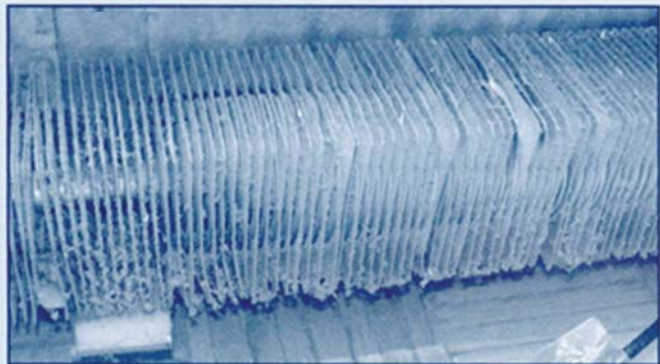


Get the Dirt Out: Three-Step Process Saves Money on Multi-Res Heat



How much sense would it make to pay top dollar to install a brand new, high-efficiency engine in your car, while nobody notices that the entire exhaust system is plugged tight with dirt? Sounds like a crazy oversight, but something like that's happening in the heating systems of multi-residential buildings across Canada. While huge money is spent on sexy upgrades to boilers and controls, thousands of dollars in potential savings go unrealized for lack of attention to the seemingly mundane heat distribution system.

To better understand this problem, and learn how you can solve it in your own buildings, let me show you how the folks at Novitherm Canada (www.novitherm.com; 866.382.5505) see the world of multi-residential heating systems. They're one of the few firms championing the seemingly boring cause of diligent distribution system management, and though the stuff they deal with isn't always pretty, it can really improve your bottom line.

ISSUE#1: DIRT-PLUGGED CONVECTORS

Far from the high-tech action in the boiler room, thousands of convectors across Canada are plugged tight with dirt, pet hair and dust, hidden behind covers and cabinets that conceal a serious problem. These "insulated" convectors make it unnecessarily difficult for boilers to get heat where your tenants can feel it. It's not unusual to find convectors haven't been cleaned in 40 years, but even without the efficiency-sapping grunge that's all too common, there's another problem with the status quo.

Even squeaky-clean heating systems can still lose thousands of dollars worth of heat unnecessarily through exterior walls immediately behind rads and convectors, heat that could easily be reflected back into living spaces using an inexpensive technology that's so simple it has no moving parts.

ISSUE#2: KEEPING RADIANT HEAT INDOORS

Heat reflectors are shiny pieces of corrugated PVC plastic that nestle in behind rads and convectors, redirecting more heat into the room and away from the cold, exterior walls behind them. Sounds like a gimmick? It's not.

"We contacted Novitherm and authorized installation of their heat reflector product at all relevant locations through out our portfolio", explains Paul McGrath, project manager with Sterling Karamar Property Management. "We now have seven locations completed, and we continue to find ongoing savings in all of them."

The best reflectors in the world, are independently proven to lower multi-residential heating costs by 10% to 12%, with a typical payback period of 12 to 18 months for radiator applications and 20 to 36 months for convectors. According to independent studies by Professor Michael R. Collins at the University of Waterloo, Novitherm Canada manufactures the world's most efficient reflector panels. They've equipped hundreds of Canadian multi-residential buildