



**FINAL**  
**Baseline Property**  
**Condition Assessment**  
8735 Selkirk Street, Vancouver,  
British Columbia

Prepared for:

**InterRent REIT**  
485 Bank Street, Suite 207  
Ottawa, ON K2P 1Z2

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Author: \_\_\_\_\_  
John Pye, B.Sc.  
Project Manager  
613.592.3387 ext. 1817  
[jpye@pinchin.com](mailto:jpye@pinchin.com)

Reviewer: \_\_\_\_\_  
Majid Milani-Nia, P.Eng.  
Senior Project Engineer  
613.592.3387 ext. 1805  
[mmilaninia@pinchin.com](mailto:mmilaninia@pinchin.com)



## **EXECUTIVE SUMMARY**

Pinchin Ltd. (Pinchin) was retained by InterRent REIT (Client) to conduct a Baseline Property Condition Assessment (BPCA), subject to the limitations outlined in Section 6.0 of this report. As discussed with the Client this service did not include any specialist review of items such as mechanical/electrical systems, structural components, etc. The municipal address for the property is 8735 Selkirk Street, Vancouver, British Columbia (the Site). Pinchin conducted a visual assessment of the Site on March 3, 2021 at which time Pinchin interviewed and was accompanied by the General Manager and Building Manager of the Site (hereafter referred to as the Site Representatives).

Pinchin was advised by the Client that the purpose of the BPCA was to assess visible deficiencies in relation to the potential acquisition and financing of the Site.

The Site is a rectangular-shaped property approximately 0.3 acres in area. The Site is occupied by a three storey, 22 unit, residential apartment building (the Site Building).

The Site Building is reported to have been constructed in approximately 1959 with a footprint area of approximately 7,500 Square Feet (SF) and total building area of approximately 22,500 SF. The Site Building possesses asphalt surfaced parking areas adjacent to the south elevation of the Site Building with parking provisions for approximately 9 vehicles.

The Site Building is constructed with a cast-in-place concrete slab-on-grade (i.e., no basement level) with concrete foundation walls. It should be noted that grade level is partially below grade (i.e., ~ 3 feet) on the south portion of the building. The superstructure of the Site Building is comprised of a wood framed structure (i.e., walls, beams, and columns) supporting wood floor assemblies (i.e., joists and sheathing) and wood roof decking. The exterior walls of the Site Building are clad primarily with stucco on all elevations, with areas of composite siding on the east elevation and brick veneer masonry along the lower portions of the walls on the north and east elevations.

The Site Building appears to be in satisfactory condition, commensurate with its age and in comparable standing to other similar residential properties in the area.

Based on our visual assessment the Site Building appears to have been constructed in general accordance with standard building practices in place at the time of construction.

The assessment did not reveal any visual evidence of major structural failures, soil erosion or differential settlement.

No immediate repair requirements were noted. Repair requirements (under replacement reserves) over the term of the analysis (i.e., 10 years) of \$545,500 have been identified. As noted during the Site visit, deficiencies relating to the roof systems, wall systems, balcony systems, Site features and



mechanical/electrical systems were noted. Of particular note, recommendations, repairs and replacements for the following items are included throughout the term of the analysis:

- Replacement of the two-ply modified bitumen roof systems within the term of the analysis as they will presumably reach their Projected Useful Life (PUL);
- Contingency allowance for stucco repairs;
- Replacement of the original windows and balcony doors with more thermally efficient units;
- Replacement of the balcony balustrade systems;
- Rebuild the bowed brick masonry retaining wall which serves the grade level patio;
- Re-landscaping along the north elevation of the building where mulch has been installed directly against the brick veneer masonry;
- Replacement of the heating boiler as it has reached its PUL;
- Replacement of the two Domestic Hot Water (DHW) heaters as they will presumably reach their PUL within the term of the analysis; and
- Replacement of the fire alarm panel.

Consideration has been given regarding required ongoing maintenance and repairs of the major elements and at the direction of the Client, Pinchin has utilized a threshold of \$5,000 per system, per year as a limit in determining and carrying anticipated expenditures.

Anticipated expenditures associated with maintenance and reparation of the major components below the threshold are carried within the annual operating budget and excluded from the Summary of Anticipated Expenditures.

Regular maintenance should be conducted on the roof systems, wall systems, balcony systems, structural elements, interior finishes, Site features and the mechanical/electrical systems to ensure that the PUL of the major components is realized. Repair costs for the aforementioned items have been included over the term of the analysis (i.e., 10 years) included within Appendix I. The specific deficiencies identified during the BPCA and their associated recommendations for repair are described in the main body of the report. These deficiencies should be corrected as part of routine maintenance unless otherwise stated within the report. Costs associated with desired upgrades have not been carried.

*This Executive Summary is subject to the same standard limitations as contained in the report and must be read in conjunction with the entire report.*



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## 1.0 INTRODUCTION

Pinchin Ltd. (Pinchin) was retained by InterRent REIT (Client) to conduct a Baseline Property Condition Assessment (BPCA), subject to the limitations outlined in Section 6.0 of this report. As discussed with the Client this service did not include any specialist review of items such as mechanical/electrical systems, structural components, etc. The municipal address for the property is 8735 Selkirk Street, Vancouver, British Columbia (the Site). Pinchin conducted a visual assessment of the Site on March 3, 2021 at which time Pinchin interviewed and was accompanied by the General Manager and Building Manager of the Site (hereafter referred to as the Site Representatives).

Pinchin was advised by the Client that the purpose of the BPCA was to assess visible deficiencies in relation to the potential acquisition and financing of the Site.

The Client has advised Pinchin that the following document is available for review:

- *“Condition Assessment Report – 8735 Selkirk Street, Vancouver, BC”*, prepared by Reid Jones Chistoffersen Ltd., prepared for Hollyburn Group of Companies and dated January 12, 2021.

