

IMPORTANT NOTICE

Date: May 28, 2003

To: All Owners, Strata 2720 (545 Manchester Rd. and 520 Dunedin St.)

From: Strata Council

Subject: Replacement of Hot Water Tanks, Insurance Coverage, and Maintenance

Recently, there have been a series of hot water tank failures, causing damage to a number of suites. The rash of recent burst hot water tanks has lead to a number of claims against the strata's building insurance policy. Our insurance underwriter (and other insurance companies) will no longer insure the strata for water damage, due to the number of recent claims, and the fact that they have been caused by "unmaintained" hot water tanks.

Hot water tanks generally last 7-10 years. The sudden increase of recent hot water tank failures has been from tanks that have not been maintained/replaced since the buildings were built over 10 years ago. This places the strata in a very difficult position that must be rectified as soon as possible and why the following paragraphs are worded so strongly.

All owners are hereby notified that any and/or all damage, claims, or actions, arising from hot water tank failures will be charged to the suite where the failure originated. What does this mean? If your hot water tank fails, you will be charged for the full cost of the repairs not only to your suite, but also any other suite, common area, or property damaged by the hot water tank failure.

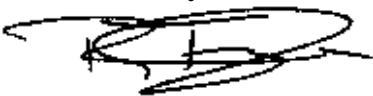
All owners are also hereby notified that they are required to replace their hot water tanks immediately, if the tank has not been replaced since the buildings were built (10 years ago). Failure to replace original hot water tanks by **August 31, 2003** will be considered a breach of owner responsibility under the strata bylaws and subject to fines.

As there are a large number of hot water tanks requiring replacement, council will be negotiating with a local vendor/plumber for a discounted rate on "bulk" hot water tank purchase and replacements. Details of the discounted rate will be posted in the building lobbies and on the strata web site within the next week. The strata web site is:

<http://members.shaw.ca/strata2720>

Thank you for your prompt attention to this matter. Should you have any questions regarding this notice, please write, fax, or email me. Contact information is below.

Sincerely,



Roger Taylor
Council President