.
4. Within 120 days of his appointment, and without prejudice to the Petitioners' right to claim costs for this Petition in accordance with the Rules of Court, the Administrator shall call a meeting of the owners to consider a resolution to reimburse the Petitioners for reasonable legal costs incurred by the Petitioners for these proceedings;
5. The Administrator shall be appointed for a term of one year with liberty to owners and the Administrator to apply for renewal or cancellation of his appointment, or replacement of the Administrator by a substitute administrator either by consent of all owners or by order of the Court;

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6. The Administrator shall prepare a written report on the status of the Winding-Up and City Ordered Repairs, including his recommendations respecting the resolution of all outstanding issues regarding the Winding-up and City Ordered Repairs by no later than six months following the date of his appointment, and at six month intervals thereafter;
7. The Administrator may deliver any document or documents to the owners of the Strata Corporation by handing them to an adult occupant for each of the strata lots of the Strata Plan, or by mailing them by ordinary mail to the strata lot, unless otherwise directed by the court;
8. The Administrator shall deliver detailed monthly statements of account to the owners, and such accounts will be paid by the Strata Corporation from the operating or contingency reserve fund within 30 days, unless the account is disputed by any owner;
9. At the request of any owner the Administrator shall pass a disputed statement of account before the Registrar of the Supreme Court of British Columbia;
10. No person shall issue any legal process against the Administrator or any employee or representative of the Administrator without leave of the court;
11. The owners shall provide access to all information, records and documents requested by the Administrator relating to the Winding-up and City Ordered Repairs, and will authorize the Administrator, if necessary, to obtain information, records and documents held by third parties which relate to or assist with the Winding-up or City Ordered Repairs;
12. The Administrator may retain any necessary professionals and other assistance, including but not limited to independent legal counsel, building inspectors, engineers and contractors for opinion, advice and services in respect of his duties pursuant to his appointment as administrator;
13. The Administrator may apply to the court for direction or further court orders, and may appear on any proceeding relating to the Winding-up or City Ordered Repairs or his appointment, and may be represented by a lawyer for that purpose;
14. The Administrator may set the agenda, call and conduct all meetings of the Strata Corporation in relation to the Winding-up or City Ordered Repairs;
15. The Administrator may take whatever action is necessary, including the registration of certificates of lien and commencement of legal proceedings under the Act, to recover unpaid special levies from owners relating to the Winding-up or City Ordered Repairs;
16. The Strata Corporation will add the Administrator as a named insured on its errors and omissions insurance policy, at the expense of the Strata Corporation;

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17. In the alternative, the Administrator may purchase liability insurance coverage for the work performed as the Administrator under his appointment, and all expenses associated in obtaining the insurance coverage will be charged to the Strata Corporation as an expense of the Strata Corporation;
18. The Administrator shall be reimbursed by the Strata Corporation in the amount of \$200.00 per hour, as well as \$40.00 per hour for word processing and \$40.00 per hour for bookkeeping and at cost for out of pocket expenses and disbursements;
19. The Petitioners claim for costs is adjourned generally; and
20. This consent order may be executed in counterpart.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

BY THE COURT


G. Stephen Hamilton
Counsel for the Petitioners

REGISTRAR


Signature of Mike Walker
Counsel for the Respondents,
Anges Mui and Petislav Tovbis

Signature of the Respondent,
Dan Jacob Sonnenschein

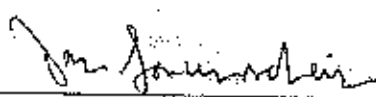
Signature of the Respondent,
James Mok (No Response Filed)

Signature of the Respondent,
The Owners, Strata Plan VR 456 (No
Response Filed)

- 4 -

17. In the alternative, the Administrator may purchase liability insurance coverage for the work performed as the Administrator under his appointment, and all expenses associated in obtaining the insurance coverage will be charged to the Strata Corporation as an expense of the Strata Corporation;
18. The Administrator shall be reimbursed by the Strata Corporation in the amount of \$200.00 per hour, as well as \$40.00 per hour for word processing and \$40.00 per hour for bookkeeping and at cost for out of pocket expenses and disbursements;
19. The Petitioners claim for costs is adjourned generally; and
20. This consent order may be executed in counterpart.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

<p>_____ G. Stephen Hamilton Counsel for the Petitioners</p>	<p style="text-align: right;">Digitally signed by Christopher Stalmans</p> <p>_____ BY THE COURT</p> <p style="text-align: center;"></p> <p>_____ Signature of the Respondent, Dan Jacob Sonnenschein</p>
<p>_____ Signature of Mike Walker Counsel for the Respondents, Anges Mui and Petislav Toybis</p>	<p>_____ Signature of the Respondent, The Owners, Strata Plan VR 456 (No Response Filed)</p>
<p>_____ Signature of the Respondent, James Mok (No Response Filed)</p>	

This is Exhibit "D" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

No. New-S-S-222743
New Westminster Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

TRACEY ANNE MACLENNAN AND SUZANNE ELISE FOSTER,
EXECUTORS of the Will of
COLIN MACKENZIE MACLENNAN, DECEASED

PETITIONERS

AND:

THE OWNERS, STRATA PLAN VR 456

RESPONDENT

CONSENT ORDER

))	
)	[] A JUDGE OF THE COURT)	
)	or)	
BEFORE)	[] A MASTER OF THE COURT)	_____ /2021
)	or)	
)	[] A REGISTRAR)	

ON APPLICATION of Garth Cambrey, the administrator of the Respondent, The Owners, Strata Plan VR456, without a hearing and by consent:

THIS COURT ORDERS that:

1. Garth Cambrey's appointment as the administrator of The Owners, Strata Plan VR456 (the "Strata Corporation") as set out in the Order made on April 17, 2020, be extended to November 30, 2021, so that the administrator can:
 - a. complete the repairs to the building's exit stairs as ordered by the City of Vancouver on June 6, 2019; and
 - b. complete the voluntary winding up of the Strata Corporation.

- 2. The Administrator retains all the powers granted to him pursuant to the April 17, 2020 order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS NOTED ABOVE:

Paul Mendes
 Counsel for the Administrator
 Garth Cambrey Counsel for the
 Petitioners

 BY THE COURT

~~_____
 Counsel for the Petitioners~~

 Dan Jacob Sonnenschein

 Counsel for the Respondents Agnes
 Mui and Petislav Tobis

 The Owners, Strata Plan VR456 (No
 Response Filed in the Proceedings)

 James Mok (No Response Filed in the
 Proceedings)

- 2. The Administrator retains all the powers granted to him pursuant to the April 17, 2020 order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS NOTED ABOVE:

 Counsel for the Administrator
 Garth Cambrey Counsel for the
 Petitioners

 Counsel for the Petitioners

 Counsel for the Respondents Agnes
 Mui and Petislav Tobis

 James Mok (No Response Filed in the
 Proceedings)

 BY THE COURT

Dan Jacob Sonnenschein

 Dan Jacob Sonnenschein

 The Owners, Strata Plan VR456 (No
 Response Filed in the Proceedings)

2. The Administrator retains all the powers granted to him pursuant to the April 17, 2020 order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS NOTED ABOVE:

Counsel for the Administrator
Garth Cambrey Counsel for the
Petitioners

BY THE COURT

Counsel for the Petitioners:

Dan Jacob Sonnenschein

J. Mak, # 101 & # 201

J. Mak # 301

Counsel for the Respondents Agnes
Mull and Petislav Tobis:

The Owners, Strata Plan VR456 (No
Response Filed in the Proceedings)

James Mak (No Response Filed in the
Proceedings)

This is Exhibit "E" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on

June 14, 2021



Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

ANNUAL GENERAL MEETING**STRATA PLAN VR 456 – SPRUCE WEST**

DATE HELD: Monday, July 13, 2020
LOCATION: Virtual via Zoom
CALL TO ORDER: 7:00 PM

Owners in Attendance: All 6 strata lot owners were present electronically which under Ministerial Order M 114 are deemed to be in person.

Guests: Cynthia Jagger, Goodman Commercial Inc.
 Mark Goodman, Goodman Commercial Inc.

Also In Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The meeting was called to order by the Court Appointed Administrator, Mr. Garth Cambrey, at 7:09 p.m.

Cynthia Jagger and Mark Goodman of Goodman Commercial Inc. (Goodman) were present at the beginning of the meeting to briefly discuss their marketing scheme and answer questions owner might have. Some of the things discussed included:

- Goodman will be attending the building on July 15th with photographer to view and take photographs of the building and hopefully 2 suites for marketing brochure – Dan Sonnenschein agreed to provide access to the building and offered his strata lot for photographs.
- Goodman to provide an opinion on value using different approaches. Noted the “wildcard” is the cost to repair the building and suggested a market appraisal be obtained by the strata corporation.
- A listing agreement has been signed and Mr. Cambrey was requested to provide a copy to all owners. There was a question on the September 15, 2020 deadline set out in the marketing Request for Proposal (RFP). Mr. Cambrey advised the deadline was a listing goal in the RFP but clarified it is not a requirement set out in the listing agreement.
- Goodman confirmed it has no relationship with any owner.
- Signage will be placed on the property indicating the property is for sale.
- All showings will be by appointment and access to some or all suites may be required.
- Discussion on current zoning.
- In advance of the meeting, Mr. Cambrey provided owners with a list of items required by Goodman, such as a list of strata lots improvements and chattels that are to be excluded from any purchase and sale agreement – owners will need to provide this information to Mr. Cambrey who will pass it on to Goodman.

Ms. Jagger and Mr. Goodman were excused and left the meeting.

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total of six (6) votes.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and he declared that the meeting was competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Annual General Meeting was distributed in accordance with the Bylaws and the Strata Property Act.

It was **MOVED AND SECONDED (201/301)**

That Proof of Notice of the Meeting be accepted.

A poll vote was taken and the resolution to accept proof of notice of the meeting was declared

CARRIED UNANIMOUSLY

6. APPROVAL OF AGENDA

It was **MOVED AND SECONDED (501/601)**

That the Agenda distributed with the Notice of Meeting be approved as circulated.

A poll vote was taken and the resolution to approve the agenda was declared

CARRIED UNANIMOUSLY

7. APPROVAL OF THE PREVIOUS MINUTES

It was **MOVED AND SECONDED (301/401)** to adopt the previous Special General Meeting minutes of October 22 and October 29, 2019 as distributed.

There was discussion about possible outstanding invoices due to Clark Wilson for legal services. The administrator advised no such invoices were brought to his attention, but that he would follow up with Clark Wilson if necessary.

A poll vote was taken and the resolution to approve the previous minutes was declared

CARRIED (5 votes in favour, 601 abstained)

8. UNFINISHED BUSINESS

a. ¾ Vote Resolution #1 - Special Levy Refund

It was **MOVED AND SECONDED (301/201)**

WHEREAS:

At the special general meeting held October 22 and 29, 2019, The Owners, Strata Plan VR 456 ("Strata Corporation") passed a ¾ vote to approve a \$1,800.00 special levy for the purpose of obtaining an updated opinion of probable cost for the building envelope remediation from Read Jones Christoffersen Ltd. ("RJC");

AND WHEREAS

The Strata Corporation has collected the special levy from all owners but has not taken, and no longer wishes to take, steps to obtain the updated opinion of probable cost from RJC;

BE IT THEREFORE RESOLVED:

By ¾ vote of Strata Corporation, that the \$1,800 special levy approved on October 29, 2019 be refunded to all strata lots in proportion to unit entitlement and the ¾ vote approved October 29, 2019 be and is hereby rescinded. If special levies are approved later at this meeting, the Strata Corporation may deduct the refund amount due to each strata lot to reduce the amount of other approved special levies.

There was discussion on whether the strata had paid money to RJC for updating the opinion of probable cost.

A poll vote was taken and ¾ Vote Resolution #1 was declared

CARRIED (5 votes in favour, 401 abstained)

9. REPORT OF ADMINISTRATOR

Mr. Cambrey owners were advised of the strata corporation affairs by way of regular email updates and he had nothing further to report at this time.

10. REPORT ON INSURANCE

Mr. Cambrey noted a summary of the insurance coverage carried by the Strata Corporation was attached to the AGM Notice and that details leading up to the insurance renewal on June 1, 2020 were previously provided to all owners.

11. RATIFICATION OF RULES

Mr. Cambrey advised he was not aware of the adoption of any rules being that required ratification. There was no further discussion.

12. APPROVAL OF BUDGET

It was **MOVED AND SECONDED (501/601)**

That the operating budget attached to the Notice of Meeting authorizing \$29,957 in income and expenditures, and the contingency reserve fund budget authorizing \$2,996 in income be approved as circulated.

Dr. Mok remarked that discussion at the Information meeting held June 3, 2020 included discussion about "variances" on the part of the treasurer and questioned what, if anything came from that discussion.

Mr Cambrey reported that following the information meeting he was made aware of fire stopping work being completed in the exit stairs (that is or was falling out) allegedly without proper approval. It is also alleged that the work completed would cost about \$13,000 to remove, according to the Columbia Seal quotation obtained in 2019 for the fire stopping repair. Dan Sonnenschein commented that Columbia Seal was in contact with the City of Vancouver when preparing its quotation.

Mr Cambrey advised the fire stopping repairs remain unresolved, as the work has not been completed. He further advised that the matter of fire stopping repairs was on the agenda and would be considered when the matter of the outstanding City Work Order was discussed.

The matter of banking arrangements suggested by Mr. Cambrey was briefly discussed.

A poll vote was taken and the budget was declared

CARRIED (5 votes in favour, 401 abstained)

Mr. Cambrey advised the approved budget and new strata fees are effective August 1, 2020.

Financial Information for the Period Ending April 30, 2020

Mr. Cambrey referred owners to the financial information for the fiscal year ending April 30, 2017 attached to the Notice of Meeting. He noted that approval of the financial information is not required under the provisions of the *Strata Property Act*.

There was no discussion.

13. NEW BUSINESS

a. ¾ Vote Resolution #2 - Waiver of Depreciation Report

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The Owners, Strata Plan VR 456, ("Strata Corporation") wish to defer obtaining a Depreciation Report as required under section 94 of the *Strata Property Act* until the conclusion of the Administrator's appointment;

BE IT RESOLVED:

By a ¾ vote of the Strata Corporation that the requirement for the Strata Corporation to obtain a Depreciation Report is waived.

A poll vote was taken on ¾ Vote Resolution #2 and it was declared

CARRIED UNANIMOUSLY

b. ¾ Vote Resolution #3 - City Work Order

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The City of Vancouver ("City") has issued a work order ("City Work Order") for The Owners, Strata Plan VR 456 ("Strata Corporation") to immediately repair the exit stairs in its building;

AND WHEREAS:

The Administrator has obtained a proposal dated June 16, 2020 from Read Jones Christoffersen Ltd. ("RJC") to design and oversee the repairs necessary to satisfy the City Work Order for an estimated fee of \$8,000;

AND WHEREAS:

The Administrator has, with the assistance of RJC, estimated the cost of the exit stair repairs, including RJC's fees, to be approximately \$50,000;

BE IT RESOLVED

By a $\frac{2}{3}$ Vote of the Strata Corporation, that a special levy in the aggregate amount of Fifty Thousand Dollars (\$50,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying RJC to design temporary shoring to eliminate the life safety risk of the exit stairs, and oversee the temporary shoring work and fire stopping installation in accordance with its June 16, 2020 proposal and the City Work Order. Such special levy shall be due immediately but may be paid, for convenience purposes only, in 4 equal installments due July 1, August 1, Sept 1 and October 1, 2020 in proportion with unit entitlement as set out in Schedule "A", below.

SCHEDULE "A"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
 SPECIAL LEVY SCHEDULE
 City Work Order**

TOTAL SPECIAL LEVY		\$50,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$8.71384

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal installments due July 1, August 1, September 1 & October 1, 2020
1	101	984	\$8,574.42	\$2,143.61
2	201	977	8,513.42	2,128.36
3	301	977	8,513.42	2,128.36
4	401	977	8,513.42	2,128.36
5	501	977	8,513.42	2,128.36
6	601	846	7,371.91	1,842.98
TOTAL	TOTAL	5,738	\$50,000.01	\$12,500.03

Mr. Cambrey advised that he was obligated to have the work ordered by the City completed based on his discussions with the City inspector about the life safety issue with the stairs as identified by RJC in its recent report. There was considerable discussion about Strata Corporation's obligation to complete the work ordered by the City and comments that a different engineer with RJC had previously stated the exit stairs were not a life safety issue.

It was then **MOVED AND SECONDED (401/201)**

That $\frac{3}{4}$ Vote Resolution #3 be amended to require equal instalment payments on August 1, September 1, October 1 and November 1, 2020.

A poll vote was taken on the amendment and it was declared

CARRIED UNANIMOUSLY

Following discussion, a poll vote was taken on $\frac{3}{4}$ Vote Resolution #3 as amended and it was declared

CARRIED (5 votes in favour, 401 abstained)

c. **$\frac{3}{4}$ Vote Resolution #4 – RJC and Fairlane Expenses**

It was **MOVED AND SECONDED (601/301)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") has received invoice #317168 dated May 26, 2020 from Read Jones Christoffersen ("RJC") in the amount of \$2,052.75 for an opinion on the structural integrity of the building's exit stairs as requested by the Administrator;

AND WHEREAS:

The Strata Corporation has received three repair estimates (2463, 2464, and 2465) dated November 8, 2019 from Fairlane Fire Protection Ltd. ("Fairlane") totaling \$2,282.29 and wishes to proceed with the quoted repairs;

AND WHEREAS:

The Strata Corporation does not have sufficient money in its operating or contingency reserve funds to pay for the RJC invoice and quoted Fairlane repairs;

BE IT RESOLVED

By a $\frac{3}{4}$ vote of the Strata Corporation, that a special levy in the aggregate amount of Four Thousand Five Hundred Dollars (\$4,500) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying RJC invoice #317168 and Fairlane repairs set out in estimates 2463, 2464 and 2465. Such special levy shall be due immediately but may be paid, for convenience purposes only, on July 1, 2020 as set out in Schedule "B" below.

SCHEDULE "B"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
SPECIAL LEVY SCHEDULE
Fairlane Fire Protection and RJC Expenses**

TOTAL SPECIAL LEVY		\$4,500.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$0.78425

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY
1	101	984	\$771.70
2	201	977	766.21
3	301	977	766.21
4	401	977	766.21
5	501	977	766.21
6	601	846	663.47
TOTAL	TOTAL	5,738	\$4,500.01

Following discussion, a poll vote was taken and $\frac{3}{4}$ Vote Resolution #4 was declared

DEFEATED (3 votes in favour, 101, 201 and 401 opposed)

d. $\frac{3}{4}$ Vote Resolution #5 – Administrator Fees and Disbursements

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") is required to pay Administrator fees and disbursements from its operating or contingency reserve fund pursuant to the BC Supreme Court consent order dated April 17, 2020;

AND WHEREAS:

The Strata Corporation has received invoice #1523 dated June 11, 2020 from the Administrator in the amount of \$4,885.00 and is not presently able to pay the invoice due to the current fund account balances and projected expenses;

AND WHEREAS:

The Strata Corporation wishes to raise funds to pay for Administrator invoices, including invoice #1523 already received;

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that a special levy in the aggregate amount of Twenty-One Thousand Dollars (\$21,000) be assessed against Strata Lots 1 through 6 (Inclusive) for the purpose of increasing the contingency reserve fund and to pay the Administrator's invoices. Such special Levy shall be due immediately but may be paid, for convenience purposes only, in 3 equal installments on July 1, August 1, and September 1, 2020 as set out in Schedule "C" below.

SCHEDULE "C"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
SPECIAL LEVY SCHEDULE
Administrator Fees & Disbursements**

TOTAL SPECIAL LEVY		\$21,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$3.65981

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal installments due July 1, August 1, and September 1, 2020
1	101	984	\$3,601.25	\$1,200.42
2	201	977	3,575.64	1,191.88
3	301	977	3,575.64	1,191.88
4	401	977	3,575.64	1,191.88
5	501	977	3,575.64	1,191.88
6	601	846	3,096.20	1,032.07
TOTAL	TOTAL	5,738	\$21,000.01	\$7,000.01

Michelle Bergeron Mok requested clarification on a recent July 8, 2020 invoice from Lesperance Mendes forming part of Mr. Cambrey's invoice for June 2020 services. Mr. Cambrey advised he would obtain further details from Paul Mendes.

Dr. Mok raised the possibility of the strata corporation retaining legal counsel. Mr Cambrey advised that Paul Mendes, although retained by Mr. Cambrey, is effectively acting for the strata corporation because Mr. Cambrey, as Administrator, must act in the best interests of the strata corporation. He also stated that in the case of a dispute between Mr. Cambrey and the strata corporation, Mr. Mendes would not be able to assist the strata corporation.

Mr. Cambrey advised that if the strata corporation wanted to retain separate legal counsel, he would provide assistance.

It was then **MOVED AND SECONDED (601/301)**

That ¾ Vote Resolution #5 be amended to require equal instalment payments on August 1, September 1, and October 1, 2020.

A poll vote was taken on the amendment and it was declared

CARRIED UNANIMOUSLY

Following discussion, a poll vote was taken on ¾ Vote Resolution #5 as amended and it was declared

CARRIED (5 votes in favour, 401 abstained)


e. **¾ Vote Resolution #6 – Market Appraisal**

¾ Vote Resolution #6 proposing a special levy for the purpose of obtaining a market appraisal on the property was moved by 601. Given the motion was not seconded, ¾ Vote Resolution #6 was not discussed.

14. ADJOURNMENT

There being no further business owners were thanked for their attendance and the meeting was terminated at 9:40 p.m.

This is Exhibit "F" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
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SPECIAL GENERAL MEETING**THE OWNERS, STRATA PLAN VR 456 – SPRUCE WEST**

DATE HELD: Wednesday, September 2, 2020
LOCATION: Underground Parking Garage, 1318 West 13th Ave., Vancouver, BC
CALL TO ORDER: 7:00 PM

Owners in Attendance: Agnes Mui, 101 and 201
Peter Tovbis, 301
Michelle Mok and Dr. James Mok, 401
Tracey MacLennan and Suzanne Foster, Executors, 501
Dan Sonnenschein, 601

Guests: Paul Mendes, Lesperance Mendes
Dixon Sunthoram, Lesperance Mendes
Cynthia Jagger, Goodman Commercial Inc.
Mark Goodman, Goodman Commercial Inc.

Also in Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The Court Appointed Administrator, Mr. Garth Cambrey, called the meeting to order at 7:00 p.m. Mr. Cambrey introduced the guests present.

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total representation of six (6) votes. Mr. Cambrey advised that voting cards were not distributed due to COVID-19 concerns, but that they were available if requested or needed.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and he declared that the meeting was competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 BC Supreme Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Special General Meeting was distributed on August 13, 2020 in accordance with the bylaws and the *Strata Property Act*.

It was **MOVED AND SECONDED (601/501)**

That Proof of Notice of the Meeting be accepted.

A vote was taken by a show of hands and the resolution to accept proof of notice of the meeting was declared

CARRIED (5 votes in favour, 401 abstained)

6. APPROVAL OF AGENDA

Mr. Cambrey declared the Agenda distributed with the Notice of Meeting be approved as circulated.

7. APPROVAL OF THE PREVIOUS MINUTES

It was **MOVED AND SECONDED (601/201)** that the previous Annual General Meeting minutes of July 13, 2020 be approved as distributed.

Dr. Mok requested clarification on the discussion about “variances” under heading 12 about the approving the budget on page 9 of the minutes. Tracey MacLennan offered an explanation as she originally raised the concern. Ms. MacLennan explained she had two items of concern about the treasurer funding professional services without the knowledge of all strata council members. Those relate to the:

- a. April 2018 fire stopping repairs in the exit stairways, and
- b. 2019 procurement of Clark Wilson LLP.

Dr. Mok also wondered what came of the discussion on the strata corporation retaining legal counsel independent of the Administrator, as detailed on page 9 of the minutes under heading 13.

Mr. Cambrey explained that it is open to the strata corporation to retain legal counsel as was reflected in the minutes. In response to Dr. Mok’s question on what assistance Mr. Cambrey had provided in retaining independent legal counsel, Mr. Cambrey advised he had not taken any steps because he was not instructed to do so. However, he remained open to assist the strata corporation if there was interest for it to retain separate legal counsel.

Following discussion, Mr. Cambrey asked owners to indicate their interest in the strata corporation retaining separate legal counsel. Only 401 expressed an interest.

A vote was taken by a show of hands and the resolution to approve the previous minutes was declared

CARRIED (5 votes in favour, 401 abstained)

8. UNFINISHED BUSINESS

There was no unfinished business that was not included on the agenda.

9. NEW BUSINESS

a. Winding up Instructions – Majority Vote Resolution

It was **MOVED AND SECONDED (301/601)**

WHEREAS the British Columbia Supreme Court made an order under s. 174 of the *Strata Property Act*, S.B.C. 1998, c. 43 (the "Act") on April 17, 2020, appointing Garth Cambrey as the administrator of The Owners, Strata Plan VR 456 (the "Order").

