

Sidney Island Lot 72 Features

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Offered:

Co-ownership half-interest in one of the most desirable properties on Sidney Island.

Co-ownership provides virtually all usage benefits of this very well-developed recreational home, at half the capital and operating cost and far less effort than “going it alone”.

Both parties’ investment and usage interests will be secured by means of a well-designed Co-Ownership Agreement including property usage scheduling, maintenance arrangements, cost-sharing responsibilities and all the crucial details of equity protection in future circumstances.

The Lot

- privately situated at the end of a long private driveway
- south-facing lot with beautiful varied deciduous and coniferous forest coverage, including many Arbutus
- direct easy access to the sandy east end of an iconic West Coast wild beach
- wonderful waterfront exposure, with one of the smallest ocean building setbacks of any lot on Sidney Island
- unmatched privacy – largely surrounded by conservation area – nearly 1/4 mile to the nearest cabin either direction – effectively a country estate embedded in a park
- just out the front door to the most popular oceanfront hiking trail on the island
- dimensions: roughly 1.2 hectares / 2.8 acres (irregular shape: 95.4 mtrs / 313 ft waterfront x 158 mtrs / 518 ft deep)

Main House

- custom semi-timber frame with massive beams and large natural log columns
- stone fireplace and extensive custom woodworking in main living areas
- strategically-located windows and skylights create a bright and energy-efficient interior in all seasons
- livability extras include large window seat and reading/nap/study loft
- total 2630 interior square feet

Guest Cabin

- close to the Main House but very private, fully equipped for independent usage
- flexible usability as accommodation for overflow guests, a personal hobby studio, or smaller group alternative occupancy when the Main House is occupied by the other co-owner
- total 502 interior square feet

Accommodation

Main House Bedrooms (# people):

- upper master bedroom with ensuite (2)
- lower larger bedroom (2)
- lower cozy “alcove bedroom” (many guests’ favorite !!) (2)
- lower double + single bunk bedroom (3)
- shared lower bathroom + popular outdoor shower

Main House extra accom:

- loft: 2 mattresses (2 + 1)
- window seat: full single bed size (1)

Guest Cabin

- main bedroom (2)
- living area (2) - air mattress (existing) **OR** 2 window seats (future option)

TOTAL: 11 in Main House bedrooms + 6 overflow = 17

Neighbors' cabins are occasionally used for large events – Lot 72 has already hosted numerous group meditation retreats, family reunions and 3 weddings.

Kitchen / Utility Features

- custom warm, rustic country farmhouse cabinetry with generous and efficient storage space
- ample counter space for multi-chef gourmet meal creation
- propane stovetop, dishwasher, microwave, bar fridge and a 60-bottle locking wine cellar
- traditional farmhouse kitchen wood stove, with large built-in airtight firebox that creates wonderful ambience as a dining room fireplace
- large main barbecue (+ 2nd barbecue for large crowds) and an outdoor “cold smoker”
- comprehensive recycling and composting systems
- clothes washer in the utility room

Outdoor Living

- large oceanfront deck and stone patio with gorgeous views and easy beach access
- large custom driftwood outdoor dining table
- large fire pit area, dual-fuel wood and propane fires
- excellent mixture of sun and shade through the day from trees, large covered deck area and large dining umbrella
- full built-in deck, patio and pathway lighting
- substantial raised-bed gardens for lots of fresh veggies and berries in season
- large Arbutus grove (with the essential protective fencing from the fallow deer)
- 2 Kevlar single kayaks (existing owners willing to purchase more, particularly a double kayak)
- most of Sidney Island's prime hiking trails begin at or near Lot 72 – they are well-marked with many naturalist points of interest
- 15-hole Frisbee Golf Course (built and maintained by the lot 72 owners – an appreciated and valuable source of goodwill with our neighbors)

Workshop

- large workshop (578 sq.ft.) well-equipped for a wide range of woodworking, metalworking, plumbing and electrical tasks, and the existing owner's kinetic wind sculpture hobby
- houses most of the key electrical and water system components
- comfortable for all season usage with wood burning stove, substantial windows and skylights

Utilities & Systems – Overview

Folks new to off-the-grid island living are easily dazzled by the lovely natural environment and rarely pay enough attention to the challenges and complexities of creating your own electricity, water, heat, etc. The result is often major unexpected property development challenges/costs and sometimes vacations interrupted by critical equipment failure crises.

