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Welcome to *FirstService Residential CONNECTIONS*



We are excited to announce the launch of our new monthly newsletter, *FirstService Residential CONNECTIONS*. This newsletter will become our new monthly publication replacing the previous newsletters and bulletins that were being sent. Our newsletter will be an informative and interactive publication to allow Owners, Council Members, and Residents from our managed properties across British Columbia to learn from industry experts and engage with each other on a variety of topics that affect Strata living. Each month you will find new sections exploring important Strata topics, company news and updates, along with other interactive portions. We encourage you to contact us with your opinions, Strata questions, suggestions and editorials.

Sincerely,
Your FirstService Residential Team

FUN FACT!



Did You Know?

Stanley Park, Vancouver's largest park, is 1001 acres. This makes it 10% larger than New York City's Central Park.

Looks like Vancouver is the real 'Big Apple'!

History of the Strata Property Act

Prior to 1966 there was no Strata title legislation in British Columbia. Although the concept of condominium living is hundreds of years old, the condo concept was new to B.C. only from the 1960s. In other Canadian provinces and the United States, condo living was well underway and the leading legislation came from Ontario, Florida and California. The legislation in B.C. originated from New South Wales, Australia where existed, already, the Strata Titles Act of New South Wales. A Vancouver lawyer had been retained by the provincial government to create a draft of new statute for use in British Columbia. He confessed that he just happened to be going to Australia on vacation and while there, he picked up a copy of the Strata Titles Act of New South Wales and brought it back to B.C. (Remember, there was no internet in those days so "picking up" a hard copy of some statute was generally how business was conducted.) In 1966 The Strata Titles Act of British Columbia came into force. It contained 67 sections. The Strata Condominium Act which replaced the Strata Titles Act in 1980 contained 114 Sections, with 52 pages plus the bylaws. Today's Strata Property Act of B. C. contains 294 sections with about 138 pages plus the Schedule of Standard Bylaws plus a further 72 pages of Regulation (to the Act). Obviously there has been a lot of change.

Over the years, there have been some amendments to the legislation and some significant changes were made in 1974 and 1975, although these were very few in number. There was some minor tinkering with the Act after that, including the government's decision in 1980 to call the legislation the Condominium Act instead of the Strata Titles Act. This was done simply because the public did not understand the expression "strata title" but did understand the concept of condominium ownership. The word "condominium" was not used once in the Condominium Act.

Although the government received many complaints from Strata Council Members, condominium owners, property managers and others over the early years about the inadequacy of the legislation, nothing major was changed despite the phenomenal growth of condominium housing in British Columbia, particularly in the larger urban centres. Finally in the spring of 1994, the government issued a discussion draft which tackled many of the issues raised by the public and a substantial new statute was proposed. That discussion draft was excellent in many respects, although it contained some extremely unworkable propositions. Nevertheless, it formed the basis for what would have been an excellent new statute but the government lost interest in the project and the discussion draft was shelved.

Taking into consideration the responses received to the 1994 discussion draft, the policy analysts subsequently revised the proposed legislation and consulted with knowledgeable people in the condominium industry. As a result, the new Strata Property Act emerged in 2000. Following the Barrett Inquiry in the spring of 1998, the government was compelled to bring about new legislation for condominium owners and both the Strata Property Act and the Homeowner Protection Act were introduced in the legislature in July 1998, and received royal assent.

The new Strata Property Act contains a provision (enacted only in 2012) for depreciation reports. When the Act was brought into force in July 2000 there were some prescriptions at Section 94 for depreciation reports but these were optional reports, not mandatory. It is sometimes stated by commentators that the 2000 provisions in respect of depreciation reports emerged as a consequence of the Barrett Inquiry Report. That is not entirely correct. The provisions had been prepared well in advance of the report and were founded on the vast negative publicity over leaky condos several years in advance of the Barrett inquiry. The credit should go to media, particularly local Vancouver stations. The changes to Section 94 proclaimed in 2012 arise from the Barrett Inquiry report - over ten years later.

Unfortunately, in 1998 the new Strata Property Act was not ready for public consumption since there were vast number of regulations to be written in conjunction with the Act. These were completed through 1999 and the Act was officially proclaimed on February 4, 2000 with an effective date of July 1, 2000.

The government continues to review the legislation and likely welcome inputs and feedback for consideration. All too often condo owners and Strata Council Members complain about sections of the statute that they do not like but do not take time to voice their concerns to the government. They should, as the government will listen to concerns if they are reasonable, balanced and progressive.

