Building Envelope Renewal (BER) Information Pack

This information pack provides details and information related to the proposed BER project to renew our building envelope and replace all glass panes. It is for the entire Strata. Every building is included.

It is for the benefit of all residents of our strata at 1000 Beach. We will continue to build on it as we learn more from our Town Halls, and as we field questions that we have not yet anticipated. It is a shared resource that will allow us to have an efficient Special General Meeting (SGM) on December 15. It contains descriptions of the project, which are expanded on in the Town Halls, as well as frequently asked questions.

1. Project Summary – The Envelope Renewal will be detailed in person, this is a summary of the proposed process.

- Our complex is composed of 9 buildings constructed approximately 25 years ago. They vary
 in design and materials and have had different work done to them over the years
- In 2023, I3 Building Envelope Engineers performed a building envelope condition assessment of the buildings in the complex. They identified:
 - two elevations where the wall sheathing was wet and found some resulting deterioration of the steel studs.
 - priorities for repairs and maintenance work and the relative urgency of those works.
- In May 2025, I3 performed a follow-up visual assessment of the Complex with some moisture content testing and reiterated their 2023 findings and recommendations. In summary, repairs and maintenance had been effective, but the envelope condition still required attention and the priority from building to building had not changed
- Earlier this year, Council engaged Pierre Busque from Busque Engineering Limited (BEL). Pierre had working knowledge of alternative building envelope repair and extension techniques, and we wanted to understand if those would present us with alternatives.
- The Exterior Insulation and Finish Systems (EIFS) walls are the primary concern when
 assessing the urgency or otherwise of a building envelope. This is because the exterior
 cladding is glued to paper-backed gypsum board and moisture in the walls assembly can
 compromise the attachment of the EIFS cladding.
- Pierre and his team reviewed prior reports and inspected our buildings. Their conclusion is
 that that it is too early to replace all EIFS, it would be unnecessary. Repairs and the
 application of a new surface coating will keep our cladding in good order for a long time to
 come. Combined with new windowpanes and improvements to the hardware and seals of
 our window units, we would achieve a higher standard of weather resilience and better
 thermal efficiency from new glass standards.
- Consistent with the i3 Report, and as an urgent measure, a pilot project was commenced on the east walls of buildings 998 and 990, the two walls that were deemed the highest priority. No other walls were identified as needing immediate attention.
- BEL has recommended a Building Envelope Renewal (BER) project. This aims to extend the service life of the exterior cladding. Council was made aware of other properties that have

had this technique applied and we examined one in particular. See the FAQ section for the extension to cladding life achieved there. The scope of work includes:

- applying siliconized paint on the EIFS walls, this is a new surface coating, where it continues to allow the EIFS to "breathe" but improves its weather and water resistance,
- adding sill flashings to the windows where they are missing,
- replacing the sealant on the EIFS panels with siliconized 123 strips; and
- waterproofing horizontal building elements (balconies and decks).
- The BER project will also include replacement of the insulated glazing units (IGU) in the window frames, these are commonly referred to as the glass panes. New IGUs have improved thermal properties adding to enjoyment in homes and offices as well as lowering energy usage. Replacing them with new, will also allow the resealing of the joints in the windows that may be currently leaking into the wall. We will also include the replacement of the hinges and of the operable hardware. We will also remove the cover caps of the slab edges of the window walls to install a membrane at the window head where missing.
- The replacement of the horizontal waterproofing of decks and balconies is also included.
- Where present, stucco and concrete walls will be painted with acrylic paint or treated with silane-siloxane sealer as the case dictates.
- The BER is going to be carried out over 3 to 5 years. 3 years is the quickest and 5 the longest. The works are done using the same equipment as window cleaners, saving large costs on scaffolding and removing the need to wrap the building, another large cost avoided. All up, costs will be lower, our sea views will not be interrupted, and overall disruption will be lower. BEL will be visiting units in the next few weeks to determine the exact scope of work as people have made changes to their units over the years (example, some people have replaced windows or tiled balconies these do not present a problem, we just need to be mindful of them). A resident survey will also supplement our inspections.

2. Frequently Asked Questions (FAQs)

This FAQ is for the benefit of all residents of our strata at 1000 Beach. We will continue to build on it as we learn more from our Town Halls, and as we field questions that we have not yet anticipated. It is a shared resource for all residential and non-residential owners. The BER project is an important project to consider and one that your current council supports. We need to address our building envelope condition, and we want everyone to benefit from the improvements – that means ALL buildings and ALL of residential and non-residential.