Lot 72 has been blessed with natural advantages (excellent sun exposure, aquifer and hilltop location for water storage tanks) and has been developed by an owner who is a retired engineer and has painstakingly designed, installed and perfected very high quality, energy-efficient, environmentally friendly and highly reliable utilities and systems, maximizing solar and wind sources.

The utilities and systems utilize highly quality industrial / commercial-quality components, generally far above the quality found in most recreational properties, rigorously designed, installed and maintained, with fully integrated automated controls with remote Internet monitoring and control, achieving a system which is efficient and effective, but trouble-free and user-friendly.

Whether you are interested in this property, another developed property or starting from scratch with bare land, be sure to research these utilities/systems issues very thoroughly. For details regarding individual utilities and systems – see the section “Utilities & Systems – Details” below.

Storage

The existing premises have substantial storage in many areas including kitchens, bedrooms, bathrooms, utility room, guest cabin and workshop. Depending on new co-owner requirements, some existing storage areas will be subdivided and/or locked, and new storage areas constructed.

Vehicles

The existing Ford F150 pickup truck and Honda Odyssey minivan come with the property (with plans to switch the Honda to a more island-practical SUV).

Boating

- our Strata Corp-owned/operated Community Dock is a key asset, with the recently-installed breakwater providing excellent weather-safe moorage in all seasons
- all strata lots on Sidney Island have rights to shared usage dock space for one boat per lot
- our strata lot has the option to purchase a reserved slip
- Lot 72 comes with a 14 foot Zodiac-brand rigid inflatable yacht tender, 40 horsepower, 6 passengers
- the Zodiac rolls on and off a large plastic drydock unit which is bolted to the main dock, keeping it safely out of the water and preventing marine growth
- the Zodiac is used to commute back and forth to Town of Sidney, expeditions to other islands, fishing, crabbing, etc. during good weather months
- excellent watertaxi provides service to/from our Community Dock year-round, and during the summer, the Sidney Spit passenger ferry is a delightful option as well, particular for visiting family/friends
- we are very open to other boat ownership/usage options in cooperation with any new co-owner

Maintenance Standards and Program

Island properties require high quality construction and a rigorous maintenance program, to avoid the risks of vacation downtime in circumstances where access to most repair services is not as easy as off-island homes. Lot 72 has always maintained high maintenance standards and a rigorous maintenance program including:

- exterior materials include high-grade steel roofing, long-lasting composition exterior decking, fine-grained cedar siding, etc.
- high-quality components have been used throughout, particularly in mission-critical key utilities systems, eg all hot water and room heating pumps are industrial/commercial quality, with duplicated online hot backups for extremely high reliability and virtually zero downtime
- automated control systems are extensively self-testing/diagnostic, providing early warning of any maintenance issues
- fully documented and thorough regular maintenance programs have been designed and consistently implemented for all equipment, systems and facilities on the property, ensuring high reliability of all key systems and structures
- the existing owner would be pleased to carry on with full responsibility for all maintenance for at least an initial 2 years, and thereafter to share some responsibilities with the new co-owner, but only if that appeals to them
- while the existing owner maintains primary maintenance responsibilities, compensation could be financially “free” for the new co-owner, in the form of the existing owner maintaining principal usage rights to the workshop
- a written property management agreement will ensure a continuation of high quality property management standards
- the existing owners regularly utilize household cleaning agency services, which could be scheduled as standard procedure for property changeovers if desired
- in addition to the existing owner, backup maintenance resources include the full-time island caretaker, full-service on-island construction contractor, generator technicians and a mechanical technician/ engineer associate of the existing owner, all available on call