AND WHEREAS under the terms of the Order, the administrator must exercise the powers and perform all the duties of the strata corporation and its strata council, subject to the requirements of the Act.

AND WHEREAS the Order also authorizes the administrator to take all reasonable and necessary steps to investigate and complete a voluntary winding up of the strata corporation with a liquidator under Part 16, Division 2 of the Act.

AND WHEREAS the administrator entered into a listing agreement Goodman Commercial Inc. on July 9, 2020, to market and sell the strata corporation lands and building (the "Property").

AND WHEREAS OpenForm Properties Ltd. (OpenForm) has offered to purchase the Property for \$4,350,000 subject to certain terms and conditions set out in a Letter of Intent signed by the administrator and OpenForm on August 7, 2020 (the "L.O.I.").

AND WHEREAS the L.O.I. requires the strata corporation to convene a special general meeting within 30 days, and no later than September 4, 2020, to determine whether, in the sole discretion of the administrator, there is sufficient support among the owners to proceed with a general meeting to approve the winding up of the strata corporation on the terms set out in the L.O.I.

AND WHEREAS the administrator has the discretion to apply to the Court for directions or an order to investigate and oversee a voluntary or Court ordered windup of the strata corporation.

AND WHEREAS, under s. 27 of the Act, a strata corporation may direct or restrict the Council in its exercise of powers and performance of duties by a resolution passed by a majority vote at an annual or special general.

BE IT RESOLVED by a **MAJORITY VOTE** of **THE OWNERS, STRATA PLAN VR 456** (the "Strata Corporation") that the Strata Corporation be directed to authorize the administrator to proceed with the voluntary winding up of the Strata Corporation under the terms and conditions set out in the L.O.I. and subject to the provisions of the *Strata Property Act*.

END OF RESOLUTION

Explanatory Notes:

This resolution authorizes the administrator to proceed to wind up the strata corporation based on the terms and conditions set out in the attached L.O.I. If the owners approve this resolution, the administrator will:

1. cause the strata to enter into a definitive agreement of purchase and sale based on the terms set out in the L.O.I.,
2. retain a liquidator,
3. convene a special general meeting to appoint a liquidator and approve the winding up of the strata, and
4. apply to the B.C. Supreme Court on the strata corporation's behalf to confirm the winding up of the strata corporation.

Following a brief discussion on the proposed resolution, Mr. Cambrey turned the meeting over to Mark Goodman and Cynthia Jagger to review the process they followed in marketing the property and obtaining the Letter of Intent from OpenForm.

Mr. Goodman explained the marketing process that included creating a website, a social media program on Facebook for Business and LinkedIn, contacting Goodman Commercial Inc.'s client list, and mailing an information brochure created for the property.

The responses generated were pleasantly surprising and resulted in about 30 confidentially agreements being signed allowing interested parties to obtain pertinent documents. The challenges of the pending building repairs and City of Vancouver Work Order for the exit stairways resulted in several verbal offers ranging

from low \$2,000,000 to low \$3,000,000. There were 5 legitimate interested parties and 2 letters of intent were offered and considered.

Mr. Goodman provided a handout for owners that included further details on the 5 offers and explained how negotiations with 2 parties resulted in the signed letter of intent with OpenForm that is now being considered.

Mr. Goodman felt it was a very competitive process where the market established the property value. He advised that arrangements were made for the buyer's representatives to inspect the property with representatives from 3 engineering firms.

Owners were advised of the next steps in the process that included negotiating a Purchase and Sale agreement incorporating the terms of the letter of intent, removing subjects and increasing the buyer's deposit to \$260,000. Also, that the court process to windup the strata was a long process.

It was noted that the strata corporation remains responsible for the repair and maintenance of common property and assets until the transfer of the property to the purchaser has completed.

There was also discussion concerning the property's RM3 zoning as it might apply to redevelopment of the property.

Following discussion on the valuation methods used to determine the listing price, Ms. Mok suggested that the property value was closer to \$6,000,000. Mr. Goodman and Ms. Jagger disagreed stating the market value was established through the marketing process and is lower than \$6,000,000 because of the required repairs to a building that is failing. It was also noted that the City of Vancouver Work Order must continue.

Discussion followed about the requirements of the buyer that included completing its due diligence, likely retaining engineers and other professionals, and arranging financing. Based on the dates established in the letter of intent it was noted that the sale could complete between November 2021 and August 2022, but that shorter completion date could be achieved if all 6 strata lots were sold to the buyer. Mr. Goodman advised that buyer is open to purchasing all strata lots, which would not require the strata corporation to be wound up.

Under the court process, an 80% vote is required to appoint a liquidator to wind up the strata corporation. Concerns were expressed that the strata corporation would remain responsible for the building repairs during that process, which could be up to 2 years. The matter of required building repairs to make 501 habitable was also

discussed.

There was also discussion about the process involved if the proposed resolution giving direction to wind up the strata corporation failed. It was suggested the options included applying for a court-ordered wind up, arranging for sale of 100% of the strata lots to a buyer, or repairing the building envelope.

Following discussion on what would be required to pursue a 100% sale of the strata lots, including amendments to the Administrator mandate (which could be achieved by consent); a straw vote was taken on whether owners would be in favour of pursuing a 100% sale of the strata lots. Based on estimates relating to costs associated with a windup provided by the Administrator, it is estimated owners could save in excess of \$40,000 per strata lot in legal and liquidator costs plus a significant amount of time through a 100% sale.

The results of the straw vote were that 401 was not in favour of a 100% sale at this time. Following discussion about keeping the 100% sale option open,

It was **MOVED AND SECONDED (601/501)**

That the majority vote be amended by adding the following wording to the resolution:

“and that the strata corporation reserves the right to authorize the Administrator to pursue a private sale of all six (6) strata lots, under a single agreement, at a future date.”

A vote was taken by a show of hands and the amendment to the majority vote resolution was declared

CARRIED (5 votes in favour, 401 abstained)

A vote was taken by a show of hands and the amended majority vote resolution to provide instructions to the Administrator was declared

CARRIED (5 votes in favour, 401 abstained)

b. Petitioners' Reasonable Legal Fees – ¾ Vote Resolution

A motion was made by 501 to consider the ¾ Vote Resolution but it was not seconded. Mr. Cambrey advised the resolution could not be discussed unless the motion was seconded. He also noted that considering the proposed resolution provides an opportunity for owners to agree to a reduced amount of legal fees, if there is unanimous agreement.

It was then **MOVED AND SECONDED (501/401)**

WHEREAS:

The Administrator for the Owners, Strata Plan VR 456 (“Strata Corporation”) is required to call a meeting of the owners pursuant to paragraph 4 of the BC Supreme Court Consent Order dated April 17, 2020 (“Consent Order”) to consider a resolution to reimburse the Petitioners named in Supreme Court Action #NEW-S-S-22743, New Westminster Registry their reasonable legal costs in the Court proceedings leading to the Consent Order;

AND WHEREAS:

The Administrator has recently received correspondence from the Petitioners’ legal counsel stating that the Petitioners’ reasonable legal fees amount to \$20,000;

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that a special levy in the aggregate amount of Twenty Thousand Dollars (\$20,000.00) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying the reasonable legal costs of the Petitioner in the legal proceedings leading up to and resulting in the Consent Order. Such special levy shall be due immediately but may be paid, for convenience purposes only, on October 1, 2020 as set out in Schedule “A” below.

SCHEDULE "A"

THE OWNERS, STRATA PLAN VR 456 - Spruce West

SPECIAL LEVY SCHEDULE

Petitioners' Legal Costs

TOTAL SPECIAL LEVY		\$20,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$3.48554

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY
1	101	984	\$3,429.76
2	201	977	3,405.37
3	301	977	3,405.37
4	401	977	3,405.37
5	501	977	3,405.37
6	601	846	2,948.76
TOTAL	TOTAL	5,738	\$20,000.00

Mr. Cambrey asked Ms. MacLennan if the petitioners were open to accepting an amount less than set out in the resolution and was advised that \$14,000 would be acceptable. The remaining owners did not agree with the revised amount and Mr. Mendes advised that there is no doubt the petitioners will get some costs.

It was then **MOVED AND SECONDED (601/501)**

That the $\frac{2}{3}$ Vote Resolution be amended to an amount of \$14,000.

Following discussion, Mr. Mendes advised the court awards costs based on a tariff. Considering the court order issued was by consent, he suggested the tariff might result in a \$10,000 amount.

It was then **MOVED AND SECONDED (601/501)**

That the amendment to the $\frac{2}{3}$ Vote Resolution be amended to reflect an amount of \$10,000.

Following discussion on legal fees paid by other owners who supported the consent order, a vote was taken by a show of hands and the amendment to the amendment was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

Following further discussion, a vote was taken by a show of hands on the amendment to the $\frac{2}{3}$ Vote Resolution and it was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

A vote was taken by a show of hands on the original $\frac{2}{3}$ Vote Resolution and it was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

10. ADJOURNMENT

There being no further business, owners were thanked for their attendance and the meeting was terminated at 9:46 p.m.

This is Exhibit "G" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
In British Columbia

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July 21 2009

Mr. Dan Scovenschein
611 - 1089 W. 13th Ave.,
Vancouver, BC
V6H 1N1

Subject: Personal reflections on your concerns re. the condition of your building

Further to my recent visit to your home I was quite taken by the pleasing design and unique appearance of the building.

I am aware of your concern about the ongoing maintenance of the structure and the need for serious repairs. I believe you to be sincere and the basic inspection reports you have commissioned bear them out. (Personally, in light of the findings, I would present the cost of such reports to the Strata Council and press for compensation - you have done them a favour.)

I am neither an engineer nor a lawyer but do have experience in building maintenance due to formerly owning a small Building Maintenance Company. Additionally, I have had over fifteen years experience serving on my own Strata Council. Ten of those years as Chair, (now referred to as President under the Strata Properties Act). I have had experience with very substantial rebuilding situations costing several million dollars. Jealousy Couros and/or neglect on the part of owners. I have also been involved in land development elsewhere in Canada and think it safe to say I have a somewhat more comprehensive understanding of the real estate industry's workings than most.

Cutting to the core of the issue, were you, or anyone else in your building to put their home on the market most potential buyers would ask for a number of things.

- 1/ Copies of the Strata's minutes for the past "x" years.
- 2/ "x" years of financial reports. Preferably professionally audited from time to time.
- 3/ A copy of the building's latest engineer's report. After viewing some of the things you pointed out, one would expect a reasonable and responsible Council would commission a professional report and act on it if the report so recommended.
- 4/ The owner's plans to correct any deficiencies identified in such reports.

When I say "Owner's plans to correct..." I mean word upon and legally committed to. Good intentions such as, "We are looking to see if we can do something," are not legally binding and would doubtfully satisfy potential buyers. Thinking as a prospective buyer would, the building seemingly has structural issues to deal with and failure to do so could see an exponential decrease in owner equity and a corresponding exponential increase in the ultimate repair cost.

I would offer food for thought for you and your fellow owners.

When the well publicized Condominium Act was replaced by the Strata Property Act several years ago a "Generic" set of bylaws was incorporated in the lengthy document. Many Strata Councils modified the generic bylaws to reflect their own unique needs, however I am unaware if your Council chose to do so.)

A few relevant (loosely worded) examples contained in the Act would seemingly apply here--

1/ The Strata Council has a responsibility to maintain the building and its assets in good order. This among other things specifically covers the building's outer envelope and common property. Your own's windows are in obvious need of repair and should be brought up to code standards at the Strata Corporation's expense. Such work should be planned, performed and supervised by professionals. Experienced tradesmen will undoubtedly want to look at the roof and work their way down as obviously, there is little point in repairing something, if a causal problem above is not resolved.

2/ I have encountered council members elsewhere who are of the misunderstanding that they are immune to litigation and not subject to liability for failure to comply with the above. I would prefer that a lawyer explain the details of not fulfilling one's responsibilities under the Act. I would however go so far as to say it is expected that a reasonable person, aware of obvious repair/maintenance needs, would follow the Act's requirement to deal with same. Failure to act is not an excusable option.

3/ If a Council does not fulfill its mandated responsibilities, legal recourse is available through the judicial process including the appointment of a trustee or other such functionary. Owners hastidly loose control of the repair process. This can be an expensive and undesirable situation. More costs.

The professionally prepared reports in your possession are in my opinion, something that I as a Council President would distribute to all owners and immediately initiate the formulation of a detailed plan to implement the Engineer's report and begin the repairs at the earliest possible date. Buyers are looking at the whole building's maintenance, not just one suite.

If a plan for restorative action is not initiated, and you feel it should be, I would suggest you engage the services of a lawyer specializing in these matters to pick up on the home inspection reports and move to the next step. Ideally he should be invited to attend a meeting of all owners to helpfully obtain their support and cooperation by spelling out the consequences of different actions or inactions.

Again I must emphasize that I am neither an Engineer nor a Lawyer, but a reasonably well informed layman, who has had personal experience with such restorative issues. I most sincerely hope these matters can be sorted out in an amicable fashion because as I noted earlier, doing nothing is not in my opinion, a sensible or responsible alternative.

I hope my comments are in some measure helpful to you and your fellow owners and neighbours.

Yours truly,

David H. Dwyer

Complete transcripts of the main text of the Winkler report (March 17, 2009), Part I: Suite 601
(not including diagrams, annotations on the accompanying photographs, and addenda)

Page 1:

A) Condition of repairs done to suite 601, overview of workmanship

1) New patch like roof material visually appears poorly applied. Not known why a tape flashing was not used like a peel and stick or see addendum page 4, 5, 6, 7.

2) Check with strata insurance before one makes any changes. (see addendum page 3)

3) Obviously there has been a lot of quick patch work done (photo 4, 5, 6, 7, 8, 10, 11, 13, 14, 15, 16)

4) Because of cold, wet wind driven rain concrete cracked. Porous exterior water / moisture / condensation is wicking and coming into the interiors causing problems of black mold, nesting and so on. (photo 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35)
All of this is not good, obviously.

A thorough water proofing should take place on all exterior concrete surface. Then all the interior gypsum walls removed along with all insulation once this is done. All mold treated / fungicided / bleached. Surfaces cleaned then all cavities openings filled with closed cell foam spray insulation.

Page 2: Diagram of cross section of skylight and door, with recommendations

Page 3: Diagram of cross section of skylight, with recommendations

Page 4: Diagram of cross section of door, with recommendations

Page 5:

Contact source: Kevin at Anth Foam Spray Insulation, 604-328-9357. Once this is done, new gypsum walls can be installed. (see addendum page 8, 9, 10, 11)

Note: Fungicide / bleach cleaning materials can also be purchased at janitorial warehouse stores.

B) Overall summary

One should continue to do further research on different glazing types, different types of flashings and sealants. Carefully read all specifications, meet with a building envelope structural engineer and proceed with the work. The building is well worth it.

Pages 6 - 10 and 12 - 22: 43 photographs, many annotated.

Page 11: Excerpt from "leaky condo crisis" report: cladding, insulation, remediation.

Addendum: 23 pages of copies of relevant articles including materials information.

Complete transcript of the main text of the Witke report (March 17, 2009). Part 1f: Building report (not including diagrams, annotations on the accompanying photographs, and addenda)

Page 1:

A) Condition of building: Overview of exterior and underground parking

- 1) If one carefully examines 38 photos one sees this building has not been properly maintained for years.
- 2) It is urgent one starts a maintenance program in place — before more and more concrete falls off this structure exposing more rusted steel reinforcement and more structural failure — rusting steel in any concrete is not good. (photo 8, 9, 10)
- 3) Visually it appears some form of repair/restoration may have already taken place. (photo 7)
- 4) It is recommended a thorough cleaning take place of all concrete surfaces. (Type of detergent and powerwash pressure (PSI) to be recommended by a building envelope structural engineer.
- 5) All anchor bolts at all millings and all metal structural framework holding up the fabric canopy needs to be inspected by an engineer for corrosion. (photo 1, 2, 3, 4, 5, 6, 7) and weld failure.

Page 2:

Diagram: Cross-section of structure, with comments (scanned image available upon request).

Page 3:

- 6) Once the building is cleaned one should replace all single paneled windows with thermally broken frames and glazing. Also provide the necessary flashings above and below the windows along with the windows. Sliding doors can also be replaced.

Contact source: Massimo Rizzi, 604-835-4162

- 7) For water sealant of all concrete surfaces rusted steel reinforcement restoration (photo 15, 8, 9, 10) a building envelope/structural engineer should be consulted. Not known type or strength of concrete used.

Contact sources:

- Gordon Spratt, 604-872-1211 (small firm)
- Barry Kinskin; Read, Jones, Christofferson, 604-738-0148 (large firm)
- Karl Yuers, Kryton International, 604-324-3280 (various types of concrete sealant/sealers)

The structural supports for all concrete fire escape stairs along with the filled in gaps must also be examined by a structural engineer. (photo 31, 32, 33, 34)

Page 4:

8) Under ground car parking, could have a security gate installed at the main entry.

Contact source: Ozzie Kaban, Kaban Protective Services, 604-251-2121

9) Water is seen dripping from the uninsulated ceiling of the underground car park. (photo 27, 29, 30)

10) At this time it is impossible to determine exactly from where all the water seen dripping from the concrete ceiling of the car park is coming from. Could be from one source or a combination of sources. (Note ceiling of car park is not insulated.) Water could be coming from drains, plumbing, pipes, pin hole leaks from electrolysis on pipes touching concrete-acid of concrete coating through the metals, the roof, condensation. Bathroom shower walls, rain water travelling vertically and horizontally through concrete expansion/control joints and or poorly poured concrete.

11) An electrical contractor should be consulted to sort out, replace/fix and properly ground all the electrical. (photos 17, 19, 21, 22, 23, 29, 35, 36) Someone can easily get electrocuted.

Contact source: Westpac Electrical Contractors Ltd., Barry Johnson, 604-512-1322

Page 5:

12) All the fire sprinklers and their piping along with various components. (photo 12, 13, 14)

Contact source: Fire Busters, Tim Killely, 604-599-4499

13) Not known when the entire building will need to be replumbed.

14) Exact condition and functional components of elevator car is not known (often this is a hidden expense.)

15) Exact condition of overall roof is not known.

16) Strata should also check their existing insurance policy on this building and what things are currently covered.

B) Overall summary

It is highly recommended that strata seek professional consultants to thoroughly examine this building and start doing repairs. If one does nothing occupants, owners will be faced with some horrific costs, which would be ever so bad, because it really is a beautiful building, at a wonderful location.

Pages 6 - 18: 38 photographs, many annotated.

BUILDING INSPECTION SERVICES

WITCO BUILDING INSPECTION SERVICES LTD
 Suite 720 - 699 West Broadway
 Vancouver, B.C., Canada V5Z 1K6
 Telephone 604-276-4317 or 604-409-2019
 REG. C.S.T. NO. 9132262566

NAME: DAVID TEL: 604-681-1843
 ADDRESS: SUITE 601 - 1087 W. 17th AVE DATE: MARCH 17 2008
 POSTAL CODE: V6P 1R4 TIME: 9:00 AM NUMBER OF OWNERS: 1
 REF. NO.: 170819 (B) BUILDING TYPE: FLAT AGE: 1971
 INSPECTED BY: EDWARD WITCO CHECKER: EDWARD WITCO TEMPERATURE: 17
 WHICH AREA OF CONCERN: ROOF WORKMANSHIP 2-3 PROBLEMS IDENTIFIED
 STATUS OF OBSERVATIONS: CRITICAL VERY CRITICAL AND URGENT CHECK WITH OWNER/PROF.
 Urgency of Action: Immediate 2 Weeks 4 Weeks 6 Weeks 8 Weeks 10 Weeks & Over
 OVERALL RATING OF SITE / TOPOGRAPHY / LOCATION / PERCEPTION: 10
 OVERALL RATING OF BUILDING(S) EXTERIOR(S) / EXTERIORS (Scale 10-1): 10
 OVERALL RATING OF QUALITY (Graded by workmanship, detail, economy, etc.): 10
 OBSERVATION RATION: AVERAGE EXCELLENT
 PROBABILITY OF BUILDING DEFECTS: Not Given in code



A CONDITION OF REPAIRS DOWE TO SUITE 601

OPINIONS OF WORKMANSHIP

- 1) NEW PATCH LIKE ROOF MATERIAL USUALLY APPLIED POORLY APPLIED. NOT KNOWN WHY A TAPE FLASHING WAS NOT USED LIKE A PEEL AND STICK OR SEE ADDENDUM PAGE 4,5,6,7.
- 2) CHECK WITH STRATA INSURANCE. BEFORE ONE MAKES ANY CHANGES (SEE ADDENDUM PAGE 3)
- 3) ADVISE THAT THERE HAS BEEN A LOT OF QUICK PATCH WORK DONE (FROM 1, 5, 6, 7, 8, 10, 11, 13, 14, 15, 16)

A) BECAUSE OF COLD, WET WIND DRIVEN RAIN CONCRETE CRACKED POROUS EXTERIOR WATER / MOISTURE / CONDENSATION IS WICKING AND COMING INTO THE INTERIOR CAUSING PROBLEMS IN BLACK MOLD MUSTY AND SO ON (PHOTO 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35) ALL OF THIS IS NOT GOOD, -OBVIOUSLY.

A THROUGH WATER PROOFING SHOULD TAKE PLACE ON ALL EXTERIOR CONCRETE SURFACE. THEN ALL THE INTERIOR GYPSUM WALLS REMOVED ALONG WITH ALL INSULATION ONCE THIS IS DONE ALL MOLD INTERIORS FUMIGATED / BLSICATED SURFACES CLEANED THEN ALL CRACKS OPENING FIELDS WITH CLOSED CELL FOAM SPAGY INSULATION

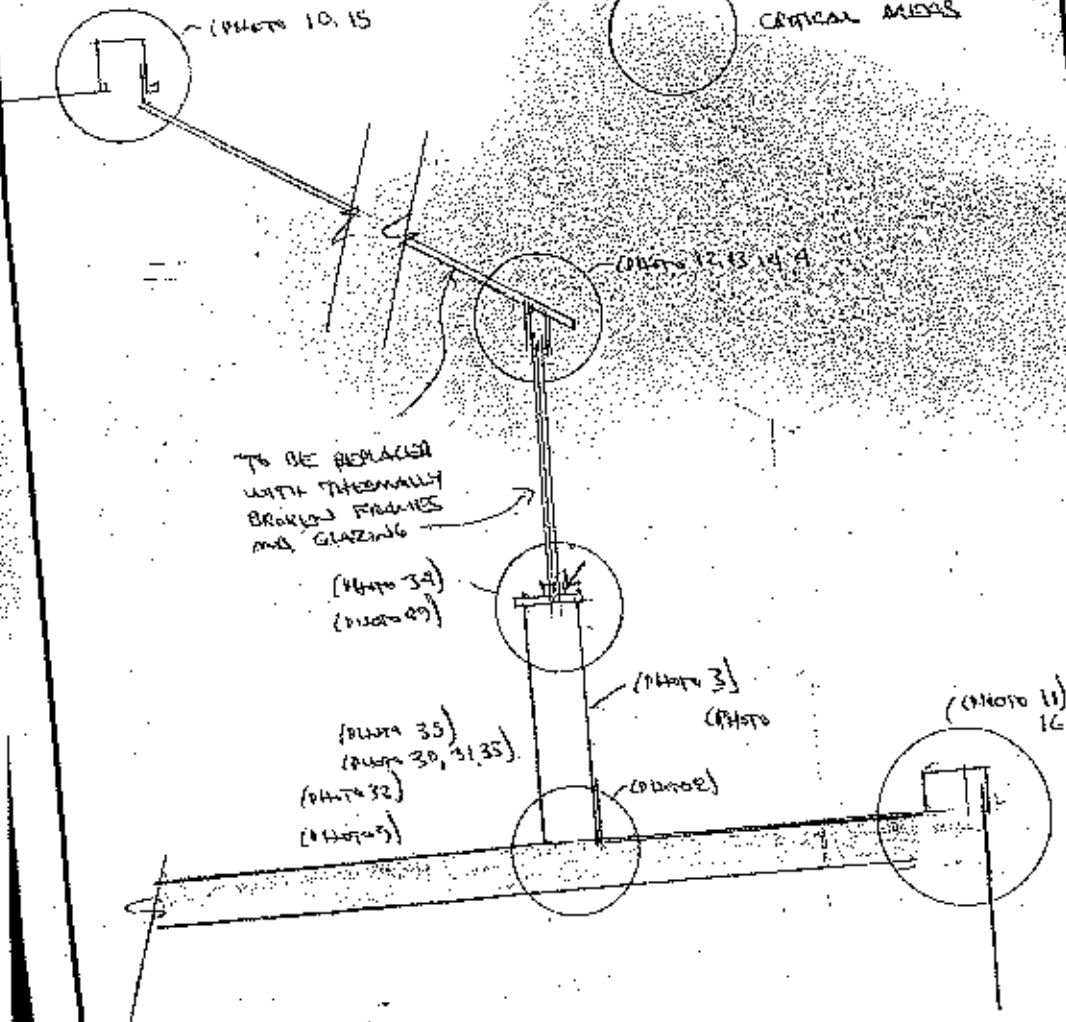


BUILDING INSPECTION REPORT

CROSS SECTION OF STRUCTURE

Not drawn to scale

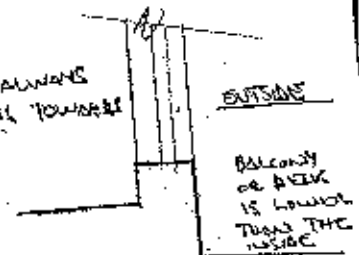
LEGEND



WHAT IS SLOTTED



THESE DESIGNS WILL ALWAYS POSE WATER PROBLEMS TOWARDS THE INSIDE.