We want to make sure that everyone has as much information as we can provide, so that the financial commitment and staging of the works give you a strong basis on which to vote.

There are currently 40 FAQs. Please take the time to read the FAQs!!

We will continue to build on the FAQs as we hear new questions or relevant perspectives to be addressed. We will we send everyone a complete information package before the SGM and also post this our 1000 beach website. Pierre Busque P. Eng, from Busque Engineering Ltd will be sharing technical information during our Town Halls and is expert in this field. At the SGM our intention is to register everyone and then move to vote. It will be a quick meeting. With 2 Town Halls held prior to the SGM, and the information pack available to everyone, we are confident we can conduct a quick meeting and you have enough information to base a vote on.

The 40 FAQs are categorized into 4 parts:

- About the project (18 FAQs) why the BER, why not alternatives, what were previous proposals, how will it be done, materials, what is included etcetera,
- Finances (12 FAQs) cost related questions, use of the Reserve Fund (CRF), when payments would be due, and
- Timing and Staging (4 FAQs) questions relating to the planned roll out and over what period
- Voting (6 FAQs) questions about the SGM being held by zoom call on December 15, 2025.

Questions About the Project

P1 Why a building envelope renewal (BER) and why not a complete replacement of all cladding? And why will it include all new windowpanes?

We do not need to replace the cladding. Using new and advanced materials, along with repairs where necessary, we can responsibly renew and extend the life of our envelope, preventing water ingress and preserving the value of our buildings. Additionally, the technique used will allow us to replace windowpanes — a source of many complaints. These new windowpanes will meet modern regulatory requirements and include high thermal efficiency and double panes. This is a significant upgrade from what we have and will improve the enjoyment of our homes.

Notably, this project has reference properties (see later questions), minimizes disruption and includes all buildings in our strata. This approach has been successfully applied in other similar coastal towers with strong performance results.

One day we will need to fully replace the cladding. Like all things, it wears out. But that time is not now.

If we do not apply this technique to the cladding, and allow water ingress from leaking seals and deteriorating windows to continue, then the life of the cladding will continue to be compromised and may reach a state where renewal and extension is removed as an option.

P2 Why now?

Nothing has changed in terms of our building envelope performance and deterioration. The reports we received and shared in the past showed that works need to be performed to protect our buildings. The most recent reports from i3 had timeframes that prioritized the order of building envelopes to be addressed and their urgency. An update report conducted this year did not dispute

the need for works or the order of the works. As more time goes by, the urgency increases, and the unresolved issue remains with us. Each council, this one and any that come into the future, need to look at the issue of our building envelopes and present solutions.

As soon as this council had all the information it needed, we organized our Town Halls and called the SGM.

If approved, we then tender to refine the price and the individual work parcels, secure the contractors and establish a committee to oversee the multi-year job. By the time this is done, it will be Spring, and we can start with the better weather. If we had waited until the AGM in February of 2026, we would lose 3 months of suitable weather and a new council would have some difficulty getting up to speed and starting the works. By doing it now, we remain organized, have continuity and take advantage of good weather.

P3 Will every building in VR2613 be done or just urgent ones?

All of them. And that makes this different to prior proposals. Over the 3- or 5-year period, all of our buildings' envelopes will be renewed with new glass planes across the board, improved seals and window hardware and membrane improvements to selected horizontal areas (balconies and roof sections).

P4 Why don't we get rid of the cladding altogether and go with a new material such as metal plates or marble or stone?

Because we don't need to. Replacing it now is an unnecessary cost burden. This technique appropriately extends the life our external cladding and allows previous dollars to be spend on new glass and other improvements.

Although completely replacing the cladding is technically feasible the cost will be significantly higher that the BER project. We have had ¾ votes presented at a previous AGM to replace the building envelope of one building (990 Beach) for about the same cost as this entire renewal project. This vote was unsuccessful, so this option has been explored and rejected for voting on.

P5 How will the new system address existing water ingress and insulation issues?

The renewal involves removing and replacing failed sealants, resealing joints, replacing damaged areas of the EIFS and applying a new silicone protective coating system. Modern silicone and elastomeric membranes provide superior water resistance and UV protection. The installation process also enhances insulation at key transition points such as window perimeters and slab edges, improving both moisture and thermal performance.

P6 What warranties will the BER include?

As part of the contract of works we will insist on and receive appropriate and industry standard warranties for work done. The firms used will be reputable and have all insurances.