Property Usage Schedule

- a rotating-usage calendar would be initially established as part of the Co-ownership Agreement, thereafter adjustable by mutual agreement
- the current owners are semi-retired, live nearby in Victoria and so are very flexible regarding usage scheduling, depending on the needs and circumstances of the new co-owner
- one starting possibility would be a 2-week-stay alternating rotation schedule, but shorter or longer intervals may be preferable to the new co-owner
- the Guest Cabin is fully equipped to be used entirely independently of the Main House, so Lot 72 includes 2 separate accommodations – therefore the Guest Cabin could be reserved/used for some combination of:
 - a) the same dates as the Main House (as overflow accommodation)
 - b) opposite dates to the Main House, so that a co-owner could utilize the Guest Cabin to enjoy the property even during some times when they did not have scheduled usage of the Main House
- The Annual Sidney Island New Year’s Eve Potluck Party has been hosted by the existing owners for several years, and it would be ideal if new co-owners were willing to participate in that community-bonding tradition ! Otherwise, the existing owners have no specific usage dates expectations.

Community Involvement

The natural environment of Sidney Island is understandably the biggest appeal to newcomers, but the existing owners of Lot 72 have found the sense of community on Sidney Island to be a huge bonus. Sidney Island has a rich collection of professional, business and artistic folks who are very generous and community-minded. All owners are free to participate (or not) in many events including the annual summer picnic in the orchard, frequent pub nights and weekly year-round Wednesday “appy nights” with rotating hosts.

The existing owners are heavily community-involved, with Maureen on the Trails Committee and Stan a Deputy Fire Chief and former Marina Committee Chair. New co-owners will find themselves warmly welcomed if they choose to get involved, but their private vacation time will be fully respected if they prefer.

User-Friendliness

The existing owners have enjoyed hosting many family/friends guests over the years, including some occasionally using the property on their own. In the process we have developed a thoroughly detailed Sidney Island User’s Manual, which makes for easy trip planning, getting comfortable on the property and understanding how to make best use of its assets.

We have enjoyed a full recreational and domestic lifestyle on Sidney Island and thus over the years have equipped the property with many domestic and recreational features to enhance a thoroughly relaxed and enjoyable lifestyle. All of this will be available to the new co-owner. The result is a full turnkey level of well-equipped, comfortable, relaxed and hassle-free vacation time, without needing to put in years and \$millions fine-tuning the family retreat.

Upgrade Commitments

The existing owners have considered various worthwhile upgrades, which they have left as a future option, depending on the desires of the new co-owner. The existing owners are prepared to commit to 50% cost-sharing of the following upgrades at any time, prior to or after co-ownership purchase:

1. Propane heater in the main living area, c/w Internet remote control
2. Propane outdoor patio heater (in addition to existing wood/propane fire pit)
3. Glass windbreak along the southeastern edge of the main front deck
4. Storage: expanded/subdivided/lockable areas including bathrooms, bedrooms, kitchens and outdoor/recreational
5. The Guest Cabin was originally designed for the installation of a spacious L-shaped window seat and bookshelf structure in the main living area. Part or all of this project could be implemented at any time.
6. Purchase of additional kayaks (particularly a double kayak to complement the existing 2 singles)
7. Conversion from cellular wireless to satellite broadband Internet.

Co-Ownership Purchase Options

It is assumed that the usual Tenants in Common title registration would be utilized to register the new co-owner's interests on title.

However the new co-owner may wish to consider the possible benefits of the fact current registered nominal ownership of the property is through a corporation "Sidney Serenity Holdings". Co-ownership could be achieved through the (legally more complicated) purchase of a 50% ownership in that corporation, thereby likely avoiding the purchaser needing to pay British Columbia Property Transfer Tax.¹

The existing owners believe that long-term successful co-ownership is best achieved through very clear agreement and documentation of each co-owners' rights and responsibilities, including procedures for handling any future contingency situations. Therefore any property purchase agreement would include execution of a mutually-agreed Co-ownership Agreement, which would include a written Property Usage Schedule and a Maintenance Contract.