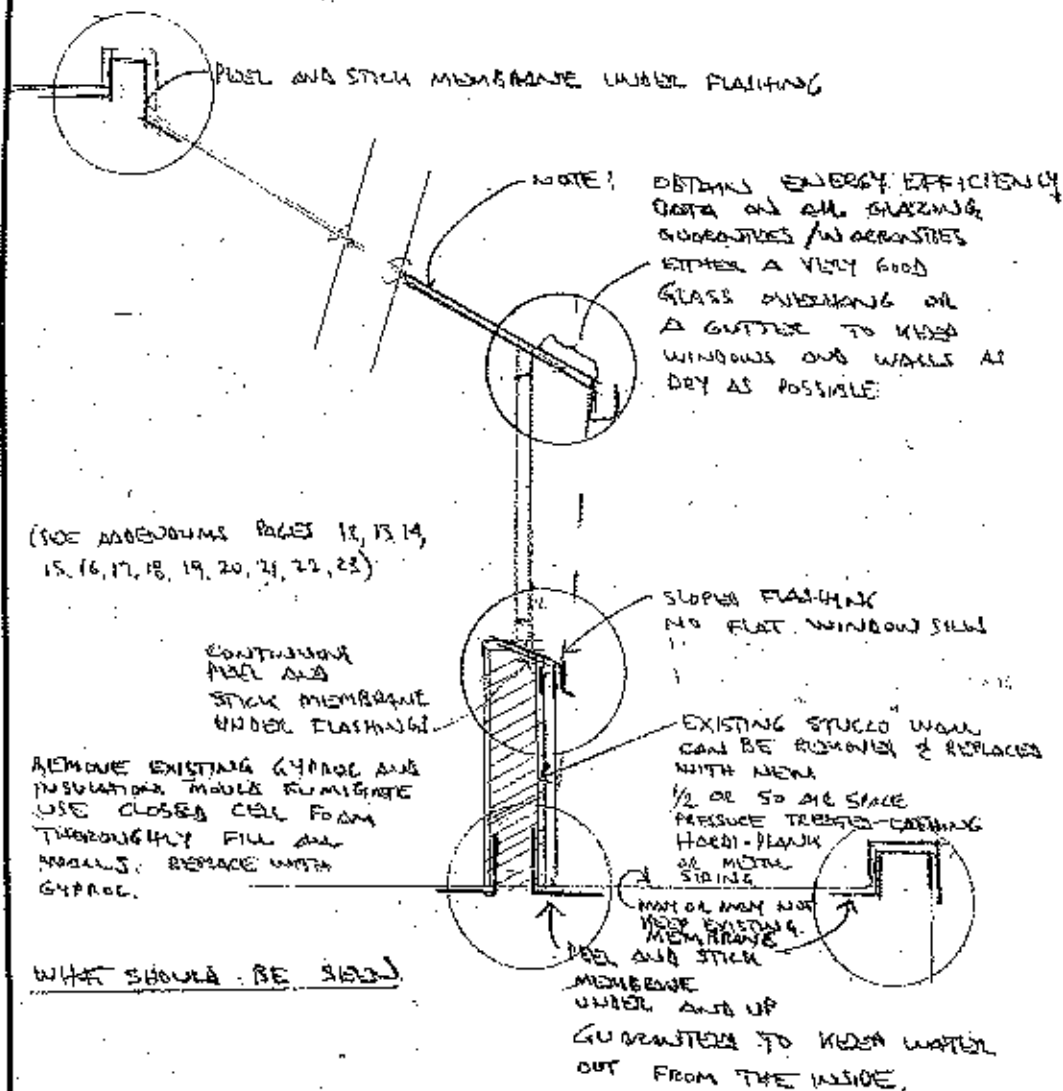
CONCRETE SLAB
WATER/MOISTURE/CONDENSATION
FROM OUTSIDE TO INSIDE

THE IDEAL DESIGN

BUILDING INSPECTION REPORT

CROSS SECTION OF STRUCTURE

Not drawn to scale



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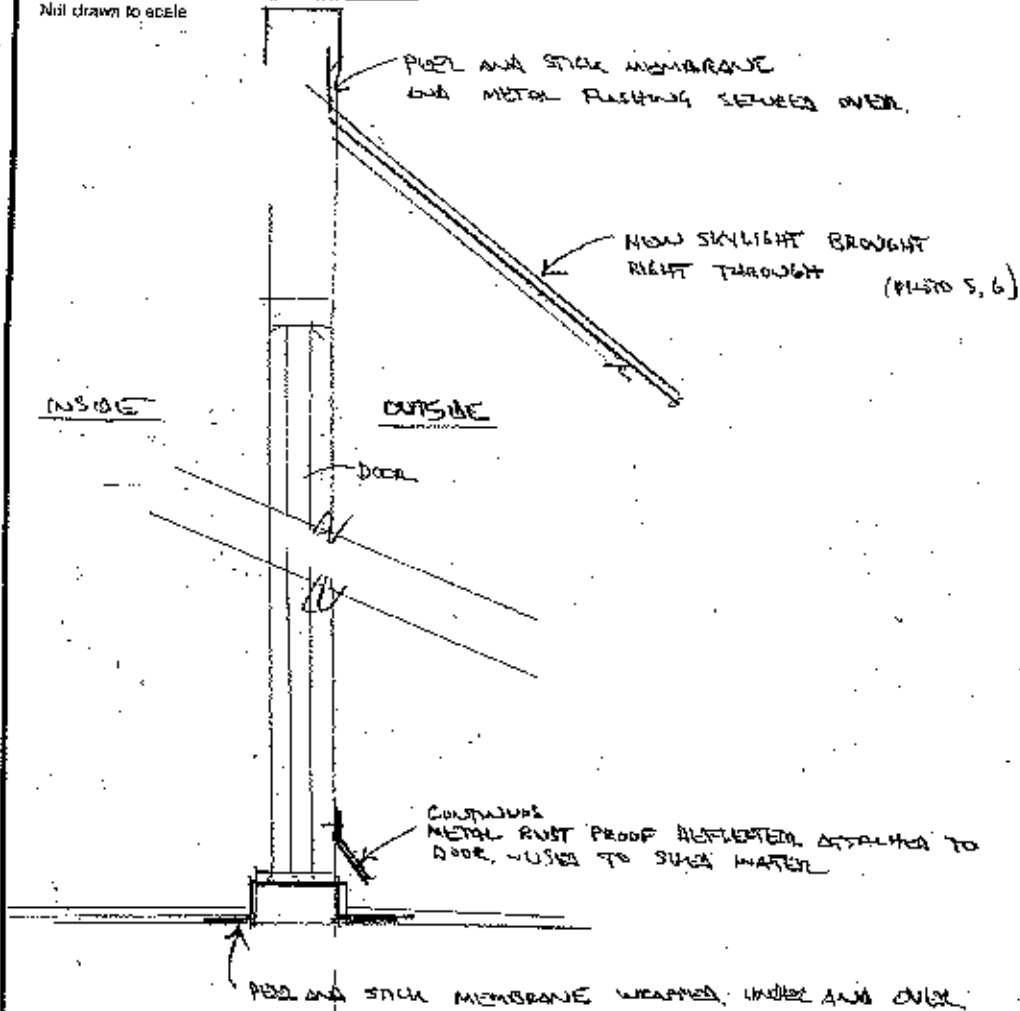
PAGE
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BUILDING INSPECTION REPORT

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CROSS SECTION OF STRUCTURE

Not drawn to scale



WATER SHOULD BE SEEN
CROSS SECTION

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THE BUILDING IS WEL WORTH IT.
BOUTIQUE SPACIOUS BATHROOM AND KITCHEN WITH THE WORK
CAREFULLY READ THE SPECIFICATIONS WITH A BUILDING
GRABBER TRIP, APPROXIMATE TYPE OF FLASHINGS AND STAIRS.
ONE SHOULD CONTINUE TO DO FURTHER RESEARCH ON DIFFERENT

BY OUTLINE SUMMARY

NOTES: PROVIDE / BRUSH CLEANING MATERIALS AND ALSO BE
PURCHASED AT JANITORIAL WAREHOUSE STORES.

(SEE ADDENDUM PAGE 8, 9, 10, 11)

DATE THIS IS MADE NOW (TYPE WALLS TO BE INSTALLED)

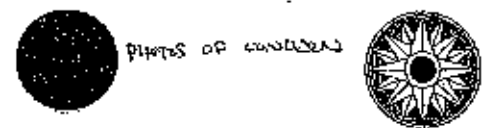
TEL. 604-328-7357

FOUND AT DATA FORM SPREAD INFORMATION.

SOURCE:

BUILDING INSPECTION REPORT

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<p>NAME: <u>DON</u> TEL: <u>604-651-1827</u></p> <p>ADDRESS: <u>1089 - WEST 15 VANCOUVER B.C.</u> DATE: <u>NOV 17, 2009</u></p> <p>POSTAL CODE: _____ TIME: <u>7:00 AM</u> NUMBER OF OWNERS: <u>2</u></p> <p>REF. NO.: <u>290317 (A)</u> BUILDING TYPE: <u>STRATA</u> AGE: <u>17 Yrs</u></p> <p>INSPECTED BY: <u>EDWARD R. WITZKE</u> WEATHER: <u>D. W. C. S. T.</u> TEMPERATURE: <u>8°C</u></p> <p>MAJOR AREAS OF CONCERN: <u>CONCRETE MAINTENANCE / REPAIRS</u></p> <p>STATUS OF OBSERVATION(S) <input checked="" type="checkbox"/> CRITICAL <input checked="" type="checkbox"/> VERY CRITICAL AND URGENT (OF CHECK WITH OWNER(S))</p> <p>Urgency of Attention <input checked="" type="checkbox"/> Immediately <input type="checkbox"/> 6 Months <input type="checkbox"/> 1 Year <input type="checkbox"/> 3 Years <input type="checkbox"/> 5 Years <input type="checkbox"/> 10 Years & Over</p>	<p>WITCO BUILDING INSPECTION SERVICES LTD. <small>LIMITED</small></p> <p>Suite 720 - 899 West Broadway Vancouver, B.C., Canada V5Z 1K5 Telephone 604-732-6517 or 604-309-5812 REG. C.S.T. NO. R1122/Re510</p>
<p>OVERALL RATING OF SITE / TOPOGRAPHY / LOCATION / PERCEPTION</p> <p>1 2 3 4 5 6 7 8 9 10 <u>7</u></p> <p>OVERALL RATING OF BUILDING(S) INTERIOR(S) / EXTERIOR(S) (Relative to age)</p> <p>1 2 3 4 5 6 7 8 9 10 <u>4</u></p> <p>OVERALL RATING OF QUALITY (Judged by workmanship, details, economy, finish)</p> <p>1 2 3 4 5 6 7 8 9 10 <u>4</u></p> <p>UNSATISFACTORY AVERAGE EXCELLENT</p>	
<p>OVERVIEW OF BUILDING PROPERTIES</p> <p><small>Not drawn to scale</small></p> <p><u>A) CONDITION OF BUILDING</u></p> <p><u>OVERVIEW OF EXTERIOR AND UNDERGROUND PARKING</u></p> <p>1) I HAVE CAREFULLY EXAMINED 38 PHOTOS ONE SHOWS THIS BUILDING HAS NOT BEEN PROPERLY MAINTAINED FOR YEARS.</p> <p>2) IT IS URGENT ONE/STRATA GETS A MAINTENANCE PROGRAM IN PLACE - BEFORE MORE A MORE CONCRETE FALLS OFF THIS STRUCTURE EXPOSING MORE RUSTED STEEL REINFORCEMENT AND MORE STRUCTURAL FAILURE - RUSTING STEEL IN ANY CONCRETE IS NOT GOOD. (PHOTO 8, 9, 10)</p> <p>3) VISUALLY IT APPEARS SOME FORM OF REPAIR/RESTORATION MAY HAVE ALREADY TAKEN PLACE. (PHOTO 7)</p> <p>4) IT IS RECOMMENDED A THOROUGH CLEANING TAKE PLACE OF ALL CONCRETE SURFACES. (TYPE OF DETERGENT AND POWERWASH PRESSURE (PSI)) TO BE RECOMMENDED BY A BUILDING ENVELOPE STRUCTURAL ENGINEER.</p> <p>5) AN ANNUAL CHECK AT ALL RAININGS AND ALL METAL STRUCTURAL FRAMEWORK HOLDING UP THE FABRIC CANVAS NEEDS TO BE INSPECTED BY AN ENGINEER FOR CORROSION. (PHOTO 1, 2, 3, 4 5, 6, 7) AND WELD FAILURE.</p>	
<p>PHOTOS OF CONCERNS</p> 	
<p><small>Note: The cost of a building inspection is not to be considered a guarantee of the condition of the building. The inspector is not responsible for any damage to the building or its contents. A building should be inspected by a professional. A building should be inspected by a professional. A building should be inspected by a professional.</small></p> <p>Website: www.witcoinspection.com Copyright © 2009 All Rights Reserved. STRICTLY CONFIDENTIAL Without Prejudice * See back of this page</p> <p>www.edwin.ca WITCO</p> <p>www.witco.ca WITCO</p>	
<p>REFERENCE BOOK: The Complete Canadian Home Inspection Guide, authored by Ed. H.R. Witzke (McGraw - Hill Publishers 1993)</p> <p>VIDEO: A Condo Buyer's Guide featuring Ed. R.R. Witzke (F.M.S.C., 1994) © Copyright Ed. R.R. Witzke</p>	

BUILDING INSPECTION REPORT

CROSS SECTION OF STRUCTURE

Not drawn to scale

ROAD DRAINAGE WATER GETS TRAPPED HERE BEHIND THE CANVAS. NOT KNOWN IF THERE IS ALSO ELECTROLYSIS TAKING PLACE WITH DIFFERENT METALS AND SALTY AIR.

← CANVAS (PHOTOS 1, 2, 3, 4, 7)

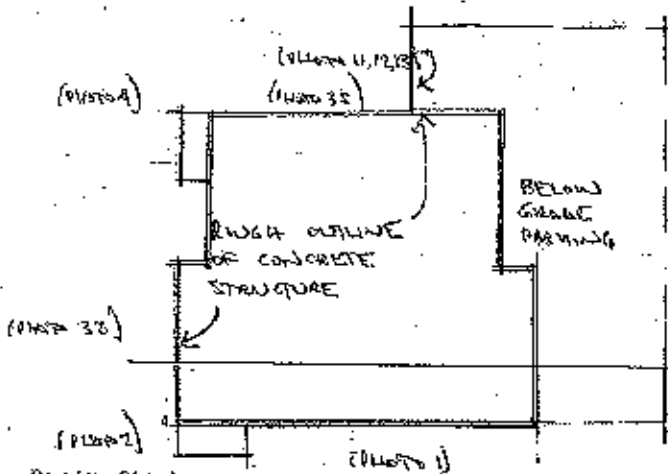


STRUCTURAL ENGINEER TO INSPECT EXTENT OF RUST AND METAL FAILURE IN GASS AROUND ALL METAL COMPONENTS

CROSS SECTION

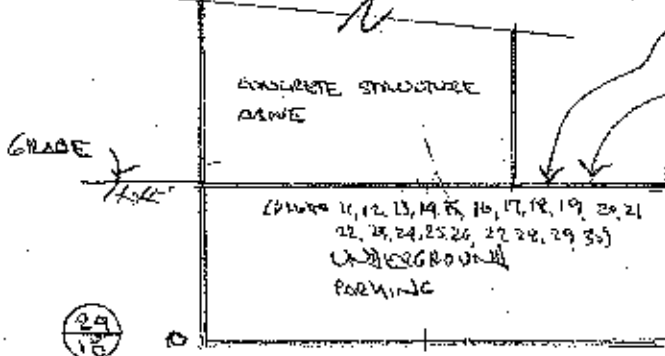
NOT DRAWN TO SCALE

↑
NORTH



ONE SHOULD VISIT CITY HALL TO OBTAIN PLANS FOR THIS BUILDING.

ROUGH PLAN (NOT DRAWN TO SCALE)



THIS EXISTING SURFACE COULD BE USED FOR WATER INTO THE COLONY OF THE CAR PARK ABOVE GRADE PARKING.

CONDITION OF PERIMETER DRAINAGE NOT KNOWN

CROSS SECTION

(NOT DRAWN TO SCALE)

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BUILDING INSPECTION REPORT

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6) ONCE THE BUILDING IS CLEANED ONE SHOULD REPLACE ALL SINGLE PANELED WINDOWS WITH THERMALLY BROKEN FRAMES AND GLAZING. ALSO PROVIDE THE NECESSARY FLASHINGS ABOVE AND BELOW THE WINDOWS ALONG WITH THE WINDOWS SLIDING DOORS CAN ALSO BE REPLACED.

CONTACT SOURCE

MASSIMO RIZZI

TEL. 604-835-4102

7) FOR WATER SEALANT OF ALL CONCRETE SURFACES RUSTED STEEL REINFORCEMENT RESTORATION (PHOTO 15, 8, 9, 10)

A BUILDING ENVELOPE/STRUCTURAL ENGINEER SHOULD BE CONSULTED. NOT KNOWN TYPE OR STRENGTH OF CONCRETE USED.

CONTACT SOURCES:

GORDON SPRAAT

TEL. 604-872-1200

(SMALL FIRM)

BARRY MINAHAN

ROD, JAMES, CHRISTOPHERSON

TEL. 604-738-8048

(LARGE FIRM)

KARI YLERS

KAYTON INTERNATIONAL

TEL. 604-324-8280

(VARIOUS TYPES OF CONCRETE SEALANTS/STITCHES)

THE STRUCTURAL SUPPORTS FOR ALL CONCRETE FIRE ESCAPE STAIRS ALONG WITH THE FILLED IN GAPS MUST ALSO BE EXAMINED BY A STRUCTURAL ENGINEER (PHOTO 31, 32, 33, 34)

PAGE
3
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BUILDING INSPECTION REPORT

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8) UNDER GROUND CAR PARKING COULD HAVE A SECURITY GATE INSTALLED AT THE MAIN ENTRY.

CONTACT SOURCE:

ORZE KARAN
KARAN PROTECTIVE SERVICES
TEL. 604-251-2121

9) WATER IS SEEN DRIPPING FROM THE UNINSULATED CEILING OF THE UNDERGROUND CAR PARK (INFO 27, 29, 30)

10) AT THIS TIME IT IS IMPOSSIBLE TO DETERMINE EXACTLY FROM WHERE ALL THE WATER SEEN DRIPPING FROM THE CONCRETE CEILING OF THE CAR PARK IS COMING FROM. COULD BE FROM ONE SOURCE OR A COMBINATION OF SOURCES (NOTE CEILING OF CAR PARK IS NOT INSULATED)

WATER COULD BE COMING FROM DRAINS, PLUMBING, PIPES, PIN HOLE LEAKS FROM ELECTRICALS OR PIPES TOUCHING CONCRETE - ACID OF CONCRETE EATING THROUGH THE METALS THE ROOF, CONDENSATION, BATHROOM SHOWER WALLS, RAIN WATER TRAVELLING VERTICALLY AND HORIZONTALLY THROUGH CONCRETE EXPANSION/CONTROL JOINTS AND OR POORLY POURED CONCRETE

11) AN ELECTRICAL CONTRACTOR SHOULD BE CONSULTED TO SORT OUT REPLACE/FIX AND PROPERLY GROUND ALL THE ELECTRICALS (INFO 17, 19, 21, 22, 23, 29, 35, 36)

SOMEONE CAN EASILY GET ELECTROCUTED

CONTACT SOURCE:

WESPAC ELECTRICAL CONTRACTORS LTD.
BARRY JOHNSON
TEL. 604-522-1322

PAGE
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BUILDING INSPECTION REPORT

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12) AM THE FIRE SPRINKLERS AND THEIR PIPING ALONG WITH VARIOUS COMPONENTS (GATS 12, 13, 14)

CONTACT SOURCE

FIRE BUSTERS
TIM KILLEY
TEL. 604. 599-4499

13) NOT KNOWN WHEN THE ENTIRE BUILDING WILL NEED TO BE REALUMBED.

14) EXACT CONDITION AND FUNCTIONAL COMPONENTS OF ELEVATOR CAR IS NOT KNOWN (OFTEN THIS IS A MAJOR EXPENSE)

15) EXACT CONDITION OF OVERALL ROOF IS NOT KNOWN.

16) STRADA SHOULD ALSO CHECK THEIR EXISTING INSURANCE POLICY ON THIS BUILDING AND WHAT THINGS ARE CURRENTLY COVERED.

B) OVERALL SUMMARY

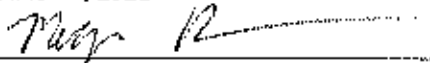
IT IS HIGHLY RECOMMENDED THAT STRADA SEEKS PROFESSIONAL CONSULTANTS TO THOROUGHLY EXAMINE THIS BUILDING, AND START MAKING REPAIRS. IF ONE DOES NOTHING OCCUPANTS, OWNERS WILL BE FACED WITH SOME HORRIFIC COSTS, WHICH WOULD BE EVEN SO BAD, BECAUSE IT REALLY IS A BEAUTIFUL BUILDING AT A WONDERFUL LOCATION.

Ed. R. Witke

PAGE
5 OF 8

This is Exhibit "H" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on

June 14, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

VISUAL BUILDING CONDITION ASSESSMENT

FOR

STRATA PLAN VR 456 - SPRUCE WEST

1089 WEST 13TH AVENUE

VANCOUVER, B.C.

Presented to:

Strata Plan VR 456 - Spruce West
201 - 1089 West 13th Avenue
Vancouver, B.C. V6H 1N1
(Email: aolmui@shaw.ca)

Attention: Ms. Agnes Mui

Prepared by:

Spratt Emanuel Engineering Ltd.
2348 Yukon Street
Vancouver, B.C. V5Y 3T6
Phone: 604-872-1211
Email: office@sprattemanuel.com

Our File No.: S17-544

Issued: January 2, 2018
Revised: March 8, 2018

Our File No. S17-544
March 6, 2018
Page 1 of 14

1.0 SCOPE OF WORK

- 1.1 On December 19, 2017, under snowy skies and a temperature of 1°C, John Drinkwater, B.A.Sc., E.I.T., Manager, Depreciation Studies of Spratt Emanuel Engineering Ltd. (SEE) conducted a Visual-Only Building Condition Survey of the above-referenced development. The purpose of the review was to assess the current state of the building to produce the following Visual Building Condition Survey. A follow-up review was conducted on March 6, 2018 to complete the roof review which was partly covered with snow on the original review date. This report should be read in conjunction with the attached colour photographs, which were taken at the time of review.
- 1.2 The primary focus of the review was the building, including exterior wall surfaces, windows, flashings, sealants, roofing, decks, doors, common public spaces, and locations of specific concern to the owners, including Suites No. 501, 601, and the emergency exit stairwells.
- 1.3 SEE prepared this report to the account of Strata Plan VR 456 - Spruce West c/o Ms. Agnes Mui, Strata Council. The material in it reflects the best judgment of the writer in light of the information available at the time of preparation. Any use that a third party makes of this report, and any reliance on decisions made based upon this report, are the responsibility of such third parties. SEE accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions based upon this report.
- 1.4 The observations and recommendations contained in this report are based upon the information obtained during a visual review and reflect the general condition of the building at this time. The review does not include the excavation of landscaping or removal of any cladding or other finishes. It is not the intent of the writer to identify every defect which may be present in the exterior of the building, within the scope of this limited review.
- 1.5 It is assumed that the building was designed and built completely with proper Permits and approvals and in accordance with all applicable Codes at the time of construction, and that all subsequent work was done in a similar manner. No attempt has been made to analyze the design of the building or its components and no detailed zoning or Building Code review has been conducted.

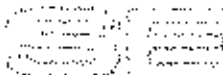
The logo for Spratt Emanuel Engineering (SEE) consists of the letters 'S', 'E', and 'E' in a bold, stylized, outlined font. The letters are arranged horizontally, with the 'S' on the left, the first 'E' in the middle, and the second 'E' on the right. The outlines are thick and the letters are filled with a fine grid pattern.