It should be noted that no Reliance was given to Pinchin as it relates to the aforementioned report, and all such reports were provided only for general information purpose. It was beyond our scope of work to comment on the findings and or conclusions, any comment would be limited to identifying significant material differences that would warrant further review which would need to be authorized by the Client.

It was reported to Pinchin that the costs associated with ongoing general maintenance of the major components of the Site Building are carried as part of the annual operating budget for the Site. At the direction of the Client a threshold of \$5,000 per system, per year has been utilized in determining anticipated expenditures. Anticipated expenditures associated with maintenance and reparation of the major components below the threshold are reported to be carried within the annual operating budget and excluded from the Summary of Anticipated Expenditures. The term of analysis requested by the Client was 10 years.

The results of the BPCA are presented in the following report. This report is subject to the Terms and Limitations discussed in Section 6.0.

## 2.0 SCOPE AND METHODOLOGY

The scope of the BPCA included a visual examination (without any intrusive testing or demolition of finishes to observe hidden areas) of the following:

- The building envelope, comprised of the exterior walls, windows, exterior doors and roof systems;



- The balcony systems;
- The structural elements (i.e., slabs, beams, columns and walls);
- The interior finishes of the common areas and a selection of individual tenant suites;
- The Site features;
- The mechanical systems (i.e., heating boilers, domestic hot water, etc.); and
- The electrical systems.

The object of the BPCA included the following:

- A visual examination of the property in order to assess the condition of the major elements;
- Review of general documentation on the repair/maintenance history of the elements, if available;
- cursory review of previous reports pertaining to the Site Building, if made available by the Site Representative;
- Interviews and discussions with on-Site personnel regarding the repair/maintenance conducted on the Site Building;
- Documentation of observed existing deficiencies observed within the various elements;
- Photographic documentation of various components and observed deficiencies; and
- Compilation of Pinchin's findings in a formal written report including observed deficiencies, together with a list of recommendations for repair/replacement with associated estimated costs for both short and long term.

The report provides:

- A basic description of each of the various major components of the Site Building;
- A list of deficiencies noted with respect to the components examined; and
- Recommendations and cost estimates for the corrections recommended.

Cost estimates provided in this report are preliminary Class "D" and provided only as an indication of the order of magnitude of the remedial work. These values have been arrived at by determining a representative quantity from the visual observations made at the time of our Site visit and by applying current market value unit costs to such quantities and or a reasonable lump sum allowance for the work. More precise cost estimates would require more detailed investigation to define the scope of work. They are not intended to warrant that the final costs will not exceed these amounts or that all costs are





covered. The estimates assume the work is performed at one time and do not include costs for potential de-mobilization and re-mobilization if repairs/replacement are spread out over the term of analysis.

All costs are identified in 2021 Canadian Dollars, and do not include consulting fees or applicable taxes. (For consulting fees, Pinchin typically recommends a budget allowance of 10% to 15% of the costs identified).

All cost estimates assume that regular annual maintenance and repairs will be performed to all building elements at the facility. No cost allowance is carried for this regular maintenance.

The cost estimates provided in this report are based on costs of past repairs at similar buildings, recent costing data such as “RS Means Repair and Remodelling Cost Data – Commercial/Residential” and “Hanscomb’s Yardsticks for Costing”, or Pinchin’s professional judgment.

Unless otherwise stated, the replacement costs identified for an element reflects the cost to remove and replace the existing element with the same type of element.

### 3.0 OBSERVATIONS AND COMMENTS

#### 3.1 Site Information



General view of the east elevation of the Site Building.



General view of the north elevation of the Site Building.



General view of the west elevation of the Site Building.



General view of the south elevation of the Site Building.

Table 3.1 – Site Information

<b>Site Occupant/Name</b>	<b>Impala Apartments</b>		
<b>Site Address</b>	<b>8735 Selkirk Street, Vancouver, British Columbia</b>		
<i>Existing Land Use Type</i>	Residential	<i>Primary On-Site Activity</i>	Apartment Building
<i>Multi-Tenant/Single Occupant</i>	Multi-Tenant	<i>Number of Units</i>	22
<i>Date First Developed</i>	Unknown	<i>Site Area</i>	~ 0.3 acres
<i>Number of Buildings</i>	One	<i>Building Footprint Area(s)</i>	~ 7,500 SF
<i>Number of Stories (Excluding Basement)</i>	Three	<i>Total Rentable Building Area(s)</i>	~ 22,500 SF
<i>Date Building(s) Constructed</i>	~ 1959	<i>Area of Tenant Spaces</i>	Varies



Table 3.1 – Site Information

<b>Site Occupant/Name</b>	<b>Impala Apartments</b>		
<i>Date Building(s) Renovated</i>	Ongoing	<i>Basement and/or U/G Parking</i>	No (Grade level is partially below grade (i.e., ~ 3 feet) on the south portion of the building)
<i>Type of Roof System(s)</i>	Two-ply modified bitumen membrane roof systems	<i>Number of Levels U/G</i>	N/A
<i>Type of Wall Cladding</i>	Stucco Composite siding Brick veneer masonry	<i>Area of Roof System(s)</i>	~ 7,500 SF
<i>Type of Doors</i>	Single Glazed (SG) units within aluminum frames Solid wood doors within wood frames Hollow metal doors within metal frames	<i>Types of Windows</i>	Fixed and operable (i.e., horizontally-sliding) Insulated Glass (IG) units within vinyl frames Fixed and operable (i.e., horizontally-sliding) SG units within aluminum frames
<i>Above Grade Parking Area</i>	Asphalt Surfaced ~ 9 vehicles	<i>Electrical Source</i>	BC Hydro
<i>Surface Type</i>	Asphalt/Concrete/Grass	<i>Type of Heating/Cooling</i>	Natural gas-fired boiler which feeds hydronic radiators

### 3.2 Roof Systems

The roof systems of the Site Building consist of “near-flat” two-ply modified bitumen membrane roof systems installed atop a layer of rigid insulation, atop wood roof decks. Neither the presence of a vapour barrier, nor the type or the thickness of the insulation could be verified, as the scope of the work did not include destructive testing.

