

WESTSEA CONSTRUCTION LTD.

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November 27, 2025

By Mail

All Leaseholders at Orchard House
647 Michigan Street
Victoria, BC, V8V 1S9

Dear Leaseholders:

Re: Update About Remediation Projects at Orchard House

This letter is to provide you with an update about ongoing and future remediation projects at Orchard House that have been recommended by our consultants and the anticipated commencement dates, estimated duration and opinions of probable cost ("OPC") for such remediation projects.

Remediation Projects Currently in Progress

1. Boiler Retube/Replacement Project

The installation of the new boilers is complete, and the new systems have been commissioned and are operational. Our contractor is currently in the process of undertaking remediation work to the wall openings in the chimney and inside the mechanical room. It is anticipated that this remediation work will be completed in approximately 4 weeks.

2. Hot Tub Repair Project

The repairs to the hot tub are complete subject to final deficiency review and commissioning. It is anticipated that the hot tub will be operational by the end of the year, subject to approval by the health authority.

Future Remediation Projects

Westsea's consultants have recommended that the following remediation projects be undertaken to repair and maintain the Orchard House building and/or key components consistent with the Orchard House Lease.

3. Water System Re-Piping Project

As described in our letter to leaseholders dated October 23, 2025, Westsea's engineering consultant has recommended that the domestic water supply and sanitary drainage piping in the building be replaced. While there is an estimated commencement date of Spring 2026, Westsea does not yet have an OPC for the Re-Piping Project.

4. Low Voltage Meter Stack and Fire Alarm Panel Replacement Project

As described in our letter to leaseholders dated October 23, 2025, Westsea's engineering consultant has recommended that the low-voltage electrical meter stack and fire alarm panel be replaced. Our consultant and contractor are currently undertaking thermal imaging scans and insulation resistance testing of the meter stacks for each suite. The estimated cost for this assessment is \$40,000.00.

It is anticipated that the Meter Stack and Fire Alarm Replacement Project will be undertaken while the Re-Piping Project is being undertaken in 2026. There is an OPC for the Meter Stack and Fire Alarm Replacement Project in the amount of \$2,500,000.00, excluding engineering costs.

The above commencement dates, duration and OPCs are only rough estimates and may change. They are provided to leaseholders for information and planning purposes.

The cost of remediation projects at Orchard House can only be clarified when the specifications for each project have been determined and the remediation project has been tendered. At that time, and depending on the estimated costs, the remediation project will be charged to leaseholders as an operating expense or assessed by way of a special assessment in accordance with the Orchard House Lease.

The actual costs of any remediation project will only be confirmed when the remediation project(s) have been completed and operating expenses for Orchard House, including for the remediation project(s), have been audited.

Westsea provides regular updates to leaseholders about ongoing and upcoming remediation projects at Orchard House. Further information about these remediation projects, scope of work, estimated contract costs and any special assessments for operating expenses will be sent to leaseholders when it is available.

Yours very truly,

WESTSEA CONSTRUCTION LTD.

Per: 