P7 Will this work improve energy efficiency or thermal performance?

Yes. The windowpanes will be replaced with modern Insulated Glass Units (IGU) with high thermal efficiency; this will be a big improvement over the existing glass and help to keep units warm in the winter and cool in the summer. Double panes are contemplated in our estimates.

P8 What's the expected lifespan compared to full replacement?

Based on discussions with the engineering team we expect that if properly maintained this renewal will have the same expected lifespan as a full replacement. That cannot be guaranteed, but in any event, even if we proceeded with brand new cladding, the warranty would not be for its useful life, it would be far shorter.

P9 What are we getting or missing out on with the BER versus the proposal 2 years back?

The BER includes 100% of the strata, previous proposals did not. It also includes new glazing throughout. The earlier proposal involved full cladding replacement, which would have required complete wrapping and scaffolding of the buildings included. The BER offers the same protection, shorter timeline, lower cost and everyone is included. Wrapping and scaffolding are a major component of the previous quote, which we do not need for this work.

With this said there are positives for a full recladding, one of which is the ability to change the exterior appearance of the building (like for example 888 Pacific), also the ability to use more modern materials and construction techniques for the new envelope which may make the complex more desirable to potential purchasers.

On the other hand, a positive decision made by all residents to resolve the issue of how we address the building envelope, would have a material impact immediately. Removing the existing uncertainty would be favorable to the market and buyers.

Based on the assessment and research by BEL, it is too soon to replace the cladding. The BER is not a short cut, it responsibly extends the life of our buildings and at the same time, we improve our windows and horizontal surfaces.

P10 Will enough materials be ordered beforehand and stored as a guarantee to show that all buildings will get the same products?

The type of materials we are ordering are not at risk of supply shortage or stoppage. Glass panes are manufactured and cut to size by glaziers. As the materials are the biggest cost component for the project if we order everything up front we will need to collect the full special assessment in year one to pay for it.

P11 Why not include new window frames as well as panes – aren't frames another source for leaks?

Our window frames are aluminum, a material which essentially does not degrade. As part of the project all the components that can wear out in the frames will be replaced including hinges and latches returning the frames to their original condition. With improved hardware and better seals, combined with new glass and better thermal properties, we gain a lot by way of comfort and value, and protect our buildings.

P12 What type of windowpane is being proposed (material, glazing, insulation value, and energy efficiency rating)?

The engineer has specified double pane Insulated Glass Units (IGUs) to be low e-double glazed with a heat gain coefficient of 0.25. It meets new standards by the City of Vancouver.

P13 Why don't we need to wrap the building and what sort of disruption should we expect?

We sought a solution that would avoid huge disruption. We heard from residents that our views and location are important. And our commercial residents have businesses to run as well. Wrapped buildings and scaffolding add to expense and disrupt. This technique needs only the same equipment as window washers use. When windowpanes are replaced, they are done same day with minimal interruption and from the outside. Rain can delay work of course, and this has been factored in. The entire project can be done in 3 years allowing for weather, our stretched over 5 years.

P14 Will my balcony be done?

If any balcony membrane or railing attachment requires attention, it will be repaired under the same contract. Balcony surface replacement (tile or coating) is outside the BER's scope but may be coordinated by owners at their discretion. Estimates have been allowed for.

P15 Have you seen this product and technique applied elsewhere?

Yes, we were provided with multiple reference properties. We also made a trip to one of these that have had the same process applied. It is in Lonsdale, also proximate to the sea and remarkably similar to our tower at 1000 Beach, both in terms of year of construction and design, picture from our field trip are below. We also spoke to owners who informed us that they have not had issues and that a recent full depreciation report indicated no further work was needed. It showcases how effective the silicone coating can be in extended the life of cladding.







P16 Who will be responsible for project oversight?

Engineering oversight will be led by Pierre from Busque Engineering and his consulting team, who will report directly to Council. They will coordinate with the property manager to ensure documentation, communication, and compliance with warranty standards are maintained. This oversight is already happening with the urgent work being carried out at 990.

P17 Why did previous engineers not suggest this solution?

Previous assessments focused on full replacement, which was standard industry practice at the time. Our current consultants have introduced more advanced renewal methods now recognized for extending service life with less disruption. Former councils and others looking at a project like this cannot be blamed for high quotes received due to 100% replacement projects. It is easier for engineering firms to recommend a complete replacement as it is lower risk for them. We have found people who are willing to do the work needed in a more reasonable manner, less disruption and instead of replacing our envelope, renewing it, and doing so across the entire strata.