Drainage of the roof systems is provided by internal roof drains which presumably drain to the municipal sewer system, along with perimeter roof scuppers complete with downspouts which discharge at grade level. The roof systems consist of two main roof systems located atop the north and south third floor levels (i.e., north roof is slightly elevated). The Site Representatives reported that the roof systems were replaced in approximately 2000 (i.e., ~ 21 years old).

Penetrations through the roof systems consist of a combination of plumbing vents, roof drains, and exhaust vents. The total area of the roof systems is similar to the footprint area of the Site Building at approximately 7,500 SF. No active leaking within the roof systems was reported or observed during the assessment.

Table 3.2 outlines the findings of the inspection of the roof systems:

Table 3.2 – Roof Systems	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>The modified bitumen membrane roof systems were reportedly installed in 2000 (i.e., ~ 21 years old) and are approaching their Projected Useful Life (PUL).</li> </ul>	<ul style="list-style-type: none"> <li>Replace the roof systems within the mid portion of the term of the analysis.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>Areas of organic growth were noted atop the roof systems.</li> </ul>	<ul style="list-style-type: none"> <li>Remove organic growth as part of regular maintenance of the roof systems.</li> </ul>
<ul style="list-style-type: none"> <li>Evidence of ponding water was noted atop the roof systems.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor the roofs for ponding water.</li> </ul>
<ul style="list-style-type: none"> <li>A missing downspout was observed at a scupper drain on the west perimeter of the roof.</li> </ul>	<ul style="list-style-type: none"> <li>Re-install a downspout in this location.</li> </ul>
<ul style="list-style-type: none"> <li>Deteriorated sealants were noted at a portion of the flashing around the roof penetrations.</li> </ul>	<ul style="list-style-type: none"> <li>Replace the affected sealants.</li> </ul>



General view of the north modified bitumen roof system.



General view of the south modified bitumen roof system.



View of typical staining and organic growth atop the roof systems.



View of evidence of ponding water atop the north roof system.



View of a missing downspout at a scupper drain on the west perimeter of the roof.



View of deteriorated sealant around the flashing at the chimney.

It has been Pinchin's experience that the Projected Useful Life (PUL) of a modified bitumen membrane ranges between 23 to 25 years, depending on the quality of building materials used, the quality of workmanship during installation and the level to which the roof system has been maintained.

As previously mentioned, the roof systems atop the Site Building were reportedly installed in 2000 (i.e., ~ 21 years old). Due to the current age of the roof systems, Pinchin has carried allowances for replacement within the mid portion of the term of the analysis. Pinchin also recommends that the above noted minor deficiencies are addressed and that regular annual maintenance be performed on the roof systems throughout the term of the analysis.

### **3.3 Wall Systems**

The exterior walls of the Site Building are clad primarily with stucco on all elevations, with areas of composite siding on the east elevation and brick veneer masonry along the lower portions of the walls on the north and east elevations. The composite siding on the east elevation of the Site Building was reportedly installed in 2006/2007. The back-up system was not visible within the areas accessed; however, presumably consist of wood framed stud walls.



The window systems of the Site Building consist of a combination of fixed and operable (i.e., horizontally-sliding) Single Glazed (SG) units within aluminum frames, located on the north, west and south elevations of the Site Building. The windows on the east elevation of the Site Building consist of a combination of fixed and operable (i.e., horizontally-sliding) Insulated Glass (IG) units set within vinyl frames. The vinyl framed windows were reportedly installed in 2006/2007. The windows were noted to be set within punched openings on all elevations.

Exterior doors serving the Site Building are comprised of SG units set into aluminum frames located at the main entrance on the east elevation of the building. Secondary entrance doors serving the Site Building consist of hollow metal doors within metal frames located on the south elevation of the building. Doors serving the mechanical rooms, electrical rooms and stairwells consist of hollow metal doors within metal frames. Doors serving the apartment units consist of solid wood doors within wood framed. Doors providing access to and egress from the balconies consist of sliding SG units within aluminum frames.

It should be noted that due to the fact that the scope of work did not include any intrusive/destructive testing the presence or condition of brick ties behind the masonry walls could not be visually inspected.

Table 3.3 outlines the findings of the inspection of the wall systems:

Table 3.3 – Wall Systems	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>The majority of the window systems and the balcony doors were noted to be original to the time of construction (i.e., ~ 62 years old) and have reached their Projected Useful Life (PUL).</li> </ul>	<ul style="list-style-type: none"> <li>Upgrading the original windows and balcony doors with thermally efficient units should be completed within the term of the analysis.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>Isolated areas of cracking were noted in the stucco on the south elevation of the Site Building.</li> </ul>	<ul style="list-style-type: none"> <li>Repair the cracked stucco in the short term.</li> </ul>





View of the composite siding on the east elevation of the Site Building.



View of a typical SG window system at the Site Building.



View of cracking in the stucco on the south elevation of the Site Building.

The wall, window and door systems of the Site Building were generally noted to be in satisfactory condition at the time of the Site visit with the exception of the above noted deficiencies. Due to the age of the original windows and balcony doors (i.e., ~ 62 years old), Pinchin has carried allowances for upgrading with thermally efficient units. Pinchin also recommends that ongoing repairs to the stucco be completed throughout the term of the analysis.

Typical buildings of this age may contain PCBs in mastics, caulking and window putties. Testing for the presence of PCBs in these materials is beyond the scope of this BPCA report. The potential presence of PCBs in these materials could give rise to additional costs in future if extensive renovation requiring





removal of these materials or demolition activities are undertaken at the Site. The extent of such potential issues could not be assessed as part of this BPCA report.

It has been Pinchin's experience that stucco is prone to micro cracking which may permit water infiltration over time. Pinchin recommends that the stucco be monitored throughout the term of the analysis and if deficiencies are observed that they be repaired.

Assuming that the original windows/doors are replaced, stucco repairs are completed and that regular annual maintenance is performed there should be no additional major expenditures required relating to the walls, windows and door systems of the Site Building throughout the term of the analysis.

### **3.4 Balcony Systems**

The balcony systems of the Site Building consist of cantilevered wood framed balconies which are an extension of the floor joists. The balcony decking consists of painted wood boards. The 8 balconies are located on the north elevation of the Site Building and main floor units were noted to be equipped with walk-out patios consisting of cast-in-place concrete pads complete with brick masonry retaining walls. Partial overhead protection is present in the form of the above balcony deck or in the case of the 3rd floor balconies an extension of the roof deck is present above creating a canopy. Fall protection for the balcony systems is provided by a combination of metal rails, posts and panels which are mechanical fastened to the wood decking and the exterior walls. Any water accumulated on the balcony systems is drained via surface drainage. The balcony systems were generally noted to be in satisfactory condition, commensurate with their age and considering the fact that no waterproofing membrane exists.

Pinchin notes in order to protect the safety of our field assessors, as well as occupants within the Site Building during the on-going global health pandemic, the interior of occupied tenant spaces were not reviewed and thus we are unable to provide commentary of the condition of the balcony systems from a walk-on review. Limited review of the balcony systems was completed from grade level.

Table 3.4 outlines the findings of the Balcony Systems:

Table 3.4 – Balcony Systems	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>The metal balustrades serving the balcony systems appear to be climbable.</li> </ul>	<ul style="list-style-type: none"> <li>Upgrading the balustrades should be completed in the short term.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>Water staining and organic growth was noted on the wood boards of a balcony system.</li> </ul>	<ul style="list-style-type: none"> <li>Regular cleaning of the balcony system wood boards should be completed to prevent wood deterioration.</li> </ul>
<ul style="list-style-type: none"> <li>One of the brick masonry retaining walls serving a grade level patio was noted to be bowed.</li> </ul>	<ul style="list-style-type: none"> <li>The bowed brick masonry retaining wall should be rebuilt.</li> </ul>



General view of the balcony systems on the north elevation of the Site Building.



View of four of the balconies on the north elevation of the Site Building.



View of a grade level patio on the north elevation of the Site Building.

Note: The brick masonry retaining wall is bowed.



View of water staining and organic growth on the wood deck boards serving a balcony system.

The limited balcony systems observed at the time of the inspection were noted to be in fair condition with the exception of the above noted deficiencies. Pinchin has carried an allowance to replace the balcony balustrade systems within the short term as they appear to be climbable. An allowance has also been carried to rebuild the bowed brick masonry retaining wall at the grade level patio. Pinchin recommends that regular cleaning of the wood boards be completed as part of regular maintenance to extend the life of the wood components. Assuming the above referenced deficiencies are addressed, and that regular annual maintenance is performed, no additional major expenditures should be required within the term of the analysis.

### **3.5 Structural Elements**

As outlined in the scope of work, a visual assessment of the condition of the structural elements was carried out on the elements which were visible at the time of the inspection. The Site Building is constructed with a cast-in-place concrete slab-on-grade (i.e., no basement level) with concrete foundation walls. It should be noted that grade level is partially below grade (i.e., ~ 3 feet) on the south portion of the building. The superstructure of the Site Building is comprised of a wood framed structure (i.e., walls, beams, and columns) supporting wood floor assemblies (i.e., joists and sheathing) and wood roof decking. No structural drawings were available to Pinchin for review.



Table 3.5 outlines the findings of the inspection of the structural elements:

Table 3.5 – Structural Elements	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>None observed/reported.</li> </ul>	<ul style="list-style-type: none"> <li>None required.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>None observed/reported.</li> </ul>	<ul style="list-style-type: none"> <li>None required.</li> </ul>

Assessment of the original or existing building design, compliance with prior or current Building Code or detection or comment upon concealed structural deficiencies are outside the scope of work.

Accordingly, the findings are limited to the extent that the assessment has been made based on a walk-through visual inspection of accessible areas of the structure.

Pinchin’s visual review of the structural elements and information provided by the Site Representatives indicated that no major deterioration existed within the visibly accessible components of the Site Building.

### 3.6 Underground Parking Garage

The Site Building does not possess an Underground Parking Garage.

Table 3.6 outlines the findings of the inspection of the underground parking garage:

Table 3.6 – Underground Parking Garage	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>N/A.</li> </ul>	<ul style="list-style-type: none"> <li>N/A.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>N/A.</li> </ul>	<ul style="list-style-type: none"> <li>N/A.</li> </ul>



### 3.7 Elevator Systems

The Site Building does not possess elevator systems.

Table 3.7 outlines the findings of the inspection of the elevator systems:

Table 3.7 – Elevator Systems	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>N/A.</li> </ul>	<ul style="list-style-type: none"> <li>N/A.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>N/A.</li> </ul>	<ul style="list-style-type: none"> <li>N/A.</li> </ul>

### 3.8 Interior Finishes

As outlined in the scope of work, the interior finishes of the Site Building were reviewed during the Site assessment. The floor finishes within the main entrance lobby as well as the kitchen and washroom areas within the suites consist of ceramic floor tiles. Floor finishes within the remainder of the areas in the suites consist of parquet wood flooring. The floor finishes within the corridors consist of carpeting while the floor finishes within the laundry room, storage rooms, mechanical, and electrical rooms consist of painted concrete floor slabs. The wall finishes within the Site Building consist primarily of painted gypsum board throughout, with textured finishes in the corridors. Ceiling finishes throughout the Site Building consist primarily of painted gypsum board with textured ceiling finishes within the corridors.

