



Monday, January 12th, 2026

BC Residential Tenancy Branch
5021 Kingsway
Burnaby, BC
V5H 4A5

Dear Sirs/Mesdames:

Re: Additional Rent Increase Application for 4960 and 5050 Sanders Street, Burnaby,
British Columbia (the “**Buildings**”)

I am the Director of Sales at JJM Mechanical Group Ltd. (“**JJM**”). JJM has extensive experience with plumbing and heating installation, service and repair for both commercial and residential buildings. JJM is a member of the FortisBC Trade Ally Network of licensed gas contractors providing quality installations and service for a wide range of gas fired appliances, including boilers.

JJM was hired by the owner of the Buildings, RealStar Apartment Partnership 3 and Horizon Towers Holding Ltd. (collectively, the “**Landlord**”) to replace the two mid-efficiency Laars non-condensing natural gas-fired heating boilers (the “**Laars Boilers**”) and (2) hydronic system pumps at 5050 Sanders Street (the “**Building A**”). In addition, JJM was hired to reroute and replace the sanitary piping in the plumbing stack serving all units ending in 07 and 08 at Building A, from unit 108 in Building A down into the P1 and P2 levels of the building (the “**Sanitary Piping Work**”). I am familiar with the work done by JJM at Building A in my role as the Director of Sales at JJM.

Heating for the residential units at Building A is provided by perimeter baseboard heaters in each unit. These baseboard heaters are supplied with hot water from the two Laars Boilers. Each boiler has an associated boiler pump which circulates the hot water from the Laars Boilers throughout the Building to the baseboard heaters in each unit. The heat provided to Building A by the Laars Boilers is supplemented by either (2) hydronic pumps. The (2) hydronic system pumps move heated hydronic water through the building and to the individual units.

The Laars Boilers were installed at Building A in approximately 2005 and were approximately 19 years old at the time they were replaced. This is the approximate expected useful life of this type of boiler and is approximately the age when a boiler of this type and vintage will require replacement.



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JJM completed the following work at Building A (the “**Heating Boiler Replacement Project**”):

- Replaced the (2) two mid-efficient Laars Boilers with (4) four high-efficiency Navien 399,000 BTU condensing heating boilers;
- the above work also required installing four sets of service valves, one condensate neutralizer Axiom NT-25 (with required piping to drain), four Grundfos UPS43/44FC 1/6 HP for condensing boilers (the associated boiler pumps that pump the heated water throughout the building), DUAL XP Magnetic filtration equipment for the four new boilers, cascade cables, heating water supply, return piping, gas piping, and exhaust and combustion air venting as required; and
- Replaced the (2) two existing Armstrong hydronic heating pumps with (2) two new Grundfos hydronic heating system pumps, including flanges and pipe connections.

Although the purchase order #10669 between the Landlord and JJM notes that the work to be done included the supply and installation of both water heating and heating boilers at Building A, only the Laars Boilers (the heating boilers) were replaced by JJM. The domestic hot water system at Building A is provided by two Raypak natural gas-fired boilers (the “**Raypak Boilers**”). We did not do any work to the Raypak Boilers or the domestic hot water system at Building A.

Navien Boilers are one of the most efficient hot water heating systems available on the market, with efficiency ratings of up to 98%. The Navien boilers installed at Building A are NFB-399C boilers, which have 97.5% thermal efficiency. Thermal efficiency is a measure of the useful heat output compared to the energy input, focusing on how efficiently the boiler converts energy input to usable thermal energy.

The Laars Boilers that were replaced were non-condensing natural gas-fired boilers. These types of boilers typically have a thermal efficiency of around 85%. This type of boiler does not recover the latent heat from the flue gases, limiting its overall thermal efficiency compared to modern condensing models, such as the Navien Boilers.

Although the Navien Boilers are more efficient than the Laars Boilers, they are lower capacity. As a result, four high-efficiency Navien Boilers have approximately the same capacity as the two mid-efficiency Laars Boilers. The benefit of having multiple higher-efficiency, lower capacity boilers is that in the event one (or more) boiler(s) need to be turned off for repair or maintenance, the heating system can still operate with the remaining boilers. Multiple boilers also allows for the system to alternate between boilers, extending the life expectancy of all four boilers.

The sanitary piping that was rerouted and replaced as part of the Sanitary Piping Work serves the showers, toilets, and lavatories for all units ending in 07 and 08 on all floors in Building A. The

modifications were made to the piping into the parkade so that the existing sanitary stack could accommodate the addition of washers and dryers in the 07 and 08 units.

The Heating Boiler Replacement Project and the Sanitary Piping Work were not required as a result of the Landlord's failure to maintain Building A or to complete necessary repairs.

The Laars Boilers had reached an age when it is expected that they will need to be replaced. Laars Boilers do not have an estimated useful life beyond 20 years. In addition, there was no indication that either the Laars Boilers had not been maintained and repaired as required or that the replacement of these building components was required due to inadequate maintenance or repair. No amount of maintenance can result in a building system, such as a heating boiler, operating indefinitely.

The Sanitary Piping Work was not required due to inadequate maintenance or repair of the sanitary piping system. The sanitary piping system appeared to be original to the building (over 50 years old) and was therefore past its expected useful life. In addition, the sanitary piping was replaced and rerouted to accommodate the washer/dryer units in the 07 and 08 units, not because the sanitary piping had not been maintained or adequately repaired.

The Navien Boilers and the Grundfos hydronic heating pumps have an estimated useful life of 10 - 20 years and 10 years, respectively. Sanitary piping has an estimated useful life of approximately 30 years. Aside from regular maintenance and minor repair work, it is estimated that the above-noted work to Building will not recur for at least 15 years and 30 years respectively. Please note that this is an estimate based on the typical expected life of this building component, and not a warranty that the above-noted work will last for at least 15 and 30 years. I provide this information solely for the assistance of the BC Residential Tenancy Branch in understanding the expected life of these building components in general terms, and to explain that this work is expected to last over 5 years.

I am aware that this letter will be provided to the BC Residential Tenancy Branch by the Landlord to provide information to the Tribunal with respect to the scope of the project in support of the Landlord's application for an additional rent increase for the Building. This letter may not be used for any other purpose.

Sincerely,



Andrei Aldea
Director of Sales
JJM Mechanical Group Ltd.