P18 Can we choose a different color for the building?

We already have several different colors across our strata and the easiest solution is to keep them the same. The works started on the east side of 990 Beach shows the improvement with the new material. We could organize a committee to look at new colors if that is desirable.

Finances

F1 How was the \$15M estimate calculated, by square footage, historical data, or actual tender quotes?

The 15MM is a conservative estimate based on BEL's assessment, experience and initial work, as well as reviews of the building, prior testing and engineer reports. It will be tendered with a council appointed procurement sub-committee and Pierre overseeing the project. We are confident that this is a high estimate but need to tender the various components to ensure fair process and best pricing.

F2 Can we tender this to try get a sharper number than 15MM?

Yes, it will be tendered, and a lower cost would result in funds returned from the special assessments. The tender process will begin immediately after our SGM vote if support for the project is voted on.

F3 Will there be a contingency budget, and how much?

We will have an appropriate contingency. We expect 15%-20% will be included in work contracts. These are industry standard for significant projects like this. Any funds not used in a special assessment can be returned to us.

F4 Why 3 years or 5 years? and how does it affect future buyers and obligations?

The minimum period of time to do all this work is three years and the maximum recommended is 5 years. We have selected the 2 bookmarks as the periods in which we can vote. Of course, 5 years will spread out the special assessments and lower them. Given economic times, we believe this may prove to be the more popular option. However, there is risk in extending the project as future material costs may be higher than they are today. Also, a 5-year project requires more mobilizations than a 3-year project which will potentially add to project cost. As such, council's preference is for a 3-year project.

Buyers who close on a property during the BER project, with future payments owing, would be committed to any remaining payments owed, so this issue would likely be resolved in any sale price negotiated.

As we mentioned earlier however, buyers are currently likely contemplating a far higher figure in their mind for future works. The level of financial commitment for the BER, compared to our property values, and past contribution estimates that were defeated, is low. The BER payment commitments would also be seen as fair, as they involve ALL buildings in the Strata. 100% of future buyers would benefit from new materials for their own home or office. As such, a YES motion and council minutes showing the issue has been resolved, would be a positive to prospective buyers, versus the current state or a NO vote.

F5 What's the payment schedule, progress draws, milestones, or lump-sum?

The payment schedule for the engineers will be determined and assessed in accordance with their tender responses. We expect progress draws. But this is different to the question of when <u>we</u> pay. As residents, and if we vote to support the project, our special assessments will be due the end of each February for either of 3 or 5 years.

The tables below illustrate how a \$15MM special assessment would be repaid over 5 years and 3 years. These are approximates and rounded. The three sample unit sizes in the tables represent 95% of the unit sizes we have in our Strata. If your size is not there, it is all based on square feet, simply pro-rate the costs to estimate your own case. Fees will be due at the end of February. We are not voting on paying the funds in 1 year as we don't need the money that quickly. You can always pay your assessment and hold a credit balance with the Strata.

Earlier year payments are slightly lower as we will use some of the Contingency Reserve Fund (CRF)

5-year payment schedule – in thousands, approximate, size is in SQF

Size	Y1	Y2	Y 3	Y4	Y5	\$
700	4	4	6	6	6	26
1,400	8	8	12	12	12	52
1,800	11	11	16	16	16	70

Size	Y1	Y2	Y3	\$
700	6	9	11	26
1,400	12	20	21	52
1,800	16	26	28	70

The payment for the first year will be due in full in February 2026. For the remaining payments you could make them monthly in advance or just pay them each year. FSR does not provide finance options for payments in arrears.

F7 Are there financing options (e.g., strata loans)?

We are not providing financing options.

F8 Why will some come from the CRF?

Income from investments in this environment is low ever since rates were lowered. By using 2MM from the contingency reserve fund (CRF) now, we use reliable money at a time when its opportunity cost is close to zero. It lowers our special assessment and leaves a responsible amount for emergencies.

F9 Will our strata fees go up?

No, in fact, renewing our envelope will LOWER strata fees as we can finally begin to budget for lower repairs to cladding. We have spent close to half a million in costly repairs in the last 3 years. Strata fees change as a result of many cost items, this project works to lower them.

F10 How will this affect owners who already replaced their windows, will there be credits or exemptions?