Pinchin notes in order to protect the safety of our field assessors, as well as occupants within the Site Building during the on-going global health pandemic, the interior of occupied tenant spaces were not reviewed and thus we are unable to provide commentary of the condition of the interior of the tenant spaces. Pinchin was able to review two vacant units including unit #s 208 and 304 at the time of the inspection.

Table 3.8 outlines the findings of the inspection of the interior finishes:

Table 3.8 – Interior Finishes	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>• None observed/reported.</li> </ul>	<ul style="list-style-type: none"> <li>• None required.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>• None observed/reported.</li> </ul>	<ul style="list-style-type: none"> <li>• None required.</li> </ul>



General view of the interior finishes within the main entrance lobby.



General view of the corridors in the Site Building.



View of typical finishes in an apartment unit.



View of typical finishes within a washroom in an apartment unit.



View of typical finishes within a kitchen in an apartment unit.

The interior finishes within the Site Building were generally observed to be in satisfactory condition with no major deficiencies noted. Pinchin recommends that regular annual maintenance of the interior finishes be performed throughout the term of the analysis.

Cyclical replacement of interior finishes (i.e., common and in-suite areas) and appliances are included as part of the annual operating budget and are completed as part of regular in-suite tenant fit ups when apartments are turned over.



### 3.9 Site Features

The Site Building occupies approximately 57% of the 0.3 acre Site. The remainder of the Site is surfaced with soft landscaping (i.e., grassed areas with trees) and parking areas surfaced with asphalt pavement. The Site Building possesses asphalt surfaced parking areas adjacent to the south elevation of the Site Building with parking provisions for approximately 9 vehicles.

Drainage of the Site pavements is provided by surface runoff to catch basins on the adjacent municipal streets. Since the inspection was limited to visible areas no examination of the Site drainage was performed and no review of the initial compliance with code was performed. The inspection of underground or concealed components is outside the scope of work. No issues were reported with the Site’s drainage ability.

Soft landscaping was noted to surround the building on all elevations, with the exception of the south. A cast-in-place concrete walkway was noted adjacent to the east elevation of the Site Building. A cast-in-place concrete retaining wall was noted along a portion of the west perimeter of the Site, while brick masonry retaining walls serve as balustrades for the grade level patios adjacent to the north elevation of the Site Building.

Access to the Site is provided by a municipal alley adjacent to the south portion of the Site and is accessed from Selkirk Street or Hudson Street.

Table 3.9 outlines the findings of the inspection of the Site features:

Table 3.9 – Site Features	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>None observed/reported.</li> </ul>	<ul style="list-style-type: none"> <li>None required.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>Isolated areas of cracking were noted in the asphalt paved parking lot.</li> </ul>	<ul style="list-style-type: none"> <li>Seal the areas of cracking.</li> </ul>
<ul style="list-style-type: none"> <li>Cracking was noted in the concrete walkway adjacent to the main entrance on the east elevation.</li> </ul>	<ul style="list-style-type: none"> <li>Repair the area of cracking.</li> </ul>
<ul style="list-style-type: none"> <li>Mulch was noted to have been installed against the brick veneer masonry along the north elevation of the Site Building.</li> </ul>	<ul style="list-style-type: none"> <li>Re-landscaping should be completed to protect the brick veneer masonry from water damage.</li> </ul>
<ul style="list-style-type: none"> <li>Cracking was observed in the concrete retaining wall along the west perimeter of the Site.</li> </ul>	<ul style="list-style-type: none"> <li>Repair the cracked retaining wall.</li> </ul>





View of the asphalt paved parking lot adjacent to the south elevation of the Site Building.



View of cracking in the asphalt paved parking lot.



View of cracking in the concrete walkway adjacent to the main entrance on the east elevation.



View of mulch which has been installed against the brick masonry on the north elevation of the Site Building.



View of cracking in the concrete retaining wall along the west perimeter of the Site.

The Site features appear to be in satisfactory condition with the exception of the above noted minor deficiencies. Pinchin has carried an allowance to re-landscape the mulch which has been installed against the brick veneer masonry on the north elevation of the Site Building. Pinchin also recommends that repairs/crack sealing be completed to the asphalt pavements, cast-in-place concrete walkway and retaining wall; however, allowances have not been carried as repairs are expected to fall below the threshold of reporting. Pinchin also recommends that regular annual maintenance of the Site features be performed throughout the term of the analysis. Assessment of or comment upon concealed deficiencies and any buried/concealed utilities or components are outside the scope of work.



### **3.10 Mechanical Systems**

#### *3.10.1 Major Service Providers*

The following providers serve the subject property:

Water	-	City of Vancouver
Electric	-	BC Hydro
Sewer	-	City of Vancouver
Natural Gas	-	Fortis
Police	-	Vancouver Police Service
Fire	-	Vancouver Fire Services

#### *3.10.2 Heating, Ventilation and Air Conditioning (HVAC)*

Heating throughout the Site Building is provided by perimeter hydronic radiators which are supplied with hot water from a natural gas-fired heating boiler. The “Allied Engineering Co. - Super Hot” boiler was noted to be manufactured in approximately 1996 (i.e., ~ 25 years old) possessing an approximate input heating capacity of 720,000 British Thermal Units per Hour (BTUH). The boiler is located within the ground floor mechanical room. There is reportedly no cooling for the Site Building.

#### *3.10.3 Domestic Hot Water*

Domestic Hot Water (DHW) within the Site Building is provided by two natural gas-fired, self-contained DHW heaters which are located within the mechanical room. The DHW heaters were noted to be manufactured by “A.O. Smith” in approximately 2010 and 2011 (i.e., ~ 10 and 11 years old) possessing approximate input heating capacities of 199,000 BTUH each and storage capacities of 76 and 81 gallons. There is reportedly no shortage of DHW within the Site Building.

#### *3.10.4 Plumbing*

Drainage piping within the Site Building consists of cast iron as observed in the mechanical room. It was reported by Site Representative that the plumbing risers for the Domestic Cold and Hot water consist of copper piping. Due to the concealed nature of the plumbing system the condition of the risers could not be verified.

The main domestic water line was not observed at the time of the inspection. Pinchin could not confirm if backflow prevention device is present on the incoming main water line.

### 3.10.5 Laundry Equipment

The laundry room within the Site Building is located on the ground floor level and contains two electrically-powered washing machines and two electrically-powered dryers manufactured by “Huebsch”. The laundry equipment is reportedly owned by the Owner of the Site. No issues were reported with the Site Building’s laundry equipment by the Site Representatives.

### 3.10.6 Fire Protection

Fire protection within the Site Building is provided by chemically-charged fire extinguishers which are located within cabinets in the corridors and wall-mounted in the service rooms. The fire extinguishers are reportedly serviced annually by “Voltech Fire Protection” and were last inspected in August 2020.

Table 3.10 outlines the findings of the inspection of the mechanical systems:

Table 3.10 – Mechanical Systems (including HVAC, DHW, Plumbing, Laundry and Fire Protection)	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>The heating boiler is approximately 25 years old and will presumably reach its Projected Useful Life (PUL) within the term of the analysis.</li> </ul>	<ul style="list-style-type: none"> <li>Replace the heating boiler within the term of the analysis.</li> </ul>
<ul style="list-style-type: none"> <li>The two DHW heaters are approximately 10 and 11 years old and will be approaching their PUL of 15 to 20 years within the term of the analysis.</li> </ul>	<ul style="list-style-type: none"> <li>Replace the two DHW heaters within the mid portion of the term of the analysis.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>None observed/reported.</li> </ul>	<ul style="list-style-type: none"> <li>None required.</li> </ul>



View of the “Allied Engineering Co. – Super Hot” heating boiler.



View of a typical perimeter hydronic radiator in the Site Building.



View of the two "A.O. Smith" DHW heaters.



View of typical laundry equipment in the Site Building.



View of a typical cabinet-mounted fire extinguisher in the corridors of the Site Building.

In summary, the mechanical systems within the Site Building are currently in satisfactory condition with the exception of the above noted deficiencies. Due to the current ages of the heating boiler and DHW heaters, it is anticipated that replacement will be required within the term of the analysis. Assuming that the heating boiler and DHW heaters are replaced and regular annual maintenance is performed, no additional major expenditures are anticipated relating to the mechanical systems throughout the term of the analysis.

In accordance with the proposed scope of work, no physical or destructive testing or design calculations will be conducted on any of the major components of the building. Similarly the inspection of the interior of boilers, pressure vessels, equipment, fan coils, ductwork or associated mechanical components is not included in the scope of work. Accordingly, the findings are limited to the extent that the assessment will be made visually from the exterior of the systems.

### **3.11 Electrical Systems**

#### *3.11.1 Electrical Power*

The electrical power for the Site Building is supplied from a pole-mounted transformer adjacent to the south portion of the Site and feeds the electrical room on the ground floor of the Site Building via overhead wires. The main electrical service for the Site Building consists of a 400 Ampere, 120/240 Volt service, complete with an “EP” main disconnect switch. Sub-disconnect switches and individual hydro meters for each apartment unit were noted in the main electrical room. Breaker panels were also observed within the apartment units.

There is reportedly no emergency backup power for the Site Building.

No problems were observed or reported relating to the electrical systems of the Site Building.

### 3.11.2 Fire Alarm System and Life Safety

The fire alarm system serving the Site Building consists of a multi-zone, single stage system complete with an “Edwards Model 1527” fire alarm panel. The fire alarm panel is located within the electrical room on the ground floor level. The fire alarm monitors hardwired pull stations located at exits, heat detectors which are located throughout the common areas and smoke detectors were noted within the suites. The systems are reportedly monitored by “Paladin Security” an independent contractor. Inspections and servicing of the fire alarm system is reportedly performed by “Voltech Fire Protection” an independent contractor. The last date of inspection for the fire alarm panel and associated systems took place in August 2020.

Emergency lighting and illuminated exit signs are located throughout the Site Building which are powered by a combination of internal battery packs and a central battery back-up station.

Table 3.11 outlines the findings of the inspection of the electrical systems:

Table 3.11 – Electrical Systems (including Electrical Power and Fire Alarm and Life Safety)	
Findings	Remarks/Recommendations
<b>Major Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>None observed/reported.</li> </ul>	<ul style="list-style-type: none"> <li>None required.</li> </ul>
<b>Minor Deficiencies/Findings</b>	
<ul style="list-style-type: none"> <li>The fire alarm panel is estimated to be greater than 20 years old and has reached its Projected Useful Life (PUL).</li> </ul>	<ul style="list-style-type: none"> <li>Replace the fire alarm panel.</li> </ul>



View of the pole-mounted transformer adjacent to the south perimeter of the property.





View of the main electrical disconnect switch.



View of the sub-disconnect switches and hydro meters.



View of a typical breaker panel in the apartment units.





View of the “Edwards” fire alarm panel.

Upon inspection the electrical and life safety systems were noted to be in satisfactory condition with the exception of the aged fire alarm panel which has reached its PUL. Pinchin has carried an allowance to replace the fire alarm panel within the early portion of the term of the analysis. It should be noted that allowances do not include associated fire alarm components such as wiring, pull stations, heat detectors, etc.