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2.0 GENERAL DESCRIPTION

- 2.1. The subject development located at 1089 West 13th Avenue, Vancouver is a 6 storey strata-titled residential condominium building constructed in 1977. The building is reportedly constructed using precast concrete. The building has a total of 6 suites with each unit occupying the total area of a single floor. The building is built over a single storey below grade parkade which is constructed from cast-in-place conventionally reinforced concrete (Photos No. 1 to 5).
- 2.2. The following is a brief building description:

Building Name	Spruce West
Building Owner	Strata Plan VR 456
Building Address	1089 West 13th Avenue, Vancouver, B.C.
Building Type	Mid-Rise Strata-Titled Residential Apartments
Principal Occupancy	Residential
Date of Construction	1977
Building Age	40 Years
Applicable Building Code	Vancouver Building By-Law, 1975
Type of Construction	Non-Combustible Precast Concrete
Number of Units	6
Number of Storeys	6
Parking	1 Level Below Grade Parkade
Adjoining Properties	North: Low-Rise Multi-Unit Residential Building East: Low-Rise Multi- Unit Residential Building South: West 13 th Avenue West: Spruce Street

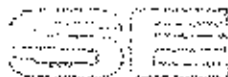


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3.0 OBSERVATIONS

3.1. Roof

Item	Description	Photos
3.1.1.	The main roof consists of a 2-ply torch-applied SBS membrane which appears to be installed over insulation which has been placed on top of the concrete roof slab. At the time of review on December 10, 2017, the majority of the roof area was covered with snow, limiting the review. A follow-up review of the roofs was done on March 6, 2018.	6
3.1.2.	Where visible the roof membrane appears to be in average condition for its reported age of approximately 11 years. The membrane has been terminated at the elevator overrun structure with a single gumlip cap flashing. The caulking applied to the gumlip is aged and requires replacement.	7 and 8
3.1.3.	At the side of the elevator there is an east facing air balance vent which reportedly caused water ingress in the past. There is a patch of SBS membrane on the wall and a cover flashing which has reportedly been effective at stopping water ingress into the elevator shaft.	9
3.1.4.	Roof access is via a ladder and the roof hatch is a hinged domed acrylic skylight. Past water ingress has occurred at the skylight; however, at the time of review the interior finishes were tested with a moisture meter and found to be dry.	10 to 12
3.1.5.	The main roof membrane is installed over insulation boards or another semi-compressible material. The membrane laps and joints appear well installed, with no defects or damage observed. The roof area is not well sloped, with excessive ponding up to 3/4" deep over the majority of the roof area.	108 to 110
3.1.6.	The single roof drain does not have a clamping collar as required. The membrane laps into the drain body have UV damage, are beginning to peel and require repair. SEE recommends installing a UV-stable reinforced liquid flashing membrane over the membrane transition at the drain body, Aisan Flashing or equivalent.	111 and 112

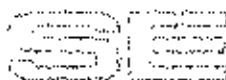


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Item	Description	Photos
3.1.7.	The Suite No. 601 roof deck has a 2-ply SBS roof membrane torched directly to the concrete deck. This area has questionable insulation. The membrane is in good condition, with no defects observed in the field. The membrane is terminated with a gumlip flashing against the building wall, which appears to be in good condition. Water is bypassing the roofing upleg despite the well installed flashing due to lack of waterproofing on the face-sealed wall assembly.	113
3.1.8.	The SBS membrane at the Suite No. 601 deck was not continued over the parapet curb, as is best practice. The top-mounted guardrail and cap flashing were both left in place, with the new roofing terminated on the horizontal surface of the deck. This location was reported to leak, and open holes in the waterproofing were observed. The transition from roofing to flashing had a subsequent repair attempt using asphaltic mastic, which is completely ineffective. The mastic is now deteriorated from UV exposure, and allowing water ingress at every guardrail post.	114 to 117
3.1.9.	The Suite No. 601 drain body is a standard floor drain assembly which does not include a membrane clamping collar. A supplemental filter basket has been placed over the drain grate.	118
3.1.10.	The Suite No. 601 aluminium deck guardrail is assembled with rusted fasteners. The guard was not tested for structural strength. Replacement of the guard is recommended and included in our repair budget in Section 4 below.	119

3.2. Exterior Walls, Windows and Balconies

Item	Description	Photos
3.2.1.	The exterior walls are precast concrete panels. The walls have been treated in the past with a hydrophobic clear penetrating sealer. Despite the sealer there are numerous locations on all elevations of the building which are experiencing active water ingress through unsealed cracks in the concrete. The type of sealer used is not appropriate for preventing water ingress at cracks and joints in concrete to the extent - completely ineffective.	13
3.2.2.	The original windows in the building are aluminium framed non-thermally broken with Insulated Glazing Units (IGU). The IGU's have 1/4" spacers.	14 and 15



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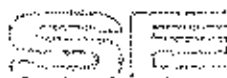
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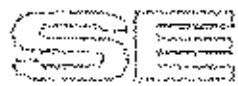
Item	Description	Photos
3.2.3.	At the roof level there is a significant area of spalling concrete on the elevator overrun walls. In the attached photograph, the spall is approximately 2' wide by 4' high primarily on the north face.	16 and 17
3.2.4.	The exterior walls have a decorative vertical wood plank profile cast into the concrete from the form materials. At each floor line, there is a reveal in the concrete walls. The floor line reveal is un-caulked and at every location reviewed was found to have cracking virtually certain to allow water ingress.	18 to 20
3.2.5.	The east facing building wall has a number of cementitious repair patches which appear to have been done after the hydrophobic clear sealer was applied. These patches are absorbing water causing them to darken relative to the wall areas around them. The result is the appearance of dark streaks on much of the elevation.	3, 21 and 22

3.3. Suite No. 601

Item	Description	Photos
3.3.1.	There are multiple point of water ingress in Suite No. 601, along the east elevation roof deck.	23 and 24
3.3.2.	At the south end of the deck, water ingress is occurring at the outswing door from the suite onto the deck. Water ingress is the result of poor installation details at the door sill, jamb and head which is allowing wind driven rain to penetrate. The interior finishes are heavily damaged, including completely saturated and mouldy drywall, rotted carpet tack strips, and rusted steel stud framing. There is also a location of wet, moisture-damaged drywall halfway up the door jamb, indicating a discontinuity in the door installation waterproofing of the head or jamb. The door itself is not a water-resisting rated door and cannot be improved to meet the required standards in Vancouver Building By-Law, 2014. Replacement is required in conjunction with other repairs, summarized in Section 4 below.	25 to 33



Item	Description	Photos
3.3.3.	<p>The majority of this suite east facing wall is constructed with face sealed stucco. Behind the water heater, a patch of drywall has been removed to reveal this wall's construction. It consists of:</p> <ul style="list-style-type: none"> • Face sealed stucco and lath, • 1" steel furring, • Painted interior drywall. <p>This wall assembly is completely uninsulated and has been installed without a moisture barrier behind the stucco. Due to active water ingress which is occurred over a long period of time in the area, the steel stud structure is heavily rusted.</p>	34 and 35
3.3.4.	<p>Additional heavy water ingress is actively occurring at the northeast corner of this suite, located within the master bedroom closet. There is heavy mould and water saturated finishes at the building outside corner. On the exterior of this leak, there is a top mounted balcony guardrail with unsealed attachment to both the roof curb and exterior building wall as well as failed exterior paint coating on the stucco and insufficient roof membrane detailing at the parapet curb saddle connection.</p>	36 to 42
3.3.5.	<p>The suite has a galley kitchen which ends at a balcony sliding door. The owner identified staining on the wall adjacent the sliding door with apparent water damage. This appears to be the result of condensation forming on the exterior wall behind the calendar which hangs here. It was discovered that this wall is actually a 3-lite balcony sliding door frame. The fixed side-lites have been replaced by a sheet of interior drywall with a metal flashing on the exterior side. This exterior wall is completely uninsulated, explaining the formation of condensation behind the calendar.</p>	43 and 44
3.3.6.	<p>On the west elevation between the living room and kitchen, there is a window which appears to have been replaced in the past. The IGU is stamped with a date of 2007. The caulking installed at the window perimeter is aged and rigid. Caulking end dams were not installed between the sill flashing and the concrete jamb, allowing water to penetrate below the flashing onto the rough opening sill.</p>	45 and 46



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Item	Description	Photos
3.3.7.	The north balcony opens out with a double sliding glass door. The door jambs are located in proximity to the side parapets of the balcony, and water damage and mould is apparent on the interior. The moisture may be a result of condensation; however, the balcony parapet saddle connection is not waterproofed. Water was observed on the balcony at the door sill. An active leak at this location is probable.	47 to 52
3.3.8.	Elsewhere on the balcony, spalling concrete was observed as a result of rusting of the reinforcing steel. It appears the steel was placed with insufficient cover; moisture has penetrated causing the steel to rust, which expands within the concrete causing the surface to spall away.	53 to 55

3.4. Suite No. 501

Item	Description	Photos
3.4.1.	The suite owner reports multiple locations with active water ingress. The master bedroom is located on the east half of the suite with exposures east and north. There is a water stain on the ceiling above the closet which is saturated wet. This location is directly below the master closet suite in Suite No. 601 above. Water ingress at Suite No. 601 is migrating through cracks in the floor slab to cause the observed water spot in Suite No. 501.	56(A) and 57
3.4.2.	There is active water ingress, wet and mouldy drywall, and rotted carpet tack strips in the closet located at the east corner of the suite.	56(B), 58 and 59
3.4.3.	On the north side of the bedroom the drywall at the head, jambs and sill of the window are wet, confirmed with readings from the moisture meter. There appears to be water ingress occurring at the window frame or perimeter waterproofing details.	56(C) and 60
3.4.4.	Similarly, there is wet drywall at the perimeter of the bedroom east facing window.	56(D)
3.4.5.	There is a walkthrough closet and powder room attached to this bedroom. The ceiling of the powder room has peeling paint and water damaged drywall which tested dry at the time of review (Photo No. 61(B)). This appears to be related to a past plumbing leak in Suite No. 601 above. At the door into the closet there is also water staining on the ceiling and wall which tested dry at the time of review (Photo No. 61(A)).	61 to 63

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Item	Description	Photos
3.4.6.	Reported dampness was also reviewed in the living room below the fixed pane of the sliding door onto the north deck. The door frame was installed on a wood curb and there is no evidence of a waterproof membrane. The exterior of this detail consists of a flashing which has been caulked directly to the concrete. The location was tested with a moisture meter and found to be in a wet condition. The carpet tack strip in proximity to this area has completely rotted away.	64 to 69
3.4.7.	On the north balcony there is a second instance of water ingress occurring at the head of the sliding door. This appears to be related to balcony parapet saddle detail on the deck above.	70
3.4.8.	This suite shares a similar uninsulated wall detail at the sliding door frame at the end of the kitchen. In this suite the glass IGUs to either side of the sliding door have been replaced with a sheet of plywood which is painted on the exterior side and wallpapered on the interior.	71 to 73
3.4.9.	On the south facing deck there is evidence of water ingress through the balcony and parapet walls on the suite above.	74 and 75
3.4.10.	In the elevator lobby for Suite No. 501, mouldy wallpaper was observed near the floor level. The location was tested with a moisture meter and found to be saturated wet. There is an active leak through the south facing building wall resulting in the observed condition.	76 and 77

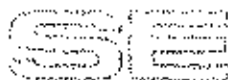
3.5. Emergency Exit Stairwells

Item	Description	Photos
3.5.1.	The building has two emergency exit stairwells which are located at the southeast corner of the building against the exterior walls. Both stairwells exhibit multiple locations with active water ingress, spalling concrete and possible structural deficiencies. For the purposes of this review we define Stairwell A as the stair which begins at the Level 6 elevator lobby and exits through an exterior door to the east parking area. Stairwell B is defined as the stair which begins at the roof deck of Suite No. 601 and exits at the main floor elevator lobby.	78
3.5.2.	These stairs are constructed with what appear to be precast stair stringers which have been set on cast concrete ledgers incorporated into the adjoining building structure. These stairs are separated by a 4" thick concrete wall. Active water ingress and large areas of spalled concrete were observed in both stairwells.	79

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Item	Description	Photos
3.5.3.	Stair A: At Level 5 there is heavy spalling of the concrete along the building east wall at the ledger which supports the stringer above. There is active water ingress at the Level 6 landing for the opposite stairwell. On the south facing portion of the wall the concrete is heavily spalled around the full perimeter of the south facing window.	80 to 83
3.5.4.	Stair A: At all levels, the stair stringers were observed to have deflection between ½" and 2" at mid span. Deflection was measured between the smoke and fire blocking which is installed between the stairwell side walls and stair stringers.	84 and 85
3.5.5.	Stair A: At locations near the exterior south facing wall, support brackets have been installed at the mid span of the stair stringer for an unknown purpose. The brackets are attached to the building walls and to the underside of the stair stringer using single ¾" diameter bolts. The building exterior wall has moved outward relative to the stair stringers by approximately ½" causing a typical conical breakout of the anchor bolt installed at the underside of the stringer.	86 to 88
3.5.6.	Stair A: At some landings cementitious patch material has been applied to the stairwell ceiling which is now heavily cracked as a result of the deflection of the stair stringers.	89 and 90
3.5.7.	Stair B: Active water ingress is occurring at the exterior fire-rated steel door at the top of Stair B which opens inward from the Suite No. 601 roof deck. This door does not have any overhead protection and has non-existent waterproofing details at the sill which is sloped inward. There is water throughout the stair landing below the door sill. The water ingress through this door is contributing to the previously noted water ingress and damage at the Level 5 stair landing in Stair A.	91 to 93
3.5.8.	Stair B: At the Level 6 stair landing, there is also active water ingress from the perimeter of the south facing window. The concrete is heavily cracked and spalled.	94
3.5.9.	Stair B: This stairwell has an identical angle bracket installed between the underside of the stair stringers and the south exterior wall. It appears the south wall has moved outward relative to the stairs by approximately ¾".	95
3.5.10.	Stair B: At Level 3 there is active water ingress which appears to be coming from the floor line cold joint between Levels 3 and 4, south elevation.	96



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3.6. Parkade

Item	Description	Photos
3.6.1.	The building is served by a single level underground parkade. There are multiple locations of active water ingress at the parkade ceiling.	97
3.6.2.	The majority of the parkade leaks are along the west foundation wall beginning at the north side at Stall No. 5, continuing south toward Stall No. 1. Active leaks are occurring in multiple cracks spaced between 4' and 6' apart.	98 to 102
3.6.3.	There is a single parking stall at the northeast corner of the parkade with active water ingress occurring through electrical conduit which is assumed to serve landscape lighting at the level above.	103 and 104
3.6.4.	Active water ingress is occurring through cracks and penetrations in the roof slab over the electrical room and elevator lobby entry doors. The source of water ingress is unclear as this location which is fully within the building footprint of the ground floor suite above.	105 to 107
3.6.5.	There is no insulation at the unheated parkade ceiling.	-

SEE

This is Exhibit "F" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

December 19, 2018

Michèle Bergeron
 Spruce West - Strata Plan VR 456
 1089 West 13th Avenue, Suite 501
 Vancouver, BC V6H 1N1

Dear Ms. Bergeron,

RE: Building Envelope Remediation - Design Development Report
Strata Plan VR 456, Spruce West, 1089 W 13th Avenue, Vancouver, BC

RJC No. VAN.122220.0001

1.0 INTRODUCTION

As requested, Read Jones Christoffersen Ltd. (RJC) conducted a review of the building envelope and parking structure at Spruce West (Photo 1). The intent of our review was to develop a Design Development Report for the remediation and maintenance of the building envelope. This report is based on RJC's review of a Building Condition Assessment report prepared by Spratt Emanuel (revised March 6, 2018) and visual observations made on site by RJC on October 31, 2018. RJC's review was visual in nature and included a review of the below grade parking structure, the building exterior, the building stairwells, the roofs and the interior of Units 101, 201, 501 and 601.



Photo 1 - View Looking North

2.0 BUILDING DESCRIPTION

Spruce West is a six storey residential building constructed circa 1977. There is one unit per floor and each unit is accessed via a single elevator or a split stairwell. The building is built with reinforced concrete and the exterior walls are a reinforced cast-in-place concrete system. The structural drawings provided to us indicate that precast ribbed shells may have been used to form the wall and then infilled with concrete (Figure 1).

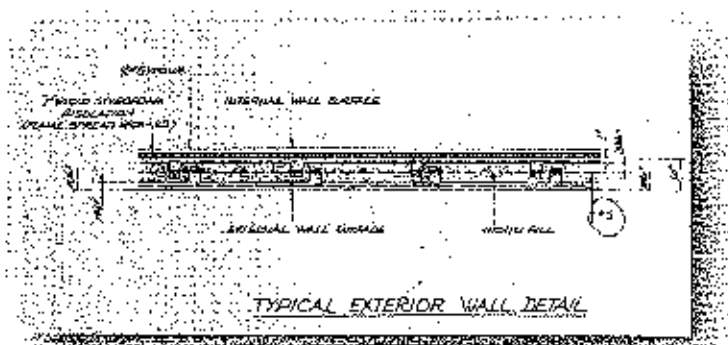


Figure 1 - Plan View of Exterior Wall Section



The drawings also indicate that the exterior concrete walls have a layer of 1" rigid insulation and interior drywall on the interior. The drawings do not indicate a vapour barrier inboard of the insulation or a waterproofing material on the exterior surface of the concrete. This system relies on the water tightness of the concrete and sealants at penetrations to restrict moisture ingress and is prone to condensation forming on interior surfaces.

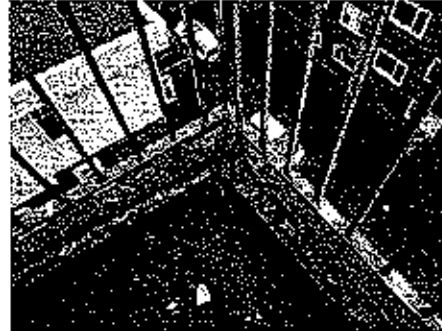


Photo 2 - Sixth Floor Deck Flashing and Railing


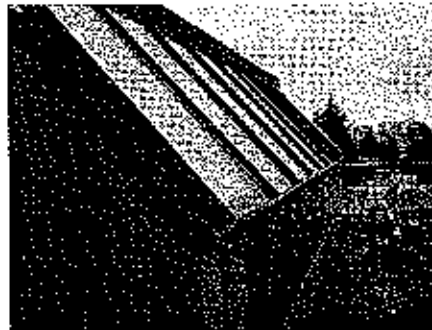
The main roof and sixth floor deck consist of a two-ply torch applied modified bitumen system over rigid insulation and precast concrete slabs. We understand that the membranes were replaced 11 years ago, however it appears that the flashings and railings of the sixth floor deck were not removed to accommodate membrane replacement (Photo 2). We also understand that insulation was not replaced below the sixth floor deck.

3.0 SUMMARY OF OBSERVATIONS AND COMMENTS


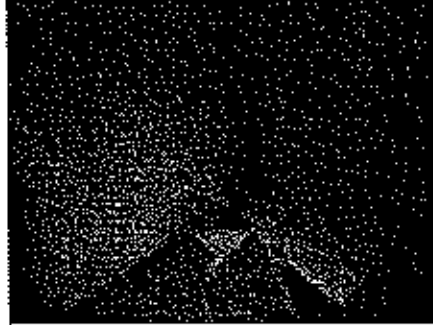
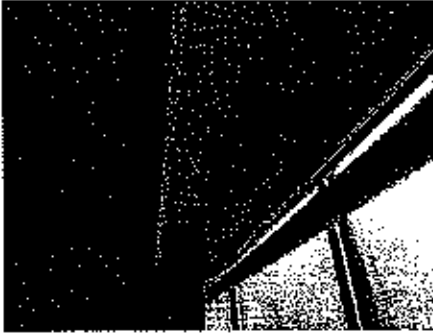
RJC are in general agreement with the report prepared by Spratt Emanuel with respect to the general condition of the building envelope. Numerous areas of leakage were observed which has resulted in damage to interior finishes. A brief summary of our observations starting from the top of the building and then onto the building exterior are as follows:

Ref.	Description of Observation	Photo Reference
1	<p>Main Roof: The main roof membrane is a two ply torch applied modified bitumen system. It is in generally in good condition, but has large areas of ponding (Photo 3). Ponding can result in premature failure of the membrane and a greater probability of leakage should a failure occur.</p> <p>It is recommended that either drains or a new roof slope package be installed. Drains may be less expensive, but will penetrate into the sixth floor living space and then have to exit through either the stairwell or through exterior walls. This may be unsightly and will result in areas of dropped ceilings to enclose the drain lines.</p>	<p>Photo 3 - Ponding Water on Main Roof</p>

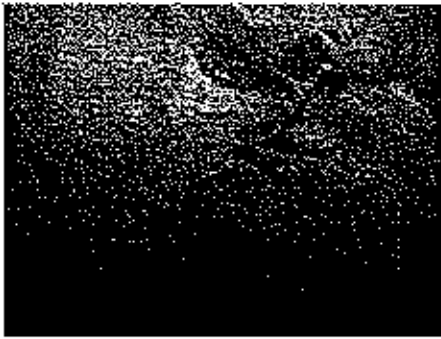
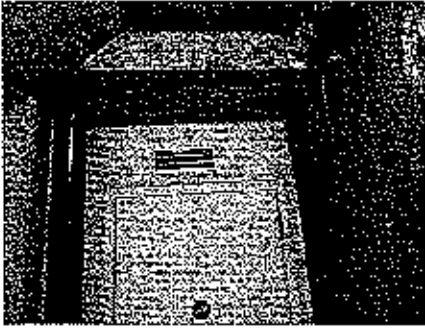


Ref.	Description of Observation	Photo Reference
	<p>It is also recommend that a new acrylic roof hatch be installed or repaired as the existing hinges are broken and roof access is currently unsafe.</p>	
2	<p>Sloped Stairwell Roof: The sloped stair roof is corrugated metal with exposed fasteners (Photo 4). It appears to be in good condition from above, but there is severe leakage below resulting in spalled concrete in the stairwell.</p> <p>It is recommended that the stairwell roof be replaced and concrete repaired below.</p> <p>It is also recommended that the sloped metal roof over the sixth floor closet north of the den be replaced at the same time. Sealant was observed on the fasteners and there was evidence of leakage below which may be from the metal roof or other sources.</p>	 <p data-bbox="906 1083 1260 1108">Photo 4 – Sloped Roof Over Stair</p>
3	<p>Sixth Floor Skylight: The skylight consists of insulated glass units (IGU's) set in a non-thermally broken metal T-Bar frame (Photo 5). We understand that it was replaced seven years ago and has no apparent problems. No apparent remediation is required, but it may have to be removed to accommodate exterior wall and vertical glazing replacement. Consideration can be given to replacing the skylight with a more robust glazing system having improved thermal performance at that time.</p>	 <p data-bbox="893 1516 1279 1541">Photo 5 – T-Bar Skylight at Sixth Floor</p>


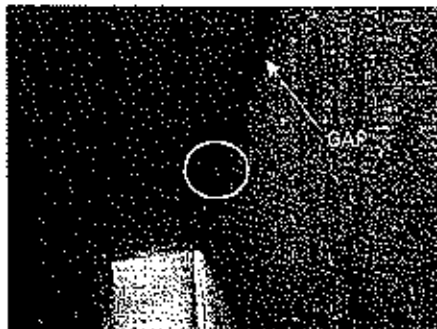
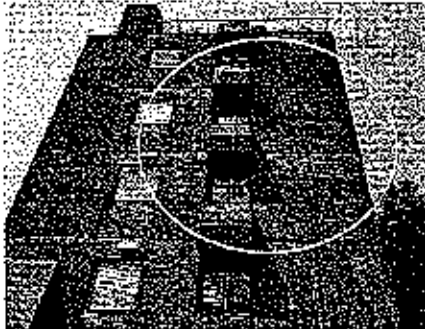


Ref.	Description of Observation	Photo Reference
4	<p>Sixth Floor Roof Deck: The sixth floor deck membrane is a two ply torch applied modified bitumen system (Photo 6). It appears to be in generally good condition, but perimeter terminations are poor. There are numerous leaks into the Fifth Floor Unit below and the stairwell.</p> <p>It is recommended that full replacement of the membrane be undertaken with appropriate detailing at railing, walls and door thresholds. It is also recommended that insulation be installed below the membrane. The railing will have to be removed to accommodate the work and replaced with a new railing as it unlikely capable of supporting current lateral load requirements.</p>	 <p data-bbox="919 940 1247 968">Photo 6 – Sixth Floor Roof Deck</p>
5	<p>Sixth Floor Stucco Deck Walls and Glazing: Numerous areas of leakage were observed in the den area. Leakage is likely the result of a combination of stucco wall, window and roof details. Fungal growth was observed in the den closet at numerous locations (Photo 7). There was no exterior sheathing behind the stucco in the hot water tank room to the south of the den.</p> <p>It is recommended that the exterior stucco walls and glazing be replaced at the sixth floor deck.</p>	 <p data-bbox="919 1381 1247 1409">Photo 7 – Sixth Floor Den Closet</p>
6	<p>Fifth Floor Unit: Many areas of leakage below the sixth floor deck and along north wall (Photo 8) were observed and have resulted in peeling paint and fungal growth. Leakage below the sixth floor deck will be addressed with membrane and stucco wall replacement above, but leakage along the north wall may require exterior wall and window repair.</p>	 <p data-bbox="889 1822 1286 1879">Photo 8 – Fifth Floor Bedroom Window along North Wall</p>


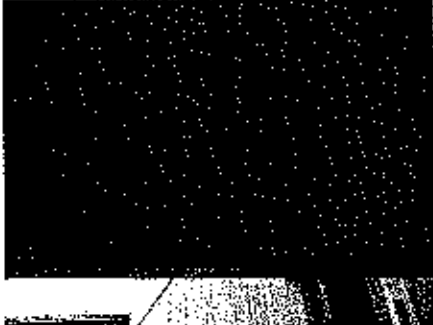


Ref	Description of Observation	Photo Reference
	<p>It is recommended that water testing be completed to determine the source of leakage along the north wall. It may be a combination of window, exterior wall, metal roof and sixth floor deck issues. Interior finishes will have to be replaced once the source of leakage is repaired.</p>	
7	<p>Plaza Waterproofing: There are numerous active leaks on the underside of the plaza level concrete slab (Photo 9) and high moisture contents were observed in the wood carpet smooth edge along the north and east ground floor elevations. The leakage through the plaza slab and into the ground floor unit is likely the result of a lack of a membrane. The architectural drawings do not indicate a membrane on the plaza slab, nor did our visual observations.</p> <p>It is recommended that a waterproof membrane be installed over the plaza slab.</p>	 <p>Photo 9 - Leakage at Underside of Plaza</p>
8	<p>Stairwells: A scissor stairwell at the southeast corner of the building provides access to each floor level and the sixth floor roof deck. Visual observations revealed a number of concerns including substantial leakage at the roof level (Photos 10 and 11) and at the east landings at various floors, spalled concrete resulting from corrosion of the reinforcing steel, large gaps between the stairs and exterior walls at upper levels (Photo 12), leaks around a window at the sixth floor, differential movement between precast scissor stairs at landings, steel angle supports being added at the underside of various stairs, and cracks in the cementitious parging on walls and on the underside of stairs.</p>	 <p>Photo 10 - Underside of Sixth Floor Stair Landing</p>



Ref	Description of Observation	Photo Reference
	<p>We believe that the leaks at the upper levels are the result of roofing deficiencies and will be addressed during roof replacement noted in items 3, 2 and 4. Areas of leakage at various floors may be addressed by the routing and sealing of cracks noted in Item 9 below, but may require over-cladding if not effective. Once the water ingress is addressed, areas of spalls and corrosion must be repaired.</p> <p>The gaps and loose parging between the stairs and walls are a fire separation concern and possibly a structural issue. The steel angles may have been installed to either support the stairs at mid-span or to restrict lateral movement of the south wall or both. Lateral movement of the wall appears to be occurring as evidenced by the gap which was previously filled with grout and has opened further. A brief structural review of the scissor stair design revealed that it may have design deficiencies.</p> <p>It is recommended that a more detailed review of the stairs be completed and a repair strategy be designed and implemented.</p>	 <p>Photo 11 – Underside of Slopped Stair Roof</p>  <p>Photo 12 – Underside of Stair Along Exterior Wall</p>
9	<p>Exterior Walls: The exterior walls and balcony edges have numerous areas of concrete delamination as a result of corrosion of the underlying reinforcing steel (Photos 13 and 14).</p> <p>It is recommended that the corroded reinforcing and concrete delaminations be addressed in the immediate future as the integrity of the structure may be compromised and the spalling concrete creates a falling hazard to pedestrians below. Once repairs are complete, all cracks and cold joints in the concrete should be routed and sealed with sealant and a penetrating sealer applied to reduce the probability of water penetration. All sealants around windows and other penetrations should also be replaced.</p>	 <p>Photo 13 – East Building Elevation Showing Concrete Delaminations</p>



Ref	Description of Observation	Photo Reference
	<p>As the concrete repairs and sealing of cracks will result in a patchwork appearance, consideration should be given to over-cladding the exterior walls with an exterior insulated wall system and installing new windows and doors having thermally broken frames. This would hide the concrete repairs and dramatically improve thermal performance, but will alter the appearance of the building.</p>	 <p>Photo 14 – West Building Elevation Showing Concrete Delamination</p>
10	<p>Balconies: The balconies floors are not waterproofed and leakage was observed below. Leakage can be a nuisance to occupants below and can result in corrosion of the reinforcing which can be detrimental the structural integrity of the concrete. Corrosion of the reinforcing steel was observed at the bottom of a balcony wall and has resulted in spalling of the concrete. Besides being detrimental to the integrity of the structure, the spalled concrete results in a liability risk when pieces fall.</p> <p>It is recommended that the balconies be water proofed and the corroded reinforcing be repaired.</p>	 <p>Photo 15 – Underside of Balcony Showing Leakage and Staining</p>

4.0 OPINIONS OF PROBABLE COSTS AND SCHEDULING

Based on our review, it is apparent that Spruce West is experiencing building envelope failure at various locations. As the level of failure and its effect on the occupants and structure varies, the timing of repairs may also vary. We have provided Opinions of Probable Cost (OPC) to complete the work below and have also provided recommended timelines for each scope. The OPC's are based on completing the work within the years recommended, but all at once within each time frame. If the work is completed as one large scope, a reduction in cost may be expected due to economies of scale.



Item	Description of Work	0-1 Year	1-2 Years	3 to 5 years
1e	Install Two Drains		\$ 12,000	
1b	Install New Roof Hatch	\$ 1,500		
2	Replace Sloped Metal Roofs	\$ 20,000		
4	Replace Sixth Floor Deck Membrane and Railing and Install Insulation	\$ 20,000		
5	Replace Sixth Floor Deck Stucco Walls and Glazing	\$ 10,000		
6a	Complete Water Testing to Determine Source of Leak Along North Wall	\$ 5,000		
6b	Complete Interior Repairs once Leakage Sources are Addressed	\$ 30,000		
7	Install Waterproof Membrane on Plaza Slab		\$ 575,000	
8a	Repair Damaged Concrete in Stairwells	\$ 6,000		
8b	Complete Detailed Structural Review of Stairs and Design Repair	\$ 10,000		
8c	Complete Repairs to Stairwells - Allowance		\$ 20,000	
9a	Complete Delamination Repairs to Exterior, Rout and Seal Cracks and Joints, Replace Sealants and Apply Sealer. (Delete Sealer if Item 9b completed at same time = -\$40,000)		\$ 175,000	
9b	Install Exterior Insulated Wall System over Existing Concrete (Assume EIFS)			\$ 700,000
10	Waterproof Balconies		\$ 15,000	
	Sub-Total	\$ 103,500	\$ 597,000	\$ 700,000
	Consultant Allowance	\$ 30,000	\$ 100,000	\$ 70,000
	Sub-Total	\$ 133,500	\$ 697,000	\$ 770,000
	GST	\$ 6,675	\$ 34,850	\$ 38,500
	Total	\$ 140,175	\$ 731,850	\$ 808,500

The OPC's are presented in 2019 Dollars and do not account for inflation. OPC's are rough estimates and are to be used for budgeting purposes only. Actual costs will be determined once drawings and specifications are prepared and the various scopes of work are tendered to Contractors.

5.0 CLOSING COMMENTS

As the repair costs are substantial and may be a financial burden on the Strata membership, consideration can be given to redeveloping the site. We understand that this opportunity was explored once before with the city, but we suggest that either a Code Consultant or Registered Architect be approached to look at matter in greater detail. There may be avenues or variances available to either alter or manage the city's restrictions.

Building Envelope Remediation - Design Development Report
Strata Plan VR 456, Spruce West, 1089 W 13th Avenue,
Vancouver, BC

December 19, 2018

RJC No. VAN.122220-0001
page 9



We trust the above report meets the Strata's current requirements. Please contact the undersigned author if you have any questions.

Yours truly,

READ JONES CHRISTOFFERSEN LTD.P

Reviewed by:

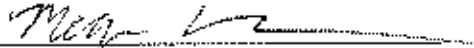


Barry L. Kinakin, LEED® AP
Principal

Douglas L. Watts, P.Eng., Architect AIBC, CP, LEED® AP, FEC
Principal

BLK/rd

This is Exhibit "J" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

**REGISTERED AND REGULAR MAIL**

July 11, 2019
CF-2018-003258

OWNERS STRATA PLAN VR 456
201-1089 W 13TH AVE
VANCOUVER BC
V6H 1N1

ORDER

RE: 1089 W 13TH AVENUE

In reply to an email received from Dan Sonnenschein dated July 5, 2019, enforcement action regarding the exit stairs will be withheld until August 19, 2019.

It is necessary for you to comply with our order dated June 6, 2019, on or before this updated compliance date.

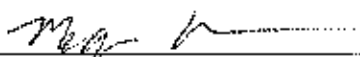
If you have any further questions or concerns, please feel free to contact Scott Easby, Building Inspector at 604-873-7879 or via email at scott.easby@vancouver.ca. We thank you in advance for your voluntary compliance.

Yours truly,

A handwritten signature in black ink, appearing to be "P. Ryan".

P. Ryan, M. Sc., P. Eng.
Chief Building Official

This is Exhibit "K" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 4, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

Megan Buchanan

From: Megan Buchanan
Sent: Monday, June 14, 2021 12:28 PM
To: Megan Buchanan
Subject: FW: VR 456 - Property Purchase and Sale Update

Megan Buchanan
Associate Lawyer



550 – 900 Howe Street
Vancouver, BC V6Z 2M4

o 604 230 6439
w 604 674 9902
f 604 685 7505

e mib@lmaw.ca
w lmaw.ca

CONFIDENTIALITY NOTICE

This e-mail message and any attachments thereto are intended ONLY for the use of the individual or entity to whom it is addressed. Unless otherwise indicated, it contains information that is privileged and confidential. If you have received this e-mail in error, please notify the sender immediately and delete the message. Thank you.

Please consider the environment before printing this email.

From: J. Garth Cambrey [mailto:gcambrey@shaw.ca]
Sent: Thursday, October 29, 2020 9:15 AM
To: 'agnes' <aolmui@shaw.ca>; ptovbis@outlook.com; 'Michelle Bergeron' <modmod@telus.net>; Dr. James Mok <docmok@shaw.ca>; 'MacLennan Sisters' <macleinnan3430@gmail.com>; 'Dan Sonnenschein' <dans@portal.ca>
Subject: RE: VR 456 - Property Purchase and Sale Update

Dear Owners,

As earlier reported, the LOI deadline for completing the purchase and sale agreement was extended to today, October 29th. However, the draft purchase and sale agreement was only recently finalized and was not provided to the purchaser's lawyer until October 26th. Given the tight 3-day timeline, I have agreed to further extend the LOI deadline for completion of the purchase and sale agreement for about 1 week, until November 6, 2020.

I will continue to keep you informed as things progress.

Regards,
Garth Cambrey

From: J. Garth Cambrey [mailto:gcambrey@shaw.ca]
Sent: Monday, October 19, 2020 6:32 PM
To: 'agnes'; ptovbis@outlook.com; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan

Sonnenschein'

Subject: RE: VR 456 - Property Purchase and Sale Update

Importance: High

Dear owners,

This is to confirm that I received replies from 4 of the 5 owners (representing 5 of the 6, or 83.3% of strata corporation votes) agreeing to the revised offer of \$3.3 million from Butterscotch. The Mok's of #401 do not agree.

As a result, I will be moving forward with preparing and negotiating the purchase and sale agreement in line with the terms of the LOI and Butterscotch's "unconditional" offer. I will keep you informed as thing progress.

Regards,

Garth Cambrey

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]

Sent: Sunday, October 11, 2020 11:35 AM

To: 'agnes'; 'ptovbls@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'

Subject: RE: VR 456 - Property Purchase and Sale Update

Dear owners,

Last Friday, I was informed by Mark Goodman that Butterscotch was not going to proceed with the terms of the LOI because it could not "make the numbers work" at the offered price of \$3.9 million. After further discussion with Butterscotch, Mark advised that Butterscotch was prepared to proceed with an "unconditional" sale at the purchase price of \$3.3 million. I asked for and received an email from Butterscotch confirming Mark's advice. My understanding is that by "unconditional", Butterscotch means there would be no purchaser's conditions and the sale will only be conditional on completion of the court process for winding up the strata corporation, or the 100% sale option.

I am sure the revised amount is disappointing to you, but it is Goodman's opinion that \$3.3 million is a reasonable price based on the building's condition and current circumstances. I agree that a higher price is unlikely at this time considering other sale options available and the original pricing analysis provided by Goodman.

In considering other sale options currently available, Cynthia Jagger provided an email exchange she had with OpenForm yesterday. OpenForm expressed a continued interest in purchasing the property but did not indicate a purchase price. However, when they pulled out of the previous LOI, indications were that their acceptable price was about \$2.5 million. You will also recall Goodman's discussion at the July 13th SGM where it was explained that other verbal and email offers were mostly in the \$2.5 million range or less. On the handout sheet prepared by Goodman and given to owners at the SGM "Offer 4" was noted as a \$3.5 million conditional email offer. In reviewing this with Mark, he feels the amount was certainly not firm or formal, and does not suggest pursuing that potential purchaser based on the current revised offer from Butterscotch.

I have also considered Goodman's July 21, 2020 pricing analysis that was provided previously and is also attached to this email. Although the revised price offer by Butterscotch is slightly below the suggested value range, it is in line with the first 2 options noted on page 3 of the document. I note that options 3 and 4 were theoretical and did not include the cost of demolishing the building. Further, there is now actual market information received from interested parties that establishes the current market value of the property.

I say this not to try and persuade you to accept the revised price, but to make you aware that, based on my discussions with Goodman, this is likely the highest value the current market will support.

In light of the current circumstances, the LOI deadline for completing the purchase and sale agreement has been extended to October 29th to allow me time to consult with you about this change in purchase price. Please consider this email as beginning my consultation process with you for the \$3.3 million offer. I ask that you provide me with your email response no later than 5 pm on Monday, October 19, 2020 either agreeing to or opposing the \$3.3 million purchase price. I will consider your position on pursuing a 100% sale unchanged from your previous email unless you advise me otherwise.

I remind you that the terms of the LOI and this proposed revision are confidential and can only be disclosed to your legal and/or financial advisors. I also encourage you to seek independent legal advice on this proposal and the terms of the LOI if you have not done so already.

Please do not hesitate to contact me if you have any questions.

Should I receive approval from owners representing 80% of the strata corporation's votes or more, I will proceed with executing a further amendment to the LOI to reflect a \$3.3 million price and continue with finalizing a related purchase and sale agreement. If I receive approval from owners representing less than 80% of the strata corporation's votes, I will call a meeting of the strata corporation to consider next steps.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., R.I.
Administrator
C/o #2300-2850 Shaughnessy St., Port Coquitlam, BC V3C 6K5
Tel: (604) 818-6708
gcambrey@shaw.ca

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]

Sent: Thursday, October 01, 2020 6:33 PM

To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'

Subject: RE: VR 456 - Property Purchase and Sale Update

Importance: High

Dear owners,

Thank you for responding to my September 23, 2020 email below. I confirm that 4 of the 5 owners representing 5 of the 6 strata lots and 83.33% of the votes confirmed their agreement to accept the Butterscotch LOI and also confirmed their agreement to proceed with a 100% sale if that opportunity arises.

The owners of strata lot 4 (unit 401) were the opposed to accepting the Butterscotch LOI and a 100% sale. They also stated they were not interested in proceeding with the wind up of Strata VR456 however, that is not an option.

Based on the terms of the April 17, 2020 Consent Order, I will pursue the voluntary windup the strata corporation consistent with the terms of the Butterscotch LOI. Specifically, I will advise Butterscotch that I am satisfied the First Purchaser's Condition has been met no later than the end of the day tomorrow.

The immediate next step is to execute an agreement of purchase and sale with Butterscotch within 2 weeks, or by October 16, 2020. Butterscotch will then have 5 days to increase its deposit from \$100,000 to \$200,000 and 10 days to confirm it is satisfied with the results of any environmental and geotechnical investigations of the property and the

physical condition of the building. Provided Butterscotch does those things, I will call a special general meeting to consider a formal vote to windup the strata corporation.

I will keep you updated as things progress.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RI
Administrator
C/o #2300-2850 Shaughnessy St., Port Coquitlam, BC V3C 6K5
Tel: (604) 818-6708
gcambrey@shaw.ca

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]
Sent: Wednesday, September 23, 2020 6:06 PM
To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenscheln'
Subject: VR 456 - Property Purchase and Sale Update

Dear owners,

Further to my earlier email of September 20, 2020 below, I attach for your review and reference an executed letter of intent (LOI) between the strata corporation and Butterscotch Holdings Inc. (Butterscotch). **Please be advised that the attached LOI and its terms are confidential and can only be disclosed to your legal and/or financial advisors.**

The attached LOI is similar to the one signed with OpenForm except the intended purchase price is \$3.9 million, the deposit amounts are higher with a final total of \$300,000, and there is a shorter time frame of 10 days after the purchase and sale agreement is signed for Butterscotch to complete its property investigations. Also, there is no requirement for me to call a meeting of the strata corporation to determine if there is sufficient interest to move forward with a voluntary wind up of the strata corporation with a liquidator as we have discussed and as is set out in my mandate. Rather than a meeting, the LOI requires that I consult with you in order to determine if there is sufficient interest to proceed with the wind up. A comparison of the OpenForm LOI and the attached Butterscotch LOI are summarized in the table below for your convenience.

Please consider this email as beginning my consultation process with you. I ask that provide me with your email response ***no later than 5 pm on October 1, 2020*** either agreeing to or opposing the terms of the attached LOI. Butterscotch has advised Goodman that it is open to purchasing all strata lots directly from individual owners (100% sale) as we have previously discussed. Therefore, I also request you inform me in your email reply whether you are agreeable to proceeding with a 100% sale if that opportunity arises. **You are encouraged obtain independent legal advice on the terms of the LOI before you give me your response.**

Please do not hesitate to contact me if you have any questions.

I note a site visit will be conducted Friday, September 25th commencing at 11 am.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RI
Administrator
C/o #2300-2850 Shaughnessy St., Port Coquitlam, BC V3C 6K5
Tel: (604) 818-6708

Page	OpenForm Properties Ltd	Butterscotch Holdings Inc.
1	<ul style="list-style-type: none"> • Same 	<ul style="list-style-type: none"> • Same
2	<ul style="list-style-type: none"> • 1. Purchaser – OpenForm Properties • 4. Purchase Price - \$4,350,000 • 5(a). Deposit - \$75, 000 (Terra Law) • 5(b) 1st Condition Deposit Increase – to \$150,000 	<ul style="list-style-type: none"> • 1. Purchaser – Butterscotch Holdings Inc • 4. Purchase Price - \$3,900,000 • 5(a). Deposit - \$100,000 (Madaisky & C • 5(b). 1st Condition Deposit Increase – to
3	<ul style="list-style-type: none"> • 5(c). 2nd Condition Deposit increase – to \$260,000 • 6(a). 1st vendor's Condition within acceptance of the LOI and the Administrator meeting with the owners. • 6(b). Conditions Precedent– written waiver 21 days after mutual execution of Agreement 	<ul style="list-style-type: none"> • 5(c). 2nd Condition Deposit increase – to • 6(a) 1st vendor's Condition within accep and consultation by the Administrator wi • 6(b). Conditions Precedent–written wi mutual execution of Agreement
4	<ul style="list-style-type: none"> • Same 	<ul style="list-style-type: none"> • Same
5	<ul style="list-style-type: none"> • Same 	<ul style="list-style-type: none"> • Same
6	<ul style="list-style-type: none"> • Same 	<ul style="list-style-type: none"> • Same
7	<ul style="list-style-type: none"> • Same 	<ul style="list-style-type: none"> • Same
8	<ul style="list-style-type: none"> • Same 	<ul style="list-style-type: none"> • Same
9	<ul style="list-style-type: none"> • 20. Acceptance – August 7th, 2020 	<ul style="list-style-type: none"> • 20. Acceptance – September 25th, 2020

From: J. Garth Cambrey [mailto:gcambrey@shaw.ca]

Sent: Sunday, September 20, 2020 3:55 PM

To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'

Subject: OpenForm Update

Dear owners,

I regret to advise that OpenForm has advised Goodman that it will not be moving forward with completion of the purchase and sale of the property.

I have asked Mark Goodman to contact the party that provided the other letter of intent to see if they are still interested and will advise you within the week.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RI

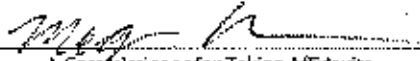
Administrator

C/o #2300-2850 Shaughnessy St., Port Coquitlam, BC V3C 6K5

Tel: (604) 818-6708

gcambrey@shaw.ca

This is Exhibit "L" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 686-3567

From: J. Garth Cambrey
To: Paul Mendes
Subject: FW: VR 456 - City Work Order Update and December SGM
Date: Tuesday, November 3, 2020 5:39:50 PM
Attachments: VAN.122220.0006-120200929-HEB:Temporary Shoring.TSP.pdf
 1089 W 13th Ave - RIC - 1089 West 13th Ave - Staircase Shoring Firestopping.pdf
 Heatherbrae Bid Letter Rev. R.PCE
 HKM Proposal - VAN.122220.0006.R1.pdf

CAUTION: This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Hi Paul,

Below is my email today to the owners about the City Work Order and my next steps.

Clark Wilson informs me that I will have "the documents I requested" regarding its invoices, by the end of this week.

Regards,
 Garth

From: J. Garth Cambrey [mailto:gcambrey@shaw.ca]
Sent: Tuesday, November 03, 2020 5:34 PM
To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'
Subject: VR 456 - City Work Order Update and December SGM

Dear Owners,

As noted in my First Report dated October 16, 2020, I received the design drawings from RIC on September 21, 2020 and discussed the next steps with RIC on September 25, 2020. The drawings contained both a permanent stair repair and a temporary stair repair because RIC determined the permanent repair might not be significantly more expensive. I then instructed RIC to obtain pricing on both options from three contractors familiar with this type of work, including the fire stopping. I recently received the pricing and discussed the results and next steps with RIC on October 27, 2020.

The table below is a summary of the bids prepared by RIC. Option 1 is temporary shoring and scaffolding rental costs. Option 2 is a permanent stair repair and fire stopping. The three bids are attached. I also attach the drawings prepared by RIC, which were used by the contractors as a scope of work on which to bid.

1089 W 13th Ave - Temporary Shoring and Fire Stopping Bid Results

Contractor	Lump sum for Option 1 including 12 months of Rental (Excl GST)	Initial Cost of Installation of Option 1 (Excl GST)	Cost for Option 1: Temporary Scaffolding (Monthly Rental) (Excl GST)	Cost for Option 2: USS Beams permanently installed (excl GST)
Heatherbrae Builders CO. LTD		\$19,400.00	\$1,600.00	\$67,000.00
WEST COAST BUILDING		\$10,752.00	\$823.20	\$65,213.50

RESTORATION INC (WCBR)				
HOOGSON KING & MARBLE LTD. (HKM)	\$77,575.00		\$1,695.00	\$55,705.00

Based on the expectations of the City for a permanent repair and that this repair obligation has been disclosed to Bitterscotch Holdings, it would be prudent to complete the permanent repairs under option 2. However, you will recall that \$50,000 was raised by special levy at the July 31, 2020 annual general meeting, which is insufficient to complete the work. Therefore, I am working with RJC to get a final estimate on costs for this work that include engineering fees and a reasonable contingency allowance. It is my intention to call a special general meeting during the second week of December to propose a ¾ vote resolution to raise sufficient funds to complete permanent repairs to the exit stairs that will satisfy the City Work Order.

At that same December meeting I also intend on raising additional funds for my fees and disbursements by special levy as I strongly suspect there will insufficient funds to pay my fees and disbursements to the end of my current term, projected to end April 16, 2020.

Finally, provided the purchase and sale agreement is executed with Bitterscotch and the first purchaser's condition (satisfaction with environmental and geotechnical investigations, and the physical condition of the building) is removed, as Bitterscotch has indicated it will do, I also intend on proposing an additional \$50,000 special levy for legal fees to move forward with the wind up and sale of the strata property. The formal 80% vote to approve the wind up and sale of the strata and the appointment of a liquidator as required under the *Strata Property Act* will be held early in the New Year to allow sufficient time to prepare the required materials.