A Look Inside: Trillium - Summerlin

Each month, we look to introduce you to a new community under development or currently managed by FirstService Residential to give you a peek at the unique operations of different properties while introducing you to fellow Owners.

This month, we are pleased to introduce Trillium-Summerlin as the newest member of the FirstService Residential family. Located in Coquitlam, this 227 unit complex is surrounded by numerous hiking trails and green areas surrounding Cypress Lake. Conveniently located near Lougheed Highway and other major routes, this Strata provides an easy commute to the rest of Coquitlam, Vancouver and Pitt Meadows. The Strata itself includes two separate buildings, Trillium and Summerlin. Both buildings form a single Strata Corporation in a multi-phase complex developed by Polygon in 2006. Both buildings also share access to a common amenity centre along with the two other Strata Corporations in the development. The amenity centre consists of a gorgeous swimming pool complemented by a rock feature, and an open common area with a fireplace, pool table and patio for Owners.

The phased layout of the community means Council President of Trillium-Summerlin, Richard Cheng, is familiar with his neighbours. Mr. Cheng speaks often with the Council Members of the neighbouring Strata Corporations to ensure issues impacting the community as a whole are addressed properly.

This past September, a Wine and Cheese event was hosted by FirstService Residential in the shared amenity centre to welcome all Owners of the Strata. The event was an opportunity to introduce all Owners to their new Strata Manager and Regional Director. The Administrative Assistant for Trillium-Summerlin was also in attendance along with the Director and Project Leader of FirstService Residential's Business Development team. We were pleased to have the opportunity to welcome and speak with Owners. The event was a great success and we look forward to our ongoing relationship with Trillium-Summerlin.



> The Impact of Depreciation Reports

Do a depreciation report now, or wait? As the December deadline approaches, this is the question Strata Councils across the province have been grappling with all year.

Some Stratas have gone ahead and completed the report this year. Others felt the time was not right so they waived the decision for a year, which may be prudent as more information emerges and engineers' prices for the report become more competitive. All Stratas with more than four units must make a decision by December 13th. Even if a Strata Corporation waives the requirement to complete a report, a Strata should be developing a long-term plan to eventually complete one.

A depreciation report is an engineering report that examines the useful life of common property and assets over a 30-year period and provides a plan for the repair, maintenance and replacement of certain items over that time. The depreciation report is prepared by an engineering firm hired by the Strata Corporation and is used to plan contributions to the Contingency Reserve Fund (CRF) to ensure funds are available for major repairs and maintenance as a building ages.

On December 14, 2011, the B.C. Government set new requirements for depreciation reports for Strata Corporations. The timing for the rules surrounding mandatory depreciation reports varies based on when your Strata Corporation was formed:

- For Strata Corporations formed on or before December 14, 2011, a depreciation report is required by December 13, 2013.
- For Strata Corporations formed after December 14, 2011 a depreciation report is required within 6 months after the second AGM.

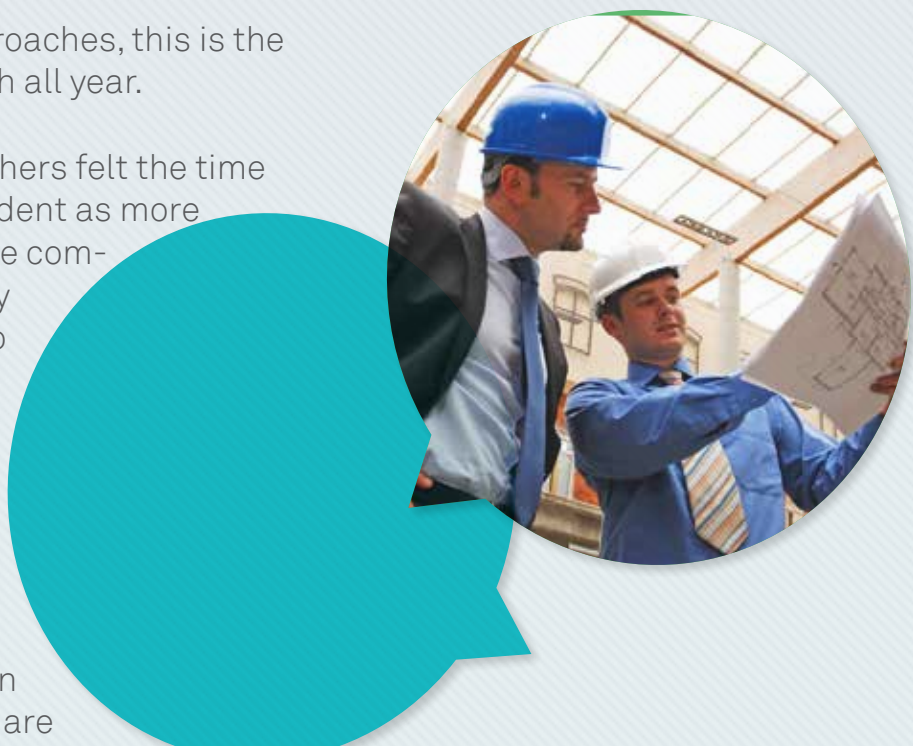
While the new legislation requires Strata Corporations to obtain the report by the dates mentioned above, it also allows a Strata Corporation to waive the report should it choose. Specifically, the new legislation reads, "Strata corporations need to obtain depreciation reports every three years unless they hold an annual ¾ vote to waive the requirement or have four, or fewer, strata lots."