Due to the age of the Site Building, there may be aluminum wiring present throughout the Site Building, as a result the Owner should retain the services of a licensed electrician to review the wiring and connections throughout to ensure there are no loose connections throughout the Site Building.

No additional major expenditures should be incurred relating to the electrical and life safety systems assuming the fire alarm panel is replaced and regular annual maintenance is provided.

#### **4.0 KNOWN VIOLATIONS OF CODE**

It was reported to Pinchin by the Site Representative that no outstanding violations from the Building Department existed pertaining to the property. Compliance with the National Building Code (NBC) and National Fire Code (NFC) was not reviewed as it was beyond the scope of this survey.

#### **5.0 CONCLUSIONS AND RECOMMENDATIONS**

Based on Pinchin’s review of the property, conducted on March 3, 2021 the Site Building appears to be in satisfactory condition, commensurate with its age and in comparable standing to other similar residential properties in the area. Based on our visual assessment the Site Building appears to have been constructed in general accordance with standard building practices in place at the time of construction.

The assessment did not reveal any evidence of major structural failures, soil erosion or differential settlement.



As noted during the Site visit, deficiencies relating to the roof systems, wall systems, balcony systems, interior finishes, Site features and mechanical/electrical systems were noted. Of particular note, recommendations, repairs and replacements for the following items are included throughout the term of the analysis:

- Replacement of the two-ply modified bitumen roof systems within the term of the analysis as they will presumably reach their PUL;
- Contingency allowance for stucco repairs;
- Replacement of the original windows and balcony doors with more thermally efficient units;
- Replacement of the balcony balustrade systems;
- Rebuild the bowed brick masonry retaining wall which serves the grade level patio;
- Re-landscaping along the north elevation of the building where mulch has been installed directly against the brick veneer masonry;
- Replacement of the heating boiler as it has reached its PUL;
- Replacement of the two DHW heaters as they will presumably reach their PUL within the term of the analysis; and
- Replacement of the fire alarm panel.

It was reported to Pinchin that the costs associated with ongoing general maintenance of the major components of the Site Building are carried as part of the annual operating budget for the Site.

Consideration has been given regarding required ongoing maintenance and repairs of the major elements and at the direction of the Client, Pinchin has utilized a threshold of \$5,000 per system, per year as a limit in determining and carrying anticipated expenditures. Anticipated expenditures associated with maintenance and reparation of the major components below the threshold are carried within the annual operating budget and excluded from the Summary of Anticipated Expenditures.

Regular maintenance should be conducted on the roof systems, wall systems, balcony systems, structural elements, interior finishes, Site features and the mechanical/electrical systems to ensure that the PUL of the major components is realized. Repair costs for the aforementioned items have been included over the term of the analysis (i.e., 10 years) included within Appendix I. The specific deficiencies identified during the BPCA and their associated recommendations for repair are described in the main body of the report. These deficiencies should be corrected as part of routine maintenance unless otherwise stated within the report. Costs associated with desired upgrades have not been carried.



## **6.0 TERMS AND LIMITATIONS**

This work was performed subject to the Terms and Limitations presented or referenced in the proposal for this project.

Information provided by Pinchin is intended for Client use only. Pinchin will not provide results or information to any party unless disclosure by Pinchin is required by law. Any use by a third party of reports or documents authored by Pinchin or any reliance by a third party on or decisions made by a third party based on the findings described in said documents, is the sole responsibility of such third parties. Pinchin accepts no responsibility for damages suffered by any third party as a result of decisions made or actions conducted. No other warranties are implied or expressed.

In accordance with the proposed scope of work, no physical or destructive testing or design calculations were conducted on any of the components of the building. Assessment of the original or existing building design, or detection or comment upon concealed structural deficiencies and any buried/concealed utilities or components are outside the scope of work. Similarly, the assessment of any Post Tension reinforcing is not included in the scope of work. Determination of compliance with any Codes is beyond the scope of this Work. The Report has been completed in general conformance with the ASTM Designation: *E 2018 – 15 Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process*.

It should be noted that Pinchin has attempted to identify all the deficiencies required by this Standard associated with this project. Pinchin does not accept any liability for deficiencies that were not within the scope of the investigation.

As indicated above the personnel conducting the building assessment, where applicable, have performed a non-specialist review of the building and all associated finishes and related systems including the mechanical and electrical (including fire alarm and life safety) systems, Site features, etc. The personnel conducting the assessment are knowledgeable of building systems and construction, but not technical specialists in each of these fields. The intent of Pinchin's comments on these systems are for the sole purpose of identifying areas where Pinchin has observed a noteworthy condition which will lead to a likely significant expenditure during the term of the assignment and/or where Pinchin would recommend that the Client consider a further, more detailed investigation. The budget costs for remedial work for each specific item has been provided to the best of our ability and will provide an order of magnitude cost for the individual item and the overall possible remedial work. Our experience has shown that the costs that Pinchin have provided are appropriate and of reasonable accuracy for the purpose intended. It should be noted that the budget cost or reserve costs for any specific item may vary significantly based on the fact that the schedule or phasing of the future remedial work is unknown at this time, the impact on building operations of this remedial work is unknown at this time and that no intrusive inspection or detailed design



work is included in the BPCA. If a more accurate, detailed or documented reserve cost is required at this time the Client should request Pinchin to provide the additional proposal to provide a more accurate cost estimate.

It should be noted that recommendations and estimates outlined in this report do not include allowances for future upgrading of components pertaining to Client or tenant fit-up that may be necessary or required by Authorities Having Jurisdiction (AHJ).

The assessment is based, in part, on information provided by others. Unless specifically noted, Pinchin has assumed that this information was correct and has relied on it in developing the conclusions.