Regards,
Garth Cambrey



Engineers

December 19, 2018

Michelle Bergeron
 Spruce West - Strata Plan VR 456
 1089 West 13th Avenue, Suite 501
 Vancouver, BC V6H 1N1

Dear Ms. Bergeron,

RE: **Building Envelope Remediation - Design Development Report**
 Strata Plan VR 456, Spruce West, 1089 W 13th Avenue, Vancouver, BC

RJC No. VAN.122220.0001

1.0 INTRODUCTION

As requested, Read Jones Christoffersen Ltd. (RJC) conducted a review of the building envelope and parking structure at Spruce West (Photo 1). The intent of our review was to develop a Design Development Report for the remediation and maintenance of the building envelope. This report is based on RJC's review of a Building Condition Assessment report prepared by Spratt Emanuel (revised March 6, 2018) and visual observations made on site by RJC on October 31, 2018. RJC's review was visual in nature and included a review of the below grade parking structure, the building exterior, the building stairwells, the roofs and the interior of Units 101, 201, 501 and 601.



Photo 1 - View Looking North

2.0 BUILDING DESCRIPTION

Spruce West is a six storey residential building constructed circa 1977. There is one unit per floor and each unit is accessed via a single elevator or a split stairwell. The building is built with reinforced concrete and the exterior walls are a reinforced cast-in-place concrete system. The structural drawings provided to us indicate that precast ribbed shells may have been used to form the wall and then infilled with concrete (Figure 1).

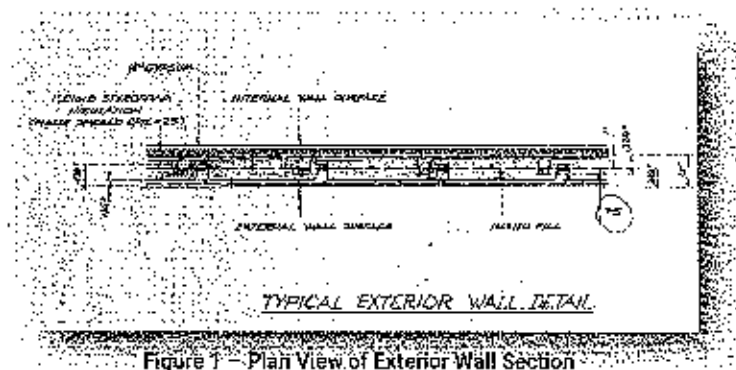


Figure 1 - Plan View of Exterior Wall Section



The drawings also indicate that the exterior concrete walls have a layer of 1" rigid insulation and interior drywall on the interior. The drawings do not indicate a vapour barrier inboard of the insulation or a waterproofing material on the exterior surface of the concrete. This system relies on the water tightness of the concrete and sealants at penetrations to restrict moisture ingress and is prone to condensation forming on interior surfaces.

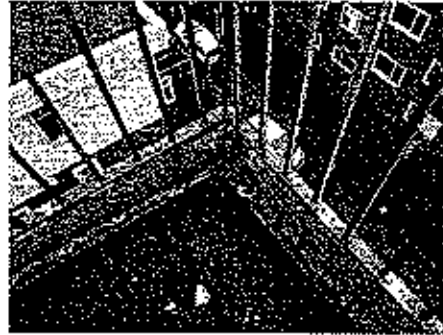
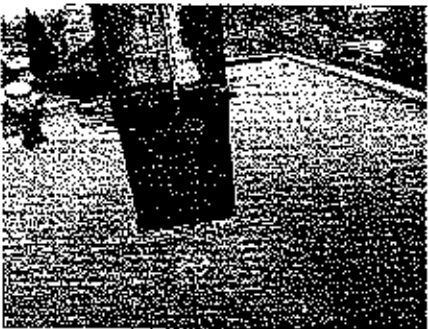


Photo 2 – Sixth Floor Deck Flashing and Railing


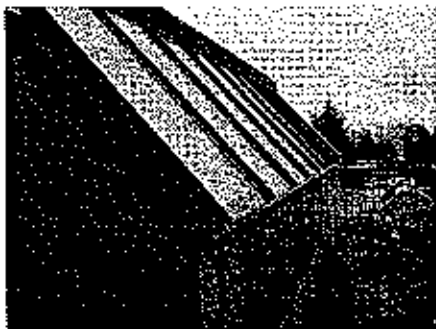
The main roof and sixth floor deck consist of a two-ply torch applied modified bitumen system over rigid insulation and precast concrete slabs. We understand that the membranes were replaced 13 years ago, however it appears that the flashings and railings of the sixth floor deck were not removed to accommodate membrane replacement (Photo 2). We also understand that insulation was not replaced below the sixth floor deck.

3.0 SUMMARY OF OBSERVATIONS AND COMMENTS

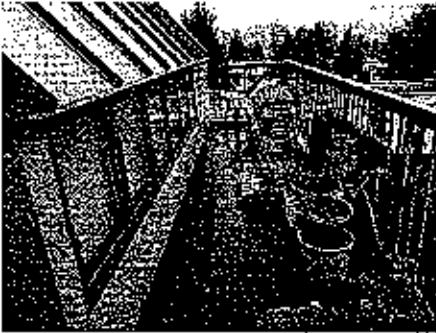
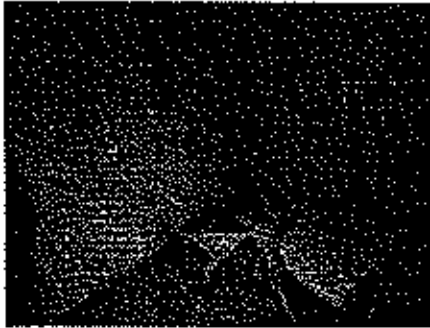

RJC are in general agreement with the report prepared by Spratt Emanuel with respect to the general condition of the building envelope. Numerous areas of leakage were observed which has resulted in damage to interior finishes. A brief summary of our observations starting from the top of the building and then onto the building exterior are as follows:

Ref.	Description of Observation	Photo Reference
1	<p>Main Roof: The main roof membrane is a two ply torch applied modified bitumen system. It is in generally in good condition, but has large areas of ponding (Photo 3). Ponding can result in premature failure of the membrane and a greater probability of leakage should a failure occur.</p> <p>It is recommended that either drains or a new roof slope package be installed. Drains may be less expensive, but will penetrate into the sixth floor living space and then have to exit through either the stairwell or through exterior walls. This may be unsightly and will result in areas of dropped ceilings to enclose the drain lines.</p>	 <p>Photo 3 – Ponding Water on Main Roof</p>

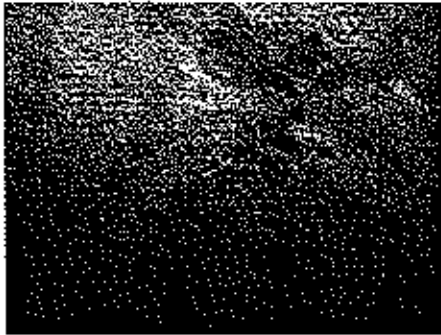
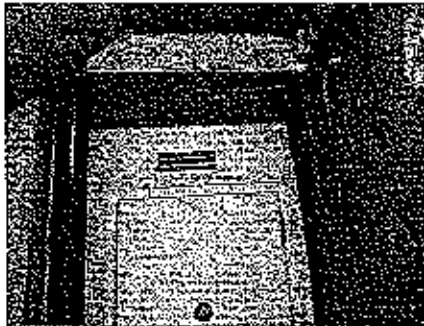


Ref.	Description of Observation	Photo Reference
	<p>It is also recommend that a new acrylic roof hatch be installed or repaired as the existing hinges are broken and roof access is currently unsafe.</p>	
2	<p>Sloped Stairwell Roof: The sloped stair roof is corrugated metal with exposed fasteners (Photo 4). It appears to be in good condition from above, but there is severe leakage below resulting in spalled concrete in the stairwell.</p> <p>It is recommended that the stairwell roof be replaced and concrete repaired below.</p> <p>It is also recommended that the sloped metal roof over the sixth floor closet north of the den be replaced at the same time. Sealant was observed on the fasteners and there was evidence of leakage below which may be from the metal roof or other sources.</p>	 <p data-bbox="906 1077 1255 1098">Photo 4 – Sloped Roof Over Stair</p>
3	<p>Sixth Floor Skylight: The skylight consists of insulated glass units (IGU's) set in a non-thermally broken metal T-Bar frame (Photo 5). We understand that it was replaced seven years ago and has no apparent problems. No apparent remediation is required, but it may have to be removed to accommodate exterior wall and vertical glazing replacement. Consideration can be given to replacing the skylight with a more robust glazing system having improved thermal performance at that time.</p>	 <p data-bbox="889 1507 1279 1528">Photo 5 – T-Bar Skylight at Sixth Floor</p>


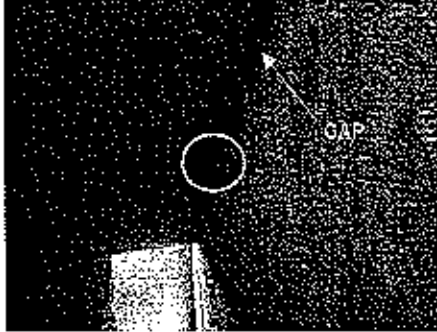
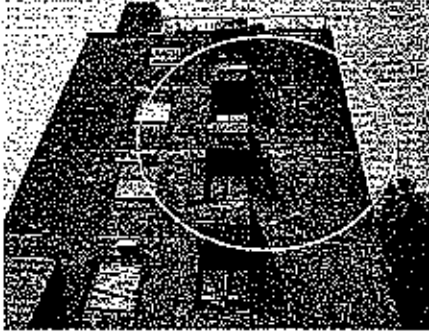


Ref.	Description of Observation	Photo Reference
4	<p>Sixth Floor Roof Deck: The sixth floor deck membrane is a two ply torch applied modified bitumen system (Photo 6). It appears to be in generally good condition, but perimeter terminations are poor. There are numerous leaks into the Fifth Floor Unit below and the stairwell.</p> <p>It is recommended that full replacement of the membrane be undertaken with appropriate detailing at railing, walls and door thresholds. It is also recommended that insulation be installed below the membrane. The railing will have to be removed to accommodate the work and replaced with a new railing as it unlikely capable of supporting current lateral load requirements.</p>	 <p data-bbox="915 919 1243 947">Photo 6 - Sixth Floor Roof Deck</p>
5	<p>Sixth Floor Stucco Deck Walls and Glazing: Numerous areas of leakage were observed in the den area. Leakage is likely the result of a combination of stucco wall, window and roof details. Fungal growth was observed in the den closet at numerous locations (Photo 7). There was no exterior sheathing behind the stucco in the hot water tank room to the south of the den.</p> <p>It is recommended that the exterior stucco walls and glazing be replaced at the sixth floor deck.</p>	 <p data-bbox="915 1360 1243 1388">Photo 7 - Sixth Floor Den Closet</p>
6	<p>Fifth Floor Unit: Many areas of leakage below the sixth floor deck and along north wall (Photo 8) were observed and have resulted in peeling paint and fungal growth. Leakage below the sixth floor deck will be addressed with membrane and stucco wall replacement above, but leakage along the north wall may require exterior wall and window repair.</p>	 <p data-bbox="883 1797 1279 1854">Photo 8 - Fifth Floor Bedroom Window along North Wall</p>

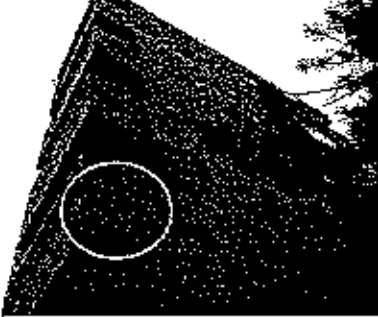
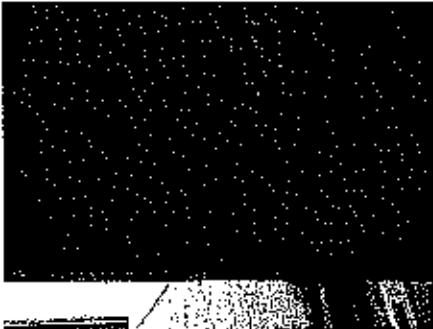


Ref.	Description of Observation	Photo Reference
	<p>It is recommended that water testing be completed to determine the source of leakage along the north wall. It may be a combination of window, exterior wall, metal roof and sixth floor deck issues. Interior finishes will have to be replaced once the source of leakage is repaired.</p>	
7	<p>Plaza Waterproofing: There are numerous active leaks on the underside of the plaza level concrete slab (Photo 9) and high moisture contents were observed in the wood carpet smooth edge along the north and east ground floor elevations. The leakage through the plaza slab and into the ground floor unit is likely the result of a lack of a membrane. The architectural drawings do not indicate a membrane on the plaza slab, nor did our visual observations.</p> <p>It is recommended that a waterproof membrane be installed over the plaza slab.</p>	 <p>Photo 9 - Leakage at Underside of Plaza</p>
8	<p>Stairwells: A scissor stairwell at the southeast corner of the building provides access to each floor level and the sixth floor roof deck. Visual observations revealed a number of concerns including substantial leakage at the roof level (Photos 10 and 11) and at the east landings at various floors, spalled concrete resulting from corrosion of the reinforcing steel, large gaps between the stairs and exterior walls at upper levels (Photo 12), leaks around a window at the sixth floor, differential movement between precast scissor stairs at landings, steel angle supports being added at the underside of various stairs, and cracks in the cementitious parging on walls and on the underside of stairs.</p>	 <p>Photo 10 - Underside of Sixth Floor Stair Landing</p>



Ref	Description of Observation	Photo Reference
	<p>We believe that the leaks at the upper levels are the result of roofing deficiencies and will be addressed during roof replacement noted in Items 1, 2 and 4. Areas of leakage at various floors may be addressed by the routing and sealing of cracks noted in Item 9 below, but may require over-cladding if not effective. Once the water ingress is addressed, areas of spalls and corrosion must be repaired.</p> <p>The gaps and loose parging between the stairs and walls are a fire separation concern and possibly a structural issue. The steel angles may have been installed to either support the stairs at mid-span or to restrict lateral movement of the south wall or both. Lateral movement of the wall appears to be occurring as evidenced by the gap which was previously filled with grout and has opened further. A brief structural review of the scissor stair design revealed that it may have design deficiencies.</p> <p>It is recommended that a more detailed review of the stairs be completed and a repair strategy be designed and implemented.</p>	 <p data-bbox="878 737 1269 793">Photo 11 - Underside of Slopped Stair Roof</p>  <p data-bbox="878 1150 1269 1207">Photo 12 - Underside of Stair Along Exterior Wall</p>
<p>9</p>	<p>Exterior Walls: The exterior walls and balcony edges have numerous areas of concrete delamination as a result of corrosion of the underlying reinforcing steel (Photos 13 and 14).</p> <p>It is recommended that the corroded reinforcing and concrete delaminations be addressed in the immediate future as the integrity of the structure may be compromised and the spalling concrete creates a falling hazard to pedestrians below. Once repairs are complete, all cracks and cold joints in the concrete should be routed and sealed with sealant and a penetrating sealer applied to reduce the probability of water penetration. All sealants around windows and other penetrations should also be replaced.</p>	 <p data-bbox="906 1776 1250 1833">Photo 13 - East Building Elevation Showing Concrete Delaminations</p>



Ref.	Description of Observation	Photo Reference
	<p>As the concrete repairs and sealing of cracks will result in a patchwork appearance, consideration should be given to over-cladding the exterior walls with an exterior insulated wall system and installing new windows and doors having thermally broken frames. This would hide the concrete repairs and dramatically improve thermal performance, but will alter the appearance of the building.</p>	 <p>Photo 14 – West Building Elevation Showing Concrete Delamination</p>
10	<p>Balconies: The balconies floors are not waterproofed and leakage was observed below. Leakage can be a nuisance to occupants below and can result in corrosion of the reinforcing which can be detrimental the structural integrity of the concrete. Corrosion of the reinforcing steel was observed at the bottom of a balcony wall and has resulted in spalling of the concrete. Besides being detrimental to the integrity of the structure, the spalled concrete results in a liability risk when pieces fall.</p> <p>It is recommended that the balconies be water proofed and the corroded reinforcing be repaired.</p>	 <p>Photo 15 – Underside of Balcony Showing Leakage and Staining</p>

4.0 OPINIONS OF PROBABLE COSTS AND SCHEDULING

Based on our review, it is apparent that Spruce West is experiencing building envelope failure at various locations. As the level of failure and its effect on the occupants and structure varies, the timing of repairs may also vary. We have provided Opinions of Probable Cost (OPC) to complete the work below and have also provided recommended timelines for each scope. The OPC's are based on completing the work within the years recommended, but all at once within each time frame. If the work is completed as one large scope, a reduction in cost may be expected due to economies of scale.



Item	Description of Work	0-1 Year	1-2 Years	3 to 5 years
1a	Install Two Drains		\$ 12,000	
1b	Install New Roof Hatch	\$ 1,500		
2	Replace Sloped Metal Roofs	\$ 20,000		
4	Replace Sixth Floor Deck Membrane and Railing and Install Insulation	\$ 20,000		
5	Replace Sixth Floor Deck Slab on Walls and Glazing	\$ 10,000		
6a	Complete Water Testing to Determine Source of Leak Along North Wall	\$ 6,000		
6b	Complete Interior Repairs once Leakage Sources are Addressed	\$ 36,000		
7	Install Waterproof Membrane on Plaza Slab		\$ 375,000	
8a	Repair Damaged Concrete in Stairwells	\$ 6,000		
8b	Complete Detailed Structural Review of Stairs and Design Repair	\$ 10,000		
8c	Complete Repairs to Stairwells - Allowance		\$ 20,000	
9a	Complete Delamination Repairs to Exterior, Rout and Seal Cracks and Joints, Replace Sealants and Apply Sealer. (Delete Sealer if Item 9b completed at same time = -\$40,000)		\$ 175,000	
9b	Install Exterior Insulated Wall System over Existing Concrete (Assume EIFS)			\$ 700,000
10	Waterproof Balconies		\$ 15,000	
	Sub-Total	\$ 103,500	\$ 597,000	\$ 700,000
	Consultant Allowance	\$ 30,000	\$ 100,000	\$ 70,000
	Sub-Total	\$ 133,500	\$ 697,000	\$ 770,000
	GST	\$ 6,675	\$ 34,950	\$ 38,500
	Total	\$ 140,175	\$ 731,950	\$ 808,500

The OPC's are presented in 2019 Dollars and do not account for inflation. OPC's are rough estimates and are to be used for budgeting purposes only. Actual costs will be determined once drawings and specifications are prepared and the various scopes of work are tendered to Contractors

5.0 CLOSING COMMENTS

As the repair costs are substantial and may be a financial burden on the Strata membership, consideration can be given to redeveloping the site. We understand that this opportunity was explored once before with the city, but we suggest that either a Code Consultant or Registered Architect be approached to look at matter in greater detail. There may be avenues or variances available to either alter or manage the city's restrictions.

Building Envelope Remediation - Design Development Report
Strata Plan VR 456, Spruce West, 1089 W 13th Avenue,
Vancouver, BC

December 19, 2018

RJC No. VAN.122220.0001
page 9

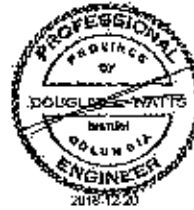


We trust the above report meets the Strata's current requirements. Please contact the undersigned author if you have any questions.

Yours truly,

READ JONES CHRISTOFFERSEN LTD.P

Reviewed by:




Barry L. Kinakin, LEED® AP
Principal

Douglas L. Watts, P.Eng., Architect AIBC, CP, LEED® AP, FEC
Principal

BLK/jcl

This is Exhibit "M" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

Megan Buchanan

From: Megan Buchanan
Sent: Saturday, June 12, 2021 7:53 PM
To: Megan Buchanan
Subject: FW: VR 456 - Property Purchase and Sale Update
Attachments: Fully Executed 20-11-06 Purchase and Sale Agreement (VR456 Windup) - EXECUTION COPY.pdf

Megan Buchanan
Associate Lawyer



550 - 909 Howe Street
Vancouver, BC V6Z 2M4

c 604 230 6139
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CONFIDENTIALITY NOTICE

This e-mail message and any attachments thereto are intended ONLY for the use of the individual or entity to whom it is addressed. Unless otherwise indicated, it contains information that is privileged and confidential. If you have received this e-mail in error, please notify the sender immediately and delete the message. Thank you.

Please consider the environment before printing this email.

From: J. Garth Cambrey (<mailto:gcambrey@shaw.ca>)
Sent: Friday, November 6, 2020 5:55 PM
To: 'agnes' <aolmui@shaw.ca>; ptovbis@outlook.com; 'Michelle Bergeron' <modmod@telus.net>; Dr. James Mok <docmok@shaw.ca>; 'MacLennan Sisters' <macleannan3430@gmail.com>; 'Dan Sonnenschein' <dans@portal.ca>
Subject: RE: VR 456 - Property Purchase and Sale Update

Dear Owners,

I am pleased to advise that the formal Purchase and Sale Agreement (PSA) with Butterscotch was signed today and I enclose a copy for your reference. The LOI no longer applies. I note the PSA has been executed in counterpart so there are 2 pages numbered 21 with a different signature. Please keep this document and its content strictly confidential.

The next step in the wind up and sale process will be to hold an SGM to consider the formal 80% vote to retain a liquidator to wind up the strata corporation noted as the "required resolutions" under clause 5.1(b)(i) of the PSA. I intend on holding this SGM in early January 2021 as there is insufficient time to prepare the required resolutions, locate a liquidator and issue the SGM notice for a meeting to be held before the end of this year.

I note it is still possible to avoid the windup process and related cost if all owners agree to a sell their strata lot directly to the purchaser. The strata will soon begin to incur costs for the windup process so I would encourage Dr. and Ms. Mok to reconsider if this option might be viable and to let me know as soon as possible if it is.

In the meantime, I will call a separate SGM for Tuesday, December 8, 2020 to raise additional funds for my fees and disbursements, legal fees for the windup process, and additional fees required to address the exit stair safety issue required by the City's Work Order, as previously advised. Please mark your calendar for this date at 6:30pm. The meeting will be held via Zoom.

Regards,
J. Garth Cambrey, B. Comm., C.Arb., R.I
Administrator

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]
Sent: Thursday, October 29, 2020 9:15 AM
To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'
Subject: RE: VR 456 - Property Purchase and Sale Update

Dear Owners,

As earlier reported, the LOI deadline for completing the purchase and sale agreement was extended to today, October 29th. However, the draft purchase and sale agreement was only recently finalized and was not provided to the purchaser's lawyer until October 26th. Given the tight 3-day timeline, I have agreed to further extend the LOI deadline for completion of the purchase and sale agreement for about 1 week, until November 6, 2020.

I will continue to keep you informed as things progress.

Regards,
Garth Cambrey

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]
Sent: Monday, October 19, 2020 6:32 PM
To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'
Subject: RE: VR 456 - Property Purchase and Sale Update
Importance: High

Dear owners,

This is to confirm that I received replies from 4 of the 5 owners (representing 5 of the 6, or 83.3% of strata corporation votes) agreeing to the revised offer of \$3.3 million from Butterscotch. The Mok's of #401 do not agree.

As a result, I will be moving forward with preparing and negotiating the purchase and sale agreement in line with the terms of the LOI and Butterscotch's "unconditional" offer. I will keep you informed as thing progress.

Regards,
Garth Cambrey

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]
Sent: Sunday, October 11, 2020 11:35 AM

To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (jqcmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'

Subject: RE: VR 456 - Property Purchase and Sale Update

Dear owners,

Last Friday, I was informed by Mark Goodman that Butterscotch was not going to proceed with the terms of the LOI because it could not "make the numbers work" at the offered price of \$3.9 million. After further discussion with Butterscotch, Mark advised that Butterscotch was prepared to proceed with an "unconditional" sale at the purchase price of \$3.3 million. I asked for and received an email from Butterscotch confirming Mark's advice. My understanding is that by "unconditional", Butterscotch means there would be no purchaser's conditions and the sale will only be conditional on completion of the court process for winding up the strata corporation, or the 100% sale option.

I am sure the revised amount is disappointing to you, but it is Goodman's opinion that \$3.3 million is a reasonable price based on the building's condition and current circumstances. I agree that a higher price is unlikely at this time considering other sale options available and the original pricing analysis provided by Goodman.

In considering other sale options currently available, Cynthia Jagger provided an email exchange she had with OpenForm yesterday. OpenForm expressed a continued interest in purchasing the property but did not indicate a purchase price. However, when they pulled out of the previous LOI, indications were that their acceptable price was about \$2.5 million. You will also recall Goodman's discussion at the July 13th SGM where it was explained that other verbal and email offers were mostly in the \$2.5 million range or less. On the handout sheet prepared by Goodman and given to owners at the SGM "Offer 4" was noted as a \$3.5 million conditional email offer. In reviewing this with Mark, he feels the amount was certainly not firm or formal, and does not suggest pursuing that potential purchaser based on the current revised offer from Butterscotch.