It is important Strata Councils are aware of the December 13th deadline by which a Depreciation report must be obtained as this is the same date a Strata Corporation choosing to waive the report must have voted on the waiver.

FirstService Residential views depreciation reports as a valuable tool and supports having one completed for your Strata. Our partner offices in Calgary and Toronto, two other major Strata markets, say these reports have proven effective for building maintenance and sound CRF planning for Stratas.

Some Strata Corporations managed by FirstService Residential have chosen to waive the requirement to complete a depreciation report for this year. As mentioned, some Stratas are waiting until the impact of the reports is clear, while other Stratas are simply waiting for engineering companies to become available and for prices for the report to come down.

While it is too early to say what the impact of these reports will be on any given Strata or the market for Strata properties generally, each Strata Council, working with their Strata Manager, should have a plan in place for eventually creating and updating their depreciation report.



> Parking & Locker Assignments

Effective January 1st, all Strata Corporations in B.C. will have to disclose how parking and storage lockers are designated and allocated to a Strata lot. This means that every Strata in the province must now have accurate records of all parking and locker assignments.

Changes in the Strata Property Act and Regulations will require this information be included on the Form B (Information Certificate), which is provided to a buyer prior to the sale of a Strata lot. The Form B clarifies for a buyer certain details about a Strata unit, such as the exact Strata fee, whether there is a special levy, and any changes to the Strata lot for which the Owner is responsible. It also details the available funds in the Strata Corporation's Contingency Reserve Fund for future repairs, whether any new Bylaws have been passed, whether the Strata is being sued and many other necessary pieces of information that a buyer needs to make an informed purchasing decision.

There are several ways a Strata unit Owner may be entitled to a parking stall or storage locker. They can be owned outright and will show on the title of the Strata lot. They can also be rented, assigned, leased, or licensed by the Strata or even the original developer. As Strata properties have become more prevalent and ways of designating parking or storage have become more varied, the need for clarifying designation has evolved into an important necessity.

From a buyer's perspective, including information about the parking and storage locker seems logical and, some would say, long overdue. For example, it is not uncommon to hear about a buyer who has purchased a Strata unit believing they would be receiving the same parking stall as the seller that was close to an elevator only to find out on move-in day that the Strata had allocated that same stall to another Owner who had put in a request to be closer to the elevator. Some Stratas can make switches like this because the parking garage is common property and the Strata has the responsibility of assigning the stalls.

FirstService Residential has been working one-on-one with each Strata Council to collect the most accurate parking and storage locker information possible for the Strata in preparation of the January 1st deadline.



> Follow Us and Win Canucks Tickets!

Just "like" or "follow" us on either Facebook or LinkedIn and you will be automatically entered into a draw to win a pair of Canucks tickets to an upcoming game. Game details will be announced online.

Stay connected with FirstService Residential on social media for all the latest Strata industry news, company updates, and handy tips and tricks to improve your Strata living experience.



Facebook Page:
FirstService Residential BC



LinkedIn Page:
FirstService Residential BC



> Cooking Corner: Gumdrop Confetti Cookies

Many of our own FirstService Residential team members have quite the sweet tooth. Here is a recipe from one of our employees to enjoy in your own home or share with your team at the office.

What You Will Need:

- 1 cup Butter
- 1 cup Brown Sugar
- 1 cup White Sugar
- 2 Eggs
- 1 tsp Vanilla
- 2 cups Sifted Flour
- 1 tsp Baking Powder
- ½ tsp Baking Soda
- 2 cups Rolled Oats
- 1 cup Flaked Coconut
- 1 cup Gumdrops (You may also use Jujubes)

Preparation Instructions:

1. Cream the butter and sugars in a bowl.
2. Add eggs and beat well in bowl.
3. Add vanilla.
4. Sift together the flour, baking powder and baking soda and stir into the creamed mixture.
5. Add oats, coconut, gumdrops and stir until thick.
6. Roll thickened dough into small balls and press flat onto a cookie sheet to shape your cookies.