Preliminary drafts of these documents are available to interested parties upon request, and would be the starting point for discussions regarding terms mutually agreeable to both co-owners.

Operating Costs

Operating costs have been lowered as much as possible over the years through investments such as doubling solar electric panel capacity, wind turbine installation and computer-optimized backup generator control system. Operating cost averages for 2014-18 are as follows, full details available on request:

Expense	Annual \$ Average	Comments
Strata Corp. Fees	2656	Generally very stable, at most small annual increases
Property Taxes	2836	Fluctuated according to quite variable taxation property assessments
Propane	3073	Include proportionate share of barge costs for propane truck
Utilities Maintenance	2500	Estimated allowance, not actual. Actual expenditures occur once every few years, e.g. for replacement of main batteries or a new generator, but this annual average figure is likely quite accurate overall
Property Insurance	2349	Far less than many vacation homes, due to combining with the existing owners' Victoria homeowner policy
Internet	1500	Rogers Rocket Hub – sliding-scale contract starting at \$75 for 5 GB per month – \$125 per month allows for typical larger data volumes and taxes
Total (approx)	\$14,914	NB - To be shared 50/50 between co-owners

¹ GST was paid on the initial purchase of the property. Therefore GST should not be an issue in relation to sale of a co-ownership interest in the property.

Existing Property Investment

Lot 72 was purchased by the existing owners in 2001, with 2002 devoted largely to planning and site prep, 2003 for the major construction, and ongoing substantial upgrades ever since.

There has been major financial investment in high-quality design, construction materials and utilities systems. This “Labor of Love” has been costly, totaling far over \$1million in actual expenditures over 17 years.

An independent reconstruction cost appraisal was conducted by our insurance carrier in 2015, yielding a figure of \$1.39 million rebuild cost for the structures alone (copy available on request). Adding another \$168k for the value of un-appraised features installed on the property (e.g. water system) and subsequent major improvements (major front deck upgrade/expansion), the total comes to ~ \$1.56 million.

(NB – This does not include the bare lot value, or Lot 72’s share of the Strata Corp.’s common assets including a large beautiful forest, orchard, airstrip, roads, caretakers’ residence, fire hall, community dock, etc.).

Unfortunately, labors of love usually do not reap commensurate financial returns, and are not expected by the current owners, but the above figures are sobering when it comes to considering the very costly and demanding alternative of developing a bare land property from scratch, particularly as a sole owner.

Utilities & Systems – Details

Fresh Water Supply:

- high-capacity well located in the best aquifer on Sidney Island
- high-tech Grundfos well pump, mainly solar electric powered
- 10,000 gallons of hilltop water storage provides full city water pressure with gravity feed only, for excellent water supply reliability, immune to the electrical and equipment failures to which all pressure pump/tank systems are vulnerable
- well water tests have repeatedly shown consistent untreated drinkability, but...
- a fully automatic batch filtration and ultraviolet water treatment/storage system provides an extra level of supplementary protection
- the high productivity of the fresh water supply system has allowed surplus water to be supplied to other Sidney Islanders via our Community Water Station, which has the benefit of creating substantial and valuable goodwill within the Sidney Island community

Domestic Hot Water Supply:

- mainly supplied by solar panel water heating (ThermoDynamics G-series panels x 3),
- with instant-on propane heating backup (Takagi T-KD20 tankless propane water heater)
- substantial reserves with dual SunCoil heat exchanger storage tanks, total capacity 297 US gallons / 1130 liters
- includes automatic water-replenishment and ion exchange recirculating water softening subsystems

Room Heating:

