



September 5, 2011

To All Owners at The Peaks:

In our previous update the Strata Board stated that National Home Warranty was initiating the process of selecting a contractor for deck repair and that bids were to close on August 31st. However, rather than tender the bid, NHW has now hired an engineering firm to further review the decks and to develop a detailed repair strategy. Unfortunately, this will result in further delays.

A number of Owners have asked why the Board has not taken on the repair work ourselves. The situation that we are faced with is that NHW specifically states that they are not a "reimbursement company" meaning they will do repairs on what they deem faulty but they will not pay for work conducted by others. This prevents us from moving forward with repairs on our own. We have discussed this situation several times with our lawyer but there appears no way around this issue. The terms of the warranty allow NHW to do the repairs and for the Strata to take on the repairs ourselves could potentially void the warranty.

The Board feels NHW is taking an inordinate amount of time to assess the situation, develop a repair strategy, put out a bid to tender, etc. and yet, we have no way of hurrying them along. If we wish to take advantage of their coverage of the affected decks, it seems we have to play by their rules.

We are all concerned about the length of time the whole process is taking – we on the Board understand it is extremely frustrating for Owners. Please know that the Board members closely involved with this project have devoted a great deal of time and energy doing all we can to streamline this process.

NHW's engineering firm will have representatives onsite in mid-September. Please accept this update as your notification that there will be a further inspection of many of the affected decks (including the end suites of the Poplar building) and this may involve accessing your deck via a ladder or lift truck. If access through your suite is required, we will contact you to request permission.

The Board wants to remind all Owners in the Birch and Willow buildings, and Poplar corner suites, that we strongly recommend that the decks and balconies on all three floors not be used because of deterioration of the columns and lack of support for railings.

If you have questions, please send them via email to board@radiumpeaks.com . Thank you again for your patience and cooperation.

Board of Directors / The Peaks