Cooking Instructions:

Bake cookies on an un-greased cookie sheet at 375°C for 10 minutes.



Want to Mix it Up?

You can substitute the same amount of either raisins or chocolate chips instead of the gumdrops.



Quiz Time!

Do you know the Michelin Man's real name?



Answer: Bibendum



Trash Talk with Tej:

Organic Waste in Multifamily Dwellings



Tej Kullar, Major Account Manager for Waste Management's Commercial Properties Division, is featured to discuss waste issues that impact Stratas. This month, Tej discusses the new organic waste recycling program.

Tej has over 10 years of waste and recycling experience. Tej looks after the needs of the Property Management community in the Lower Mainland and across Canada. As an expert in the Property Management segment, he is able to audit buildings to assess the optimum waste services required for individual Stratas. This allows Stratas to minimize their impact on the environment.



Questions for Tej?

For questions about the new organic waste program or to suggest a topic for future articles, please contact Tej Kullar of Waste Management at **604.520.7919** or tkullar@wm.com.

Background of the Organic Waste Program

Metro Vancouver has increased its waste diversion goal from the current 55% target for the Lower Mainland to a revised target of 70% by 2015. As part of this initiative, the city has added additional bans for recyclables to include organics. As the multifamily building segment has traditionally struggled with recycling, this is going to create additional challenges to ensure a building is in compliance with the new program. To reach the new diversion goal, any residential or commercial building that generates organic material will need to utilize a collections system to prevent this material from entering its waste stream.

Who Will Service Organics in Multifamily Dwellings?

Presently, different municipalities are divided on how they will service residential buildings. Some municipalities like the City of New Westminster, Pitt Meadows, and Port Coquitlam are providing this service for buildings and adding the cost to a homeowner's property taxes. Other areas such as Vancouver and the North Shore have not confirmed whether they will provide this service publicly, or whether the building will have to source this service privately, causing Stratas to update their annual operating budgets with an additional line item for organic waste.

Type of Organic Service for Residential Buildings

Organic services for residential buildings will have two formats:

1. *Toters:* These are similar to the typical blue recycling containers. 64 gallon toters will be used for apartments and condominiums, while 24 gallon toters will be used for townhomes.
2. *Front Load Service:* This is the typical bin collection service and involves placing an organic waste bin at a property that is the same size as many large garbage and cardboard bins. This service will be for large volume organic producers, such as restaurants or multiuse buildings with food locations.

Common Misconceptions

1. *Smell:* Any organic matter that decays "anaerobically" (without air) will create a strong odour. The key to minimize odour is to avoid throwing away liquids and wrap your organic material in newsprint, which will help soak up any liquid and help mask the smell. Do not forget this organic material is presently being thrown out with the rest of your property's garbage.
2. *Infestation:* Typically, infestation is related to how often organic waste is serviced, the level of aeration, and whether organic matter is wrapped in newsprint or a biodegradable bag. Waste Management is currently providing organic waste collection services to a large number of buildings, including the entire City of New Westminster and there has been no incident of increased infestation as a result of the organic waste program.



Upcoming Educational Events

In an effort to educate Owners and Council Members across the city on important Strata topics, FirstService Residential will be initiating an educational seminar series. We will host educational discussions led by panels of Strata experts on a variety of topics that are meaningful to you. These will be evening events, hosted in the amenity rooms of properties proudly managed by FirstService Residential. The events will be open to guests from neighbouring Stratas to allow you to meet your neighbours while learning from experts about topics that impact your community as a whole. Visit www.fsresidential.com under "News and Events" for a current list of upcoming events. Here are some upcoming events for Council Members:

NOV

27

Strata Collections & Changes to the *Limitations Act*

November 27, 2013 | 6:30PM

Pacific Point Phase 1 | 431 Pacific St., Vancouver

RSVP online at www.fsresidential.com under "News and Events"



DEC

3

Water Loss Reduction for Stratas

December 3, 2013 | 6:30PM

Canadian at Wall Centre | 1068 Hornby St., Vancouver

RSVP online at www.fsresidential.com under "News and Events"



Interested in hosting an educational event at your Strata? Want to suggest an event topic? Contact us below.

We Want to Hear From You!

Send us your questions, topic suggestions, comments, and articles. Let us know what you like and what you want to hear.

Email Max Gajdel at Maximilian.gajdel@fsresidential.com or call **604.683.8900** with your suggestions.

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