It is possible that unexpected conditions may be encountered at the Site that have not been explored within the scope of this report. Should such an event occur, Pinchin should be notified in order to determine if we would recommend that modifications to the conclusions are necessary and to provide a cost estimate to update the report.

The inspection of the interior of boilers, pressure vessels, equipment, fan coils, ductwork or associated mechanical, etc., was beyond the scope of work. It should be noted that the heating and cooling duct work within the Site Building may contain interior insulation. The Site Representatives were unaware of the presence of insulation within the duct work within the Site Building. It is Pinchin's experience that interior insulation within duct work is prone to deterioration or development of mould which may require removal of the insulation. In the case where interior insulation is present within the duct work, Pinchin recommends that the duct work insulation be inspected for the presence of mould.

Due to the concealed nature of the plumbing system the condition of the risers could not be verified.

Environmental Audits or the identification of designated substances, hazardous materials, PCBs, insect/rodent infestation, concealed mould and indoor air quality are excluded from this BPCA report.

Further to the aforementioned, determination of the presence of asbestos containing material within the building such as drywall joint compound or the lead content within the older paint finishes was beyond the scope of work.

This report presents an overview on issues of the building condition, reflecting Pinchin's best judgment using information reasonably available at the time of Pinchin's review and Site assessment. Pinchin has prepared this report using information understood to be factual and correct and Pinchin is not be responsible for conditions arising from information or facts that were concealed or not fully disclosed to Pinchin at the time of the Site assessment.

**APPENDIX I**

**Table 1 – Summary of Anticipated Expenditures**

ITEM	Projected Useful Life (yrs)	Effective Age (yrs)	Remaining Projected Useful Life (yrs)	Quantity	Unit	Unit Cost	Total Cost	Immediate Costs	Replacement Reserve Costs												
									2021 1 yr Cost	2022 2 yr Cost	2023 3 yr Cost	2024 4 yr Cost	2025 5 yr Cost	2026 6 yr Cost	2027 7 yr Cost	2028 8 yr Cost	2029 9 yr Cost	2030 10 yr Cost	1 - 10 Year Total		
<b>Life Safety, Consulting and ADA</b>																					
Life Safety & Code Compliance																					
Follow-up Recommendations																					
General ADA Accessibility																					
<b>Table 3.2 - Roof Systems</b>																					
Roof Structures and Roofing (Repairs - below threshold)																					
Roof Structures and Roofing (Replacement)	23 to 25	21	2 to 4	7,500	SF	\$18	\$135,000							\$135,000				\$135,000			
<b>Table 3.3 - Wall Systems</b>																					
Exterior Walls (Stucco repairs)	Varies	Varies	Varies	1	LS	\$10,000	\$10,000						\$10,000					\$10,000			
Exterior Windows and Doors (Replacement of the original windows)	Varies	62	0	~ 47	LS	\$140,000	\$140,000							\$140,000				\$140,000			
Exterior Windows and Doors (Replacement of the balcony/patio doors)	Varies	62	0	10	EA	\$12,000	\$120,000							\$120,000				\$120,000			
<b>Table 3.4 - Balcony Systems</b>																					
Wood Elements (Cleaning stained wood boards - below threshold)																					
Fall Protection (Upgrading the balustrades)	Varies	Varies	Varies	1	LS	\$20,000	\$20,000		\$20,000									\$20,000			
Grade Level Patio (Rebuild bowed brick retaining wall at grade level patio)	Varies	Varies	Varies	1	LS	\$7,500	\$7,500		\$7,500									\$7,500			
<b>Table 3.5 - Structural Elements</b>																					
Foundations																					
Superstructure																					
<b>Table 3.6 - Underground Parking Garage</b>																					
Underground Parking Garage	N/A	N/A	N/A																		
<b>Table 3.7 - Elevator Systems</b>																					
Elevator Systems	N/A	N/A	N/A																		
<b>Table 3.8 - Interior Finishes</b>																					
Interior Finishes																					
<b>Table 3.9 - Site Features</b>																					
Parking and Paving (Crack repairs - below threshold)																					
Landscaping (Re-landscaping of mulch against brick veneer masonry on the north elevation)	Varies	Varies	Varies	1	LS	\$15,000	\$15,000		\$15,000									\$15,000			
Concrete Walkway and Retaining Wall (Repairs - below threshold)																					
Fencing																					
<b>Table 3.10 - Mechanical Systems</b>																					
Building Heating and Cooling (Replacement of the heating boiler)	25	~ 25	0	1	LS	\$50,000	\$50,000			\$50,000								\$50,000			
Building Heating and Cooling																					
Plumbing and Hot Water (Replacement of the two DHW heaters)	15 to 20	~ 10 and 11	Varies	2	EA	\$20,000	\$40,000							\$20,000	\$20,000			\$40,000			
Fire Protection & Security																					
<b>Table 3.11 - Electrical Systems</b>																					
Electrical Systems (Replacement of the fire alarm panel)	15 to 20	> 20	0	1	LS	\$8,000	\$8,000		\$8,000									\$8,000			
<b>TOTALS (Uninflated)</b>									\$545,500	\$0	\$50,500	\$50,000	\$0	\$0	\$10,000	\$415,000	\$20,000	\$0	\$0	\$0	\$545,500
Inflation Factor											1.00	1.025	1.050	1.075	1.100	1.125	1.150	1.175	1.200	1.225	
<b>TOTALS (Inflated)</b>									\$50,500	\$51,250	\$0	\$0	\$11,000	\$466,875	\$23,000	\$0	\$0	\$0	\$602,625		

Term of Analysis 10  
Total number of units within the Building 22

Average Cost per unit per Year (Uninflated)	\$2,479.55
Average Cost per unit per Year (Inflated)	\$2,739.20