I have also considered Goodman's July 21, 2020 pricing analysis that was provided previously and is also attached to this email. Although the revised price offer by Butterscotch is slightly below the suggested value range, it is in line with the first 2 options noted on page 3 of the document. I note that options 3 and 4 were theoretical and did not include the cost of demolishing the building. Further, there is now actual market information received from interested parties that establishes the current market value of the property.

I say this not to try and persuade you to accept the revised price, but to make you aware that, based on my discussions with Goodman, this is likely the highest value the current market will support.

In light of the current circumstances, the LOI deadline for completing the purchase and sale agreement has been extended to October 29th to allow me time to consult with you about this change in purchase price. Please consider this email as beginning my consultation process with you for the \$3.3 million offer. I ask that you provide me with your email response no later than 5 pm on Monday, October 19, 2020 either agreeing to or opposing the \$3.3 million purchase price. I will consider your position on pursuing a 100% sale unchanged from your previous email unless you advise me otherwise.

I remind you that the terms of the LOI and this proposed revision are confidential and can only be disclosed to your legal and/or financial advisors. I also encourage you to seek independent legal advice on this proposal and the terms of the LOI if you have not done so already.

Please do not hesitate to contact me if you have any questions.

Should I receive approval from owners representing 80% of the strata corporation's votes or more, I will proceed with executing a further amendment to the LOI to reflect a \$3.3 million price and continue with finalizing a related purchase and sale agreement. If I receive approval from owners representing less than 80% of the strata corporation's votes, I will call a meeting of the strata corporation to consider next steps.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RI
Administrator
C/o #2300-2850 Shaughnessy St., Port Coquitlam, BC V3C 6K5
Tel: (604) 818-6708
gcambrey@shaw.ca

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]
Sent: Thursday, October 01, 2020 6:33 PM
To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'
Subject: RE: VR 456 - Property Purchase and Sale Update
Importance: High

Dear owners,

Thank you for responding to my September 23, 2020 email below. I confirm that 4 of the 5 owners representing 5 of the 6 strata lots and 83.33% of the votes confirmed their agreement to accept the Butterscotch LOI and also confirmed their agreement to proceed with a 100% sale if that opportunity arises.

The owners of strata lot 4 (unit 401) were the opposed to accepting the Butterscotch LOI and a 100% sale. They also stated they were not interested in proceeding with the wind up of Strata VR456 however, that is not an option.

Based on the terms of the April 17, 2020 Consent Order, I will pursue the voluntary windup the strata corporation consistent with the terms of the Butterscotch LOI. Specifically, I will advise Butterscotch that I am satisfied the First Purchaser's Condition has been met no later than the end of the day tomorrow.

The immediate next step is to execute an agreement of purchase and sale with Butterscotch within 2 weeks, or by October 16, 2020. Butterscotch will then have 5 days to increase its deposit from \$100,000 to \$200,000 and 10 days to confirm it is satisfied with the results of any environmental and geotechnical investigations of the property and the physical condition of the building. Provided Butterscotch does those things, I will call a special general meeting to consider a formal vote to windup the strata corporation.

I will keep you updated as things progress.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RI
Administrator
C/o #2300-2850 Shaughnessy St., Port Coquitlam, BC V3C 6K5
Tel: (604) 818-6708
gcambrey@shaw.ca

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]
Sent: Wednesday, September 23, 2020 6:06 PM
To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'
Subject: VR 456 - Property Purchase and Sale Update

Dear owners,

Further to my earlier email of September 20, 2020 below, I attach for your review and reference an executed letter of intent (LOI) between the strata corporation and Butterscotch Holdings Inc. (Butterscotch). **Please be advised that the attached LOI and its terms are confidential and can only be disclosed to your legal and/or financial advisors.**

The attached LOI is similar to the one signed with OpenForm except the intended purchase price is \$3.9 million, the deposit amounts are higher with a final total of \$300,000, and there is a shorter time frame of 10 days after the purchase and sale agreement is signed for Butterscotch to complete its property investigations. Also, there is no requirement for me to call a meeting of the strata corporation to determine if there is sufficient interest to move forward with a voluntary wind up of the strata corporation with a liquidator as we have discussed and as is set out in my mandate. Rather than a meeting, the LOI requires that I consult with you in order to determine if there is sufficient interest to proceed with the wind up. A comparison of the OpenForm LOI and the attached Butterscotch LOI are summarized in the table below for your convenience.

Please consider this email as beginning my consultation process with you. I ask that provide me with your email response **no later than 5 pm on October 1, 2020** either agreeing to or opposing the terms of the attached LOI. Butterscotch has advised Goodman that it is open to purchasing all strata lots directly from individual owners (100% sale) as we have previously discussed. Therefore, I also request you inform me in your email reply whether you are agreeable to proceeding with a 100% sale if that opportunity arises. **You are encouraged obtain independent legal advice on the terms of the LOI before you give me your response.**

Please do not hesitate to contact me if you have any questions.

I note a site visit will be conducted Friday, September 25th commencing at 11 am.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RI
 Administrator
 C/o #2300-2850 Shaughnessy St., Port Coquitlam, BC V3C 6K5
 Tel: (604) 818-6708
gcambrey@shaw.ca

Page	OpenForm Properties Ltd	Butterscotch Holdings Inc.
1	<ul style="list-style-type: none"> Same 	<ul style="list-style-type: none"> Same
2	<ul style="list-style-type: none"> 1. Purchaser – OpenForm Properties 4. Purchase Price - \$4,350,000 5(a). Deposit - \$75,000 (Terra Law) 5(b) 1st Condition Deposit increase – to \$150,000 	<ul style="list-style-type: none"> 1. Purchaser – Butterscotch Holdings Inc 4. Purchase Price - \$3,900,000 5(a). Deposit - \$100,000 (Madaisky & C 5(b). 1st Condition Deposit Increase – to
3	<ul style="list-style-type: none"> 5(c). 2nd Condition Deposit increase – to \$260,000 6(a). 1st vendor's Condition within acceptance of the LOI and the Administrator meeting with the owners. 6(b). Conditions Precedent– written waiver 21 days after mutual execution of Agreement 	<ul style="list-style-type: none"> 5(c). 2nd Condition Deposit increase – to 6(a) 1st vendor's Condition within accep and consultation by the Administrator wi 6(b). Conditions Precedent–written wi mutual execution of Agreement
4	<ul style="list-style-type: none"> Same 	<ul style="list-style-type: none"> Same

5	<ul style="list-style-type: none"> Same 	<ul style="list-style-type: none"> Same
6	<ul style="list-style-type: none"> Same 	<ul style="list-style-type: none"> Same
7	<ul style="list-style-type: none"> Same 	<ul style="list-style-type: none"> Same
8	<ul style="list-style-type: none"> Same 	<ul style="list-style-type: none"> Same
9	<ul style="list-style-type: none"> 20. Acceptance – August 7th, 2020 	<ul style="list-style-type: none"> 20. Acceptance – September 25th, 2020

From: J. Garth Cambrey [<mailto:gcambrey@shaw.ca>]

Sent: Sunday, September 20, 2020 3:55 PM

To: 'agnes'; 'ptovbis@outlook.com'; 'Michelle Bergeron'; Dr. James Mok (docmok@shaw.ca); 'MacLennan Sisters'; 'Dan Sonnenschein'

Subject: OpenForm Update

Dear owners,

I regret to advise that OpenForm has advised Goodman that it will not be moving forward with completion of the purchase and sale of the property.

I have asked Mark Goodman to contact the party that provided the other letter of intent to see if they are still interested and will advise you within the week.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RE

Administrator

C/o #2300-2850 Shaughnessy St., Port Coquitlam, BC V3C 6K5

Tel: (604) 818-6708

gcambrey@shaw.ca

This is Exhibit "N" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

SPECIAL GENERAL MEETING**THE OWNERS, STRATA PLAN VR 456 – SPRUCE WEST**

DATE HELD: Wednesday, December 8, 2020
LOCATION: Virtual via Zoom
CALL TO ORDER: 6:30 PM

Owners in Attendance: Agnes Mui, 101 and 201
Peter Tovbis, 301
Michelle Mok and Dr. James Mok, 401
Tracey MacLennan and Suzanne Foster, Executors, 501
Dan Sonnenschein, 601

Guests: Paul Mendes, Lesperance Mendes
Andrea MacLennan

Also in Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The Court Appointed Administrator, Mr. Garth Cambrey, called the meeting to order at 6:36 p.m. Mr. Cambrey acknowledged the guests present and confirmed Tracy MacLennan would be voting on behalf of unit 501 (strata lot 5).

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total representation of six (6) votes. Mr. Cambrey advised that voting cards would not be used, and that voting would be conducted by polling owners.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and declared the meeting competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 B.C. Supreme Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Special General Meeting was distributed by email on November 18, 2020 in accordance with the bylaws and the *Strata Property Act*.

It was MOVED AND SECONDED (201/301)

That Proof of Notice of the Meeting be accepted.

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "yes". Mr. Cambrey declared the resolution to accept proof of notice of the meeting was

CARRIED UNANIMOUSLY

6. APPROVAL OF AGENDA

Dr. Mok objected to Andrea MacLennan attending the meeting and was advised that, prior to the meeting, Mr. Cambrey had confirmed Andrea could attend as an observer.

Follow discussion, Mr. Cambrey declared the Agenda distributed with the Notice of Meeting was approved as circulated.

7. APPROVAL OF THE PREVIOUS MINUTES

It was MOVED AND SECONDED (201/501) that the previous Special General Meeting minutes of September 2, 2020 be approved as distributed.

Agnes Mui noted a typo in the meeting address, and that the correct address is 1389 West 13th Avenue.

Dr. Mok alleged that a recorded vote had incorrectly reported that 401 had abstained from a resolution, whereas it was Dr. Mok's view that 401 had opposed the resolution. Dr. Mok noted an email exchange with Mr. Cambrey following his receipt of the September 2, 2020 general meeting minutes, where he expressed concern that the alleged incorrect vote was contained in Mr. Cambrey's 6-month report provided to the Court. Mr. Cambrey advised the owners that, when Dr. Mok alleged the voting error, Mr. Cambrey had reviewed his notes and determined that the outcome of the vote was properly recorded in the minutes. Mr. Cambrey also advised Dr. Mok that his 6-month report had not been provided to the Court and was only provided to the owners pursuant to the April 17, 2020 Court Order.

Following some discussion, Mr. Cambrey requested Dr. Mok identify the September 2, 2020 vote that was of concern. Dr. Mok believed it was the vote about the petitioner's reasonable legal expenses. Upon review of the minutes, Mr. Cambrey

noted the recorded vote for the petitioner's legal expenses reflect that 401 opposed the resolution. Dr. Mok requested Mr. Cambrey note the discussion in the minutes of this meeting and review the email exchange he had with Dr. Mok on this matter, to which Mr. Cambrey agreed.

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "no". Dr. Mok refused to clarify if 401's vote represented opposition to or an abstention on the resolution to approve the September 2, 2020 minutes, despite repeated requests from Mr. Cambrey. Mr. Cambrey then advised 401's vote did not determine the outcome of the vote declared the vote

CARRIED (5 votes in favour, 401 opposed/abstained)

8. UNFINISHED BUSINESS

There was no unfinished business that was not included on the agenda.

9. NEW BUSINESS

a. 2/3 Vote Resolution #1 – City Work Order

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") approved a special levy at its annual general meeting ("AGM") held July 13, 2020 in the amount of \$50,000 to pay for the estimated costs to temporarily repair the exit stairs as required by the City of Vancouver ("City Work Order"), including estimated engineering fees of Read Jones Christofferson ("RJC");

AND WHEREAS:

RJC has prepared drawings and obtained proposals from 3 contractors to permanently complete repairs necessary to satisfy the City Work Order;

AND WHEREAS:

The Strata Corporation wishes to proceed with permanent repairs at an estimated cost of \$75,311 broken down as follows:

a. Contractor's proposal (Hodgson King and Marble)	\$55,705
b. 10% contingency	5,705
c. Estimated City building permit	450
d. RJC fees and disbursements	10,000
e. GST @ 5%	<u>3,586</u>
	\$75,311

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that the Administrator is authorized to retain Hodgson King and Marble Ltd. to complete the repairs set out in its October 15, 2020 proposal to RJC, and RJC to oversee the shoring work and fire stopping installation in accordance with its June 16, 2020 proposal. To pay for the work, the Strata Corporation hereby authorizes a special levy in the aggregate amount of Twenty-Five Thousand Three Hundred Eleven Dollars (\$25,311) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying estimated costs of the City Work Order permanent repairs. The special levy shall be due in one lump sum on January 1, 2021 as set out in Schedule "A" below and shall added to and from part of the special levy raised for these purposes at the July 13, 2020 AGM.

SCHEDULE "A"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
 SPECIAL LEVY SCHEDULE
 City Work Order**

TOTAL SPECIAL LEVY		\$25,311.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$4.41112

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY
1	101	984	\$4,340.54
2	201	977	4,309.66
3	301	977	4,309.66
4	401	977	4,309.66
5	501	977	4,309.66
6	601	846	3,731.81
TOTAL	TOTAL	5,738	\$25,310.99

In response to a question from Tracey MacLennan whether pricing for the removal of the failed concrete fire stopping had been obtained, Mr. Cambrey advised that it had been obtained and he would provide the information to all owners.

Ms. Mui wondered when the repairs had become permanent rather than temporary. Mr. Cambrey advised he had explained in email updates prior to the meeting that permanent repairs were determined to be less expensive than temporary repairs.

Ms. Mui also stated that she understood the potential purchaser, Butterscotch Holdings, intended to demolish the building and asked if Mr. Cambrey had enquired if the City of Vancouver would defer its order that the existing stairs be repaired as a result. Mr. Cambrey responded that the City requested permanent repairs be completed and that he was not aware of the intentions of the potential purchaser.

Following discussion on whether Mr. Cambrey or an owner might approach the City of Vancouver to discuss an extension to the City-ordered repairs, Mr. Cambrey stated he did not agree to do so, nor would he agree an owner do so, given his sole authority to represent the strata corporation.

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "no". Mr. Cambrey took 401's vote to mean opposed, and declared $\frac{3}{4}$ vote resolution #1 to impose a further special levy for the City-ordered repairs

DEFEATED (3 votes in favour, 101, 201, and 401 opposed)

b. $\frac{3}{4}$ Vote Resolution #2 – Legal Expenses for Wind up and Sale

It was then **MOVED AND SECONDED (501/301)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") intends to complete a wind up and sale of its property and the property of its owners pursuant to the BC Supreme Court consent order dated April 17, 2020 and the Purchase and Sale Agreement between the Strata Corporation and Butterscotch Holdings Ltd. signed on November 6, 2020 ("PSA Agreement");

AND WHEREAS:

The Strata Corporation wishes to raise funds to pay for upcoming legal expenses to prepare the resolutions and other materials required to approve the winding up of the Strata Corporation;

BE IT RESOLVED

By a $\frac{3}{4}$ vote of the Strata Corporation, that a special levy in the aggregate amount of Fifty Thousand Dollars (\$50,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying legal fees associated with the PSA Agreement. Such special levy shall be due immediately but may be paid, for convenience purposes, in 3 equal installments on January 1, February 1, and March 1, 2021 as set out in Schedule "B" below.

SCHEDULE "B"

THE OWNERS, STRATA PLAN VR 456 - Spruce West

SPECIAL LEVY SCHEDULE

Legal Expenses for Windup and Sale

TOTAL SPECIAL LEVY		\$50,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$8.71384

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal installments due January 1, February 1, and March 1, 2021
1	101	984	\$8,574.42	\$2,858.14
2	201	977	8,513.42	2,837.81
3	301	977	8,513.42	2,837.81
4	401	977	8,513.42	2,837.81
5	501	977	8,513.42	2,837.81
6	601	846	7,371.91	2,457.30
TOTAL	TOTAL	5,738	\$50,000.01	\$16,666.68

In response to a question on how long the proposed special levy for legal funds would last, Mr. Mendes advised he expected the funds would be sufficient to get the strata corporation through the court application required to confirm the wind up and sale.

There was further discussion about possibly forecasting expenses required of the strata corporation to get through the wind up and sale process. It was also noted that the option to pursue a sale of all individual strata lots to the purchaser, rather than a windup and sale under the SPA, remained open.

It was further noted that the current term of the Administrator expires in April 2021, but that it can be renewed.

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "yes". Mr. Cambrey declared ¾ vote resolution #2 to impose a special levy for legal expenses

CARRIED UNANIMOUSLY

c. ¾ Vote Resolution #3 – Administrator Fees and Disbursements

Prior to consideration of ¾ vote resolution #3, Mr. Cambrey advised that with payment of the Administrator's September 2020 invoice, minimal funds would remain in the strata corporation's operating and contingency reserve fund.

It was then **MOVED AND SECONDED (501/301)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") is required to pay Administrator fees and disbursements from its operating or contingency reserve fund pursuant to the BC Supreme Court consent order dated April 17, 2020;

AND WHEREAS:

The Strata Corporation wishes to raise funds to pay for upcoming Administrator expenses;

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that a special levy in the aggregate amount of Twenty-Five Thousand Dollars (\$25,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of increasing the contingency reserve fund in order to pay the Administrator's invoices. Such special levy shall be due immediately but may be paid, for convenience purposes only, in 3 equal installments on January 1, February 1, and March 1, 2021 as set out in Schedule "C" below.

SCHEDULE "C"

THE OWNERS, STRATA PLAN VR 456 - Spruce West

SPECIAL LEVY SCHEDULE

Administrator Fees & Disbursements

TOTAL SPECIAL LEVY		\$25,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$4.35692

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal installments due January 1, February 1, and March 1, 2021
1	101	984	\$4,287.21	\$1,429.07
2	201	977	4,256.71	1,418.90
3	301	977	4,256.71	1,418.90
4	401	977	4,256.71	1,418.90
5	501	977	4,256.71	1,418.90
6	601	846	3,685.95	1,228.65
TOTAL	TOTAL	5,738	\$25,000.00	\$8,333.32

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "yes". Mr. Cambrey declared $\frac{3}{4}$ vote resolution #3 to impose a special levy for Administrator fees and disbursements

CARRIED UNANIMOUSLY

d. Clark Wilson LLP Invoices

The status of four Clark Wilson invoices, with about \$14,00 claimed by Clark Wilson as unpaid, had previously been communicated to all owners. Mr. Cambrey thanked Tracey MacLennan for her detailed explanation about 501's position on the Clark Wilson invoices, which she sent to all owners. He also advised that Tracey MacLennan and Dan Sonnenschein were the only owners that commented on the invoices.

Following the September 2, 2020 general meeting, Mr. Cambrey contacted Clark Wilson to request it provide its file on the strata corporation. He received 175 pieces of correspondence and requested the correspondence be reviewed by Lesperance Mendes from a legal perspective.

After discussion with Paul Mendes, Mr. Cambrey determined that the invoices were not the responsibility of the strata corporation because the strata council did not pass a resolution to retain Clark Wilson until late September 2019, and the invoices cover a period prior to that resolution being passed.

It was Mr. Cambrey's suggestion that he write to Clark Wilson advising of his determination. He asked the owners if there were any objection to his suggestion.

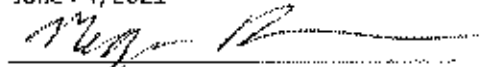
There was limited discussion wherein Ms. Mui stated that she did not feel all legal expenses were necessary, nor that Clark Wilson was acting on behalf of all owners. Dr. Mok advised that a retainer agreement was signed by himself and Ms. Mui, and Mr. Tovbis commented on his concerns regarding Clark Wilson's initial involvement.

Mr. Cambrey advised that he would write to Clark Wilson to advise the strata corporation was not responsible to pay the invoices.

10. ADJOURNMENT

There being no further business, owners were thanked for their attendance and Mr. Cambrey terminated the meeting at 7:55 p.m.

This is Exhibit "O" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 11, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
650-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

Megan Buchanan

From: Megan Buchanan
Sent: Saturday, June 12, 2021 7:58 PM
To: Megan Buchanan
Subject: FW: Spruce west - Temporary Shoring
Attachments: FW: Temporary shoring - Spruce West; RE: Temporary shoring - Spruce West; RE: Temporary shoring - Spruce West; VAN.122220.0006-MISC-20201104-HBi-Bid validity and estimate for removal of fire stopping.pdf

Megan Buchanan
Associate Lawyer



550 – 900 Howe Street
Vancouver, BC V6Z 2M4

t 604 230 6139
w 604 674 9902
f 604 685 7505

e mjb@lm-law.ca
w lm-law.ca

CONFIDENTIALITY NOTICE

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Please consider the environment before printing this email.

From: gCambrey@shaw.ca [mailto:gCambrey@shaw.ca]
Sent: Friday, December 18, 2020 10:58 AM
To: Agnes Mui <aolmui@shaw.ca>; Peter Tovbis <ptovbis@outlook.com>; Dr. James Mok <docmok@shaw.ca>; Michelle Bergeron Mok <modmod@telus.net>; MacLennan Sisters <maclellan3430@gmail.com>; Dan Sonnenschein <dans@portal.ca>; Derrick Honda <dhonda@hgvc.com>
Subject: FW: Spruce west - Temporary Shoring

Dear Owners,

Further to discussion at the December 8, 2020 special general meeting, I am forwarding an email with attachments from RJC that show the contractors' estimated cost to remove the existing firestopping in the exit stairways.

Regards,

J. Garth Cambrey, Administrator
#2300 – 2850 Shaughnessy Street
Port Coquitlam, B.C., V3C 6K5

From: Hugo Bila <HBila@rjc.ca>
Sent: November 9, 2020 9:11 AM
To: J. Garth Cambrey <gcambrey@shaw.ca>
Cc: Kevin Riederer <kriederer@rjc.ca>
Subject: Spruce west - Temporary Shoring

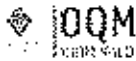
Hi Garth

Please find attached the summary of costs for removal of fire stopping.

Regards
Hugo

Hugo Bila, BSc, EIT
Design Engineer

Read Jones Christoffersen Ltd.
Engineers



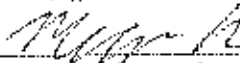
Structural Engineering | Building Science | Energy Modelling | Structural Restoration | Parking Facility Design

1285 West Broadway, Suite 300
Vancouver, B.C. V6H 3X8 Canada
office (604) 738-0048 | direct (778) 728-0498
HBila@rjc.ca | rjc.ca

COVID-19 RJC remains dedicated to providing excellent service while working safely. We are adaptable, flexible and committed to meeting the needs of our clients and industry partners while respecting local health authority guidelines throughout our operations.

This email may be privileged or confidential. Any use of this email by an unintended recipient is prohibited. If you have received this email in error, please notify us immediately so we may correct our records. Please then delete all copies. Reduce your footprint. Please print wisely.

This is **Exhibit "P"** referred to in the affidavit
of, **Dan Sonnenschein** affirmed before me on
June *14*, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

From: gcambrey@shaw.ca
To: Paul Mendes
Subject: FW: VR 456 Brief Update on Exit Stairs and SGM
Date: Tuesday, January 19, 2021 6:32:13 PM

CAUTION: This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Paul,

Please see my email to VR 456 owners below.

Garth

From: gcambrey@shaw.ca <gcambrey@shaw.ca>
Sent: January 19, 2021 6:30 PM
To: Agnes Mui (aolmui@shaw.ca) <aolmui@shaw.ca>; Peter Tovbis (ptovbis@outlook.com) <ptovbis@outlook.com>; Dr. James Mok (docmok@shaw.ca) <docmok@shaw.ca>; Michelle Bergeron Mok (modmod@telus.net) <modmod@telus.net>; MacLennan Sisters (macleannan3430@gmail.com) <macleannan3430@gmail.com>; Dan Sonnenschein (dans@portal.ca) <dans@portal.ca>
Subject: VR 456 Brief Update on Exit Stairs and SGM

Dear Owners,

I was expecting to be able to provide a detailed update on the above-noted matters before now but, unfortunately, both are out of my control. I will however, provide you with the information I currently have.

Exit Stairs

Following the defeat of the special levy to raise an additional \$25,000 to complete the exit stair repairs at the December 8, 2020 SGM, I contacted the City of Vancouver to advise it of the outcome. At the building inspector's request, I attended the building on December 24, 2020 with the inspector. I requested the City advise me of it's position on the stairs and I expect to receive an order for the stairs repair at any time. Based on my discussions with the inspector at the building on December 24th, I expect there will be a short time given in the order for the stairs to be repaired. I have negotiated an extension to February 15, 2021 for accepting the repair bids with 2 contractors, but I may have to seek a further extension, or a court order to impose the special levy, depending on the City's position.

SGM

The next step in the purchase and sale proceedings is to call an SGM to formally consider an 80% vote to wind up the strata. Paul Mendes is currently preparing the necessary resolutions and I expect them very soon. The notice period required for the SGM is 4 weeks rather than the usual 2 weeks because of the 80% vote, although I may request owners consider waiving the notice period to hold it sooner. I expect the proposed resolutions will include details of a "100% sale" as we have previously discussed, so that option remains open despite legal costs to prepare the SGM resolutions being incurred.

I will update you on any progress regarding these matters as soon as I have additional information.

Regards,
J. Garth Cambrey

This is Exhibit "Q" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 1st, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 688-3567

SPECIAL GENERAL MEETING MINUTES

THE OWNERS, STRATA PLAN VR 456 – SPRUCE WEST

DATE HELD: Thursday, February 11, 2021
LOCATION: Virtual via Zoom
CALL TO ORDER: 6:30 PM

Owners in Attendance: Agnes Mui, 101 and 201
Peter Tovbis, 301
Michelle Mok and Dr. James Mok, 401
Tracey MacLennan and Suzanne Foster, Executors, 501
Dan Sonnenschein, 601

Also in Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The Court Appointed Administrator, Mr. Garth Cambrey, called the meeting to order at 6:33 p.m.

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total representation of six (6) votes.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and declared the meeting competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 B.C. Supreme Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Special General Meeting was distributed by email on February 3, 2021 and that all owners had waived the notice requirements in accordance sections 45(5) and (6) and the *Strata Property Act*.

It was **MOVED AND SECONDED (201/301)**

That Notice of the Meeting be accepted.

A vote was taken by a verbal poll and Mr. Cambrey declared the resolution to accept notice of the meeting

CARRIED UNANIMOUSLY

6. APPROVAL OF AGENDA

Mr. Cambrey confirmed the only item on the agenda was a ¾ vote about the exit stair repairs and declared the Agenda distributed with the Notice of Meeting approved as circulated.

7. APPROVAL OF THE PREVIOUS MINUTES

It was **MOVED AND SECONDED (501/301)** that the previous Special General Meeting minutes of December 8, 2020 be approved as distributed.

Following discussion,

It was **MOVED AND SECONDED (501/601)** that the December 8, 2020 minutes be amended on page 9 under heading "Clark Wilson LLP Invoices" at the third paragraph regarding the strata council passing a resolution to retain Clark Wilson to add "Not all strata council members had the opportunity to vote, as would be expected."

A vote was taken by a verbal poll to amend the December 8, 2020 minutes and Mr. Cambrey declared the vote

CARRIED (5 votes in favour, 401 opposed)

A vote was taken by a verbal poll to approve the December 8, 2020 minutes as amended and Mr. Cambrey declared the vote

CARRIED (5 votes in favour, 401 opposed)

8. UNFINISHED BUSINESS

a. ¾ Vote Resolution #1 – City Work Order

Mr. Cambrey read the ¾ vote resolution, excluding the preamble, and

It was **MOVED AND SECONDED (601/501)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") approved a special levy at its annual general meeting ("AGM") held July 13, 2020 in the amount of \$50,000 to pay for the estimated costs to repair the exit stairs as required by the City of Vancouver ("City Work Order") on a temporary basis, including estimated engineering fees of Read Jones Christofferson ("RJC");

AND WHEREAS:

The City has issued a further Work Order ("BP Work Order") requiring the strata to apply for a building permit for the City Work Order by February 25, 2021

AND WHEREAS:

RJC has prepared drawings and obtained proposals from 3 contractors to permanently complete repairs necessary to satisfy the City Work Order;

AND WHEREAS:

The Strata Corporation wishes to proceed with permanent exit stair repairs at an estimated cost of \$75,311 broken down as follows:

a. Contractor's proposal (Hodgson King and Marble)	\$55,705
b. 10% contingency	5,705
c. Estimated City building permit	450
d. RJC fees and disbursements	10,000
e. GST @ 5%	3,586
	<u>\$75,311</u>

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that the Administrator is authorized to retain Hodgson King and Marble Ltd. to complete the repairs set out in its October 15, 2020 proposal to RJC, and retain RJC to oversee the shoring work and fire stopping installation in accordance with its June 16, 2020 proposal. To pay for the work, the Strata Corporation hereby authorizes a special levy in the aggregate amount of Twenty-Five Thousand Three Hundred Eleven Dollars (\$25,311) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying estimated costs of the permanent repairs to satisfy the City Work Order. The special levy shall be due in one lump sum on April 1, 2021 as set out in Schedule "A" below and shall added to and from part of the special levy raised for these purposes at the July 13, 2020 AGM.

SCHEDULE "A"
THE OWNERS, STRATA PLAN VR 456 - Spruce West
SPECIAL LEVY SCHEDULE
City Work Order

TOTAL SPECIAL LEVY		\$25,311.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$4.41112

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY DUE April 1, 2021
1	101	984	\$4,340.54
2	201	977	4,309.66
3	301	977	4,309.66
4	401	977	4,309.66
5	501	977	4,309.66
6	601	846	3,731.81
TOTAL	TOTAL	5,738	\$25,310.99

A vote was taken by a verbal poll and Mr. Cambrey declared ¾ vote resolution #1 to approve a further special levy for the exit stair repairs

CARRIED (5 votes in favour, 401 opposed)

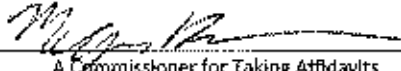
9. NEW BUSINESS

There was no new business.

10. TERMINATION

There being no further business, owners were thanked for their attendance and Mr. Cambrey terminated the meeting at 6:51 p.m.

This is Exhibit "R" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

Megan Buchanan

From: Megan Buchanan
Sent: Saturday, June 12, 2021 8:03 PM
To: Megan Buchanan
Subject: FW: VR 456 update
Attachments: SC online application process.pdf; VR 456 Normac Appraisal for May 1, 2021 - \$3000000.pdf; DRAFT Consent Order to Extend Appointment.pdf; VR 456 Current FY Financial info - March 13, 2021.xlsx

Megan Buchanan
Associate Lawyer



550 – 800 Howe Street
Vancouver, BC V6Z 2M4

c 604 230 6136
w 604 674 8902
f 604 685 7505

e mjb@lmfaw.ca
w lmfaw.ca

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Please consider the environment before printing this email.

From: gcambrey@shaw.ca [mailto:gcambrey@shaw.ca]
Sent: Saturday, March 13, 2021 3:12 PM
To: Agnes Mui <aoimui@shaw.ca>; Peter Tovbis <ptovbis@outlook.com>; Dr. James Mok <dcmok@shaw.ca>; Michelle Bergeron Mok <modmod@tefus.net>; MacLennan Sisters <maclellan3430@gmail.com>; Dan Sonnenschein <dans@portal.ca>
Subject: VR 456 update

Dear Owners,

Under the terms of the April 17, 2020 Consent Order, I am required to provide you with a 12-month Report. I have started drafting the report and expect to have it completed and distributed to you before the end of this month. However, I provide the following update now.

City Work Order

RJC filed the building permit application for the exit stairs with the City of Vancouver on February 25, 2021, consistent with the terms of the City's most recent order. Attached is the current online permit application process used by the City. The permit application is at stage 1 of the process and RJC has been advised that the

screening process in stage 2 is about 3 weeks (and not 1 week as noted on the attached). Therefore, I expect to be updated on about March 24th as to whether the application has been accepted.

In the meantime, things are still progressing. Hodgson King and Marble (HKM) completed a site review with a sub-contractor on March 3, 2021. I have asked RJC to prepare contract documents for the HKM work as was approved at the February 11, 2021 SGM. However, no work will start until the contract is completed and the building permit is issued..

Insurance Renewal

The strata corporation's insurance policy expires April 30, 2021. I recently obtained an updated insurance appraisal from Normac Appraisal as requested by CapriCMW and attach it for your reference. CapriCMW is currently in the process of obtaining a renewal quotation. I have also requested another insurance broker, BFL Canada, provide an alternate quote if possible. I do not expect to receive any renewal information, including potential premiums, until closer to the expiration date.

SGM to consider 80% Vote to Windup and Sell the Strata Corporation

I emailed the SGM notice to all of you on February 19, 2021 and ask that you review all necessary documents, attached to the notice and otherwise, prior to the meeting. If you have any questions about the proposed resolutions or process, please do not hesitate to contact me.

Administrator Appointment Extension

I remind you that my appointment expires on April 16, 2021. Given the current status of the City Work Order and potential windup and sale, I believe my appointment should continue. Therefore, I have asked Paul Mendes to seek consent for an 8-month extension to my appointment. Attached is a draft consent order extending my appointment to November 31, 2021. If consent is not obtained from the necessary parties, I will make application to the BC Supreme Court for an extension before the end of my current term.

AGM

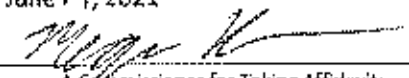
Lastly, I intend on calling the AGM before the end of April 2021. I feel I will be in a better position to estimate expenses after the March 24th SGM. Also, there will likely be a need for a special levy to pay for the insurance premium on May 1, 2021 or for financing the premium over a few months. I also expect a special levy will be required to pay for my remaining fees and disbursements, unless the windup and sale proceeds quickly (or a 100% sale is approved), where any remaining fees and disbursements could likely be deducted from sale proceeds.

I attach for your information my spreadsheet for the current fiscal year showing activity and bank balances for all 3 bank accounts: Operating Fund, Contingency Reserve Fund, and Special Levy Fund.

Best regards,

J. Garth Cambrey, Administrator
#2300 – 2850 Shaughnessy Street
Port Coquitlam, B.C., V3C 6K5

This is Exhibit "S" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
650-800 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

SPECIAL GENERAL MEETING**THE OWNERS, STRATA PLAN VR 456 – SPRUCE WEST**

DATE HELD: Wednesday, December 8, 2020
LOCATION: Virtual via Zoom
CALL TO ORDER: 6:30 PM

Owners in Attendance: Agnes Mui, 101 and 201
Peter Tovbis, 301
Michelle Mok and Dr. James Mok, 401
Tracey MacLennan and Suzanne Foster, Executors, 501
Dan Sonnenschein, 601

Guests: Paul Mendes, Lesperance Mendes
Andrea MacLennan

Also in Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The Court Appointed Administrator, Mr. Garth Cambrey, called the meeting to order at 6:36 p.m. Mr. Cambrey acknowledged the guests present and confirmed Tracy MacLennan would be voting on behalf of unit 501 (strata lot 5).

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total representation of six (6) votes. Mr. Cambrey advised that voting cards would not be used, and that voting would be conducted by polling owners.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and declared the meeting competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 B.C. Supreme Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Special General Meeting was distributed by email on November 18, 2020 in accordance with the bylaws and the *Strata Property Act*.

It was MOVED AND SECONDED (201/301)

That Proof of Notice of the Meeting be accepted.

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word “yes”. Mr. Cambrey declared the resolution to accept proof of notice of the meeting was

CARRIED UNANIMOUSLY

6. APPROVAL OF AGENDA

Dr. Mok objected to Andrea MacLennan attending the meeting and was advised that, prior to the meeting, Mr. Cambrey had confirmed Andrea could attend as an observer.

Follow discussion, Mr. Cambrey declared the Agenda distributed with the Notice of Meeting was approved as circulated.

7. APPROVAL OF THE PREVIOUS MINUTES

It was **MOVED AND SECONDED (201/501)** that the previous Special General Meeting minutes of September 2, 2020 be approved as distributed.

Agnes Mui noted a typo in the meeting address, and that the correct address is 1389 West 13th Avenue.

Dr. Mok alleged that a recorded vote had incorrectly reported that 401 had abstained from a resolution, whereas it was Dr. Mok's view that 401 had opposed the resolution. Dr. Mok noted an email exchange with Mr. Cambrey following his receipt of the September 2, 2020 general meeting minutes, where he expressed concern that the alleged incorrect vote was contained in Mr. Cambrey's 6-month report provided to the Court. Mr. Cambrey advised the owners that, when Dr. Mok alleged the voting error, Mr. Cambrey had reviewed his notes and determined that the outcome of the vote was properly recorded in the minutes. Mr. Cambrey also advised Dr. Mok that his 6-month report had not been provided to the Court and was only provided to the owners pursuant to the April 17, 2020 Court Order.

Following some discussion, Mr. Cambrey requested Dr. Mok identify the September 2, 2020 vote that was of concern. Dr. Mok believed it was the vote about the petitioner's reasonable legal expenses. Upon review of the minutes, Mr. Cambrey

noted the recorded vote for the petitioner's legal expenses reflect that 401 opposed the resolution. Dr. Mok requested Mr. Cambrey note the discussion in the minutes of this meeting and review the email exchange he had with Dr. Mok on this matter, to which Mr. Cambrey agreed.

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "no". Dr. Mok refused to clarify if 401's vote represented opposition to or an abstention on the resolution to approve the September 2, 2020 minutes, despite repeated requests from Mr. Cambrey. Mr. Cambrey then advised 401's vote did not determine the outcome of the vote declared the vote

CARRIED (5 votes in favour, 401 opposed/abstained)

8. UNFINISHED BUSINESS

There was no unfinished business that was not included on the agenda.

9. NEW BUSINESS

a. ¾ Vote Resolution #1 – City Work Order

It was **MOVED AND SECONDED** (501/601)

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") approved a special levy at its annual general meeting ("AGM") held July 13, 2020 in the amount of \$50,000 to pay for the estimated costs to temporarily repair the exit stairs as required by the City of Vancouver ("City Work Order"), including estimated engineering fees of Read Jones Christofferson ("RJC");

AND WHEREAS:

RJC has prepared drawings and obtained proposals from 3 contractors to permanently complete repairs necessary to satisfy the City Work Order;

AND WHEREAS:

The Strata Corporation wishes to proceed with permanent repairs at an estimated cost of \$75,311 broken down as follows:

a. Contractor's proposal (Hodgson King and Marble)	\$55,705
b. 10% contingency	5,705
c. Estimated City building permit	450
d. RJC fees and disbursements	10,000
e. GST @ 5%	<u>3,586</u>
	\$75,311

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that the Administrator is authorized to retain Hodgson King and Marble Ltd. to complete the repairs set out in its October 15, 2020 proposal to RJC, and RJC to oversee the shoring work and fire stopping installation in accordance with its June 16, 2020 proposal. To pay for the work, the Strata Corporation hereby authorizes a special levy in the aggregate amount of Twenty-Five Thousand Three Hundred Eleven Dollars (\$25,311) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying estimated costs of the City Work Order permanent repairs. The special levy shall be due in one lump sum on January 1, 2021 as set out in Schedule "A" below and shall added to and from part of the special levy raised for these purposes at the July 13, 2020 AGM.

SCHEDULE "A"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
 SPECIAL LEVY SCHEDULE
 City Work Order**

TOTAL SPECIAL LEVY		\$25,311.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$4.41112

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY
1	101	984	\$4,340.54
2	201	977	4,309.66
3	301	977	4,309.66
4	401	977	4,309.66
5	501	977	4,309.66
6	601	846	3,731.81
TOTAL	TOTAL	5,738	\$25,310.99

In response to a question from Tracey MacLennan whether pricing for the removal of the failed concrete fire stopping had been obtained, Mr. Cambrey advised that it had been obtained and he would provide the information to all owners.

Ms. Mui wondered when the repairs had become permanent rather than temporary. Mr. Cambrey advised he had explained in email updates prior to the meeting that permanent repairs were determined to be less expensive than temporary repairs.

Ms. Mui also stated that she understood the potential purchaser, Butterscotch Holdings, intended to demolish the building and asked if Mr. Cambrey had enquired if the City of Vancouver would defer its order that the existing stairs be repaired as a result. Mr. Cambrey responded that the City requested permanent repairs be completed and that he was not aware of the intentions of the potential purchaser.

Following discussion on whether Mr. Cambrey or an owner might approach the City of Vancouver to discuss an extension to the City-ordered repairs, Mr. Cambrey stated he did not agree to do so, nor would he agree an owner do so, given his sole authority to represent the strata corporation.

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "no". Mr. Cambrey took 401's vote to mean opposed, and declared $\frac{3}{4}$ vote resolution #1 to impose a further special levy for the City-ordered repairs

DEFEATED (3 votes in favour, 101, 201, and 401 opposed)

b. $\frac{3}{4}$ Vote Resolution #2 – Legal Expenses for Wind up and Sale

It was then **MOVED AND SECONDED (501/301)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") intends to complete a wind up and sale of its property and the property of its owners pursuant to the BC Supreme Court consent order dated April 17, 2020 and the Purchase and Sale Agreement between the Strata Corporation and Butterscotch Holdings Ltd. signed on November 6, 2020 ("PSA Agreement");

AND WHEREAS:

The Strata Corporation wishes to raise funds to pay for upcoming legal expenses to prepare the resolutions and other materials required to approve the winding up of the Strata Corporation;

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that a special levy in the aggregate amount of Fifty Thousand Dollars (\$50,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying legal fees associated with the PSA Agreement. Such special levy shall be due immediately but may be paid, for convenience purposes, in 3 equal installments on January 1, February 1, and March 1, 2021 as set out in Schedule "B" below.

SCHEDULE "B"

THE OWNERS, STRATA PLAN VR 456 - Spruce West

SPECIAL LEVY SCHEDULE

Legal Expenses for Windup and Sale

TOTAL SPECIAL LEVY		\$50,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$8.71384

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal installments due January 1, February 1, and March 1, 2021
1	101	984	\$8,574.42	\$2,858.14
2	201	977	8,513.42	2,837.81
3	301	977	8,513.42	2,837.81
4	401	977	8,513.42	2,837.81
5	501	977	8,513.42	2,837.81
6	601	846	7,371.91	2,457.30
TOTAL	TOTAL	5,738	\$50,000.01	\$16,666.68

In response to a question on how long the proposed special levy for legal funds would last, Mr. Mendes advised he expected the funds would be sufficient to get the strata corporation through the court application required to confirm the wind up and sale.

There was further discussion about possibly forecasting expenses required of the strata corporation to get through the wind up and sale process. It was also noted that the option to pursue a sale of all individual strata lots to the purchaser, rather than a windup and sale under the SPA, remained open.

It was further noted that the current term of the Administrator expires in April 2021, but that it can be renewed.

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "yes". Mr. Cambrey declared $\frac{3}{4}$ vote resolution #2 to impose a special levy for legal expenses

CARRIED UNANIMOUSLY

c. $\frac{3}{4}$ Vote Resolution #3 – Administrator Fees and Disbursements

Prior to consideration of $\frac{3}{4}$ vote resolution #3, Mr. Cambrey advised that with payment of the Administrator's September 2020 invoice, minimal funds would remain in the strata corporation's operating and contingency reserve fund.

It was then **MOVED AND SECONDED (501/301)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") is required to pay Administrator fees and disbursements from its operating or contingency reserve fund pursuant to the BC Supreme Court consent order dated April 17, 2020;

AND WHEREAS:

The Strata Corporation wishes to raise funds to pay for upcoming Administrator expenses;

BE IT RESOLVED

By a $\frac{3}{4}$ vote of the Strata Corporation, that a special levy in the aggregate amount of Twenty-Five Thousand Dollars (\$25,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of increasing the contingency reserve fund in order to pay the Administrator's invoices. Such special levy shall be due immediately but may be paid, for convenience purposes only, in 3 equal installments on January 1, February 1, and March 1, 2021 as set out in Schedule "C" below.

SCHEDULE "C"

THE OWNERS, STRATA PLAN VR 456 - Spruce West

SPECIAL LEVY SCHEDULE

Administrator Fees & Disbursements

TOTAL SPECIAL LEVY		\$25,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$4.35692

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal installments due January 1, February 1, and March 1, 2021
1	101	984	\$4,287.21	\$1,429.07
2	201	977	4,256.71	1,418.90
3	301	977	4,256.71	1,418.90
4	401	977	4,256.71	1,418.90
5	501	977	4,256.71	1,418.90
6	601	846	3,685.95	1,228.65
TOTAL	TOTAL	5,738	\$25,000.00	\$8,333.32

A vote was taken by a verbal poll with 401 expressing their vote by displaying a card with the word "yes". Mr. Cambrey declared $\frac{2}{3}$ vote resolution #3 to impose a special levy for Administrator fees and disbursements

CARRIED UNANIMOUSLY

d. Clark Wilson LLP Invoices

The status of four Clark Wilson invoices, with about \$14,00 claimed by Clark Wilson as unpaid, had previously been communicated to all owners. Mr. Cambrey thanked Tracey MacLennan for her detailed explanation about 501's position on the Clark Wilson invoices, which she sent to all owners. He also advised that Tracey MacLennan and Dan Sonnenschein were the only owners that commented on the invoices.

Following the September 2, 2020 general meeting, Mr. Cambrey contacted Clark Wilson to request it provide its file on the strata corporation. He received 175 pieces of correspondence and requested the correspondence be reviewed by Lesperance Mendes from a legal perspective.

After discussion with Paul Mendes, Mr. Cambrey determined that the invoices were not the responsibility of the strata corporation because the strata council did not pass a resolution to retain Clark Wilson until late September 2019, and the invoices cover a period prior to that resolution being passed.

It was Mr. Cambrey's suggestion that he write to Clark Wilson advising of his determination. He asked the owners if there were any objection to his suggestion.

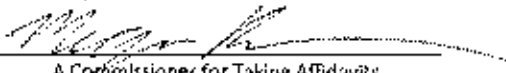
There was limited discussion wherein Ms. Mui stated that she did not feel all legal expenses were necessary, nor that Clark Wilson was acting on behalf of all owners. Dr. Mok advised that a retainer agreement was signed by himself and Ms. Mui, and Mr. Tovbis commented on his concerns regarding Clark Wilson's initial involvement.

Mr. Cambrey advised that he would write to Clark Wilson to advise the strata corporation was not responsible to pay the invoices.

10. ADJOURNMENT

There being no further business, owners were thanked for their attendance and Mr. Cambrey terminated the meeting at 7:55 p.m.

This is Exhibit "T" referred to in the affidavit
of , Dan Sonnenschein affirmed before me on
June 14, 2021


A Commissioner for Taking Affidavits
In British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-9567



REGISTERED AND REGULAR MAIL

January 25, 2021
CF-2018-003258

OWNERS STRATA PLAN VR456
201 - 1089 W. 13TH AVENUE
VANCOUVER BC V6H 1N1

Contact Person:
Scott Easby
Building Inspector
604-873-7879
scott.easby@vancouver.ca

UNSAFE ORDER

RE: 1089 W. 13TH AVENUE

Further to previous correspondence, on December 24, 2020 the District Building Inspector conducted an inspection at the above-noted property and observed the following unsafe conditions still exist:

- Structural integrity has been compromised for the exit scissor stairs;
- Fire-separation deterioration.

The above-noted conditions at the property constitute Unsafe Conditions contrary to Article 1.3.3.5 of Division C of Building By-law No. 12511 (the By-law), in that it could cause undue hazard or risk to the life, limb or health of any person authorized, expected or anticipated to be on or about the premises.

Sentences 1.3.3.5.(1) and 1.5.3.3.(1) of Division C of the By-law specifically state:

1.3.3.5 Unsafe Conditions

1) No person who is an owner or who is involved in the construction, relocation or occupancy of a building shall cause, allow or maintain any unsafe condition.

1.5.3.3 Order to Remove Unsafe Condition

1) When any building, construction or excavation or part thereof is in an unsafe condition, the Chief Building Official may issue a written order to the owner, certifying the existence of an unsafe condition and requiring correction of any unsafe condition found on a building site, within a specified time.

Therefore, pursuant to Articles 1.4.1.22, 1.5.3.3, and 1.5.4.2 of Division C of the Building By-law, you are ordered to

1. Obtain the required Building Permit to correct the unsafe conditions for the exit scissor stair and fire separation, **within 30 days of the date of this order.**

The Development and Building Services Centre has temporarily suspended some operations as our number one priority has to be to protect your health and to protect our community in stopping the spread of the COVID-19 virus. Therefore, please do not attend the Services Centre in person at this time.

For information on applying for a permit and the required documents, visit the City's website at <http://vancouver.ca/home-property-development/apply-for-and-manage-your-permit.aspx>. You may also contact the Development and Building Services Centre by emailing us at permitquestions@vancouver.ca. If you do not have access to email, please call 3-1-1 and advise the agent that you have received an enforcement letter and would like your inquiry forwarded to the Development and Building Services Centre.

PLEASE NOTE, THE BUILDING/SITE MUST BE MAINTAINED IN A SAFE CONDITION.

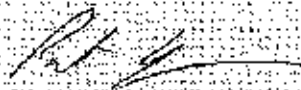
Please be advised that failure to comply with this order will result in the matter being referred to the City Prosecutor with a request to approve charges against you under the applicable By-law(s). If charges are subsequently laid you will be required to attend Provincial Court and will face liability upon conviction to a fine of not less than \$500 for each day that the offence continues.

The imposition of fines by the Court will not absolve you from the requirement to comply with the By-law(s).

If you are selling your property you should disclose the contents of this order to the prospective purchaser and their representatives.

For questions or concerns please contact Scott Easby, District Building Inspector at 604-873-7879 or via email at scott.easby@vancouver.ca.

Yours truly,



P. Ryan, M. Sc., P. Eng.
Chief Building Official

Copy: Posted on site