- individual thermostats in each bedroom and bathroom control underfloor radiant and wall-mount hot water heaters - largely solar hot water input, with propane backup
- individual room heating can be selectively activated over the Internet, yielding winter energy savings, but a toasty warm house when you arrive
- main living area is readily heated by the high BTU forced-air kitchen wood stove, but the existing owners are willing to install an Internet-operable propane heater in the main living area, if new owners prefer arrival to an already warm living area during cooler months
- both Main House and Guest Cabin include automatic winter freeze-proofing, eliminating pipe freezing risk and making the property usable year-round without any significant Fall shutdown or Spring startup procedures
- large woodshed conveniently off the back patio holds at least 2 years of firewood for the living room fireplace and kitchen wood stove

Electricity Supply:

- Sidney Island is completely “off the grid”, so a robust and reliable electrical system is essential
- 2 banks of solar electric panels and 2 solar charge controllers, total 3660 watts
- wind turbine takes over on many cloudy, windy winter days
- most key components are manufactured by industry leader Schneider Electric, for high energy efficiency, reliability and external monitoring and control features
- backup main propane generator has custom optimized computer controls for high fuel-efficiency, with backup Schneider Electric automatic generator start unit for failsafe reliability
- 2nd-backup fully independent gasoline generator
- large AGM (Absorbed Glass Mat) battery bank equipped with Schneider Conext Battery Monitor for battery health optimization
- the greenest and most reliable electrical supply on Sidney Island

Cellular, Internet, Telephone:

This “off the grid”, wireless-based system includes:

- Wilson Amplifiers wireless repeater/amplifier system with rooftop and internal antennas, to create a reliable high-quality signal for all wireless devices on the premises
- Rogers “RocketHub” with WiFi and hardwired ethernet connections in both the Main House and Guest Cabin (conversion to higher-bandwidth satellite Internet is an option)
- telephone handset in the Main House (attached to wireless modem)
- moderately high bandwidth, but wireless data charges make it more economical to pre-download movies before Sidney Island trips
- the video monitor in the Main House master bedroom can be hooked to personal devices or to the existing DVD player
- the Main House living area includes a BOSE sound system with connections for personal devices

Home/Remote Office:

- the study is well-equipped as a general-purpose business office, for those who must toil even on vacation
- the Lenovo laptop in the study is an interface to the house automation systems, but also useable as a general purpose computer for Internet access etc.
- the study includes a multipurpose printer/scanner/copier, large 2nd computer monitor for a laptop, etc.
- additional study/work desks are in the loft and the main lower floor bedroom

Intercom:

Hard-wired system connects the Main House, Guest Cabin and workshop

Automatic Irrigation System:

- covers the entire developed area of the lot, keeping it greener and fire-safe during the summer
- full automatic computer controls, 12 independently controllable zones, automatically seasonally adjusted
- includes birdbath freshwater replenishment
- even includes a custom automatic living area window washer system - to clean any salt spray from winter storms !!

Fire Suppression Systems:

Sidney Island has a volunteer fire department. However “a stitch in time saves 9” when it comes to firefighting, so lot 72 is equipped with the best integrated firefighting system on Sidney Island:

- hi-flow built-in water supply infrastructure with a full mainline of 2 inch pipe
- highly reliable water supply with gravity feed from 10,000 gallon hilltop tanks, with extra pressure from integrated Honda fire pump
- 5 fully equipped fire hose stations spread across the property
- the irrigation system runs in automatic fire suppression mode with the push of a button

Propane Supply:

- unusually large 1000 gallon tank - no risk of running out in case of propane delivery delays
- fully plumbed to supply the main propane generator, main house gas stovetop, water heaters, barbecues, outdoor fire pit, all Guest Cabin heating devices and emergency backup propane lighting in the Main House, so no need to haul around smaller propane tanks for BBQ etc

Septic System:

- large natural drainage area
- has been trouble-free and easily copes with full property occupancy for extended periods of time

“Smart House” Control Systems:

- industrial quality Allen Bradley Programmable Logic Controller has highly reliable hardwired connections to all key systems on the property
- Rockwell automation software (upgraded to 2018 software versions) provides full integrated control of all key systems
- multiple user access points:
 - easy-access kitchen control panel
 - fully detailed monitoring and control via laptop in the study
 - full Internet monitoring and control access