Each of the premises will be assessed. If the glass you have replaced was approved by strata, is suitable, and meets modern standards, you will be given the choice to keep it and not have it replaced. There is no feasible mechanism to exempt owners who replaced their windows from the full cost of the special assessment, or to get a credit back, as changing unit entitlements for an assessment required a unanimous vote from strata.

F11 How will this affect my property values and how will this be received by realtors?

We think property values will be positively impacted. We have seen in past meetings and shared data about typically lower resales value we have received in our Strata. We believe that an impediment to buyers looking at properties in our Strata, is the unresolved issue with respect to our exterior envelope. Previously defeated motions regarding envelope replacement and building condition reports are in minutes and disclosures. No resolution has been recorded since. Buyers want certainty and this solution provides it.

F12 If you are going to replace our windowpanes could we organize for something different to be done in our unit, for example, could we have sliding doors installed instead of simply replacing our existing windowpanes to the balcony?

If you wish to install bespoke solutions to your unit, then submit plans for approval to Council as you normally would, including the fact that you would like this done during the BER Project staging. Any such works would be at your own cost and subject to Council approval.

Timing and Staging

T1 Which area will get started first and why?

We are drawing on the staged and priority order which is in all reports we have to date. Even recent work and reports we have received, have not disputed the order the work needs to be done in. We did, however, add some work parcels to the Villas, which are underway now. The plan is to conduct the BER Project in a U shape.

Villas and 990 Beach, then 1000 Beach, then Phase One and the Rec Center. Phase One has the newest building envelope in the complex as it was reclad approximately 25 years ago.

T2 Will the consultant provide inspection reports at each phase and will there be monthly or quarterly progress reports?

Yes, we recommend that future councils have an ongoing BER Committee. We will establish the governance within this council and pass those structures onto the next one in good stead. For current work we are receiving monthly reports, we would expect this would continue throughout the project.

T3 Can we do it in a single year and just get it over with?

The engineers cannot work that fast. We could raise the special assessment in a single year, but it is unnecessary to do so.

T4: How will residents be informed before work starts in their area?

Each phase will be communicated at least 4 weeks in advance, with clear notices about timing, access, and expectations.

Voting

V1 What happens if we vote NO again?

If there is no support, then we cannot proceed. However, there is nothing stopping concerned groups of residents or a future council from appealing a no decision in the interests of safety and

concern. Over the last year we have been made aware of multiple court actions, heard in the Supreme Court BC, relating to issues where a no vote is appealed. If any such action is successful, the Court would appoint an Administrator. Administrators typically avoid bespoke solutions — in such a situation you would expect a high cost, uniform and disruptive re cladding project that likely only involves 2 buildings rather than the whole Strata.

V2 Is this a combined vote for residential and commercial or is it voted in stages, allowing commercial to potentially vote no, rendering a residential vote unnecessary?

It is a combined vote.

V3. Can we vote to have this done without windowpanes to lower cost?

Replacement of the windowpanes is the single largest cost in the budget; however, the glass is at the end of its serviceable life and needs to be replaced (we have many complaints from residents already about failed). As they are a source of ingress, and we have increasing data regarding failure, we are not presenting an option to exclude them. It makes sense to do them while the labor is there and on location. Also removing each pane gives us a chance to properly inspect the window frames and ensure that there are no hidden defects that could compromise the building envelope.

At the first Town Hall we conducted an informal show of hands as to whether people liked having new glass with improved frame seals and hardware, included in the Vote. The indication to include it was overwhelmingly in favor.

V4 How can you guarantee that the entire VR2613 (Phase 1 and Phase 2) will be inclusive of this work when Strata Council members can and will change throughout voting years?

Any council can commit strata to multi-year contracts. The whole point of this is to make sure we all benefit from this work. Future councils will be bound by the contract and more importantly, this Council will be able to establish the contracts, oversight and governance to pass on the works in good stead, ensuring that we do not lose traction as a new Council is elected.

V5 Will insurance premiums change after the BER?

We could reassure insurers that an improved envelope may stabilize or reduce risk-related costs. However, rising insurance costs that exceed inflation have become a reality. Improving the envelope could not be seen as a negative though. If insurance premiums rise, it would not be due to this.

V6 Proxy Votes have been an issue in the past. Any improvements possible?

This Council asked FSR to conduct the validation of the Proxy Votes either the day before the vote or many hours before the meeting starts to ensure accuracy. FSR cannot accommodate these changes but will allow as much time as possible for proxy vote registration before the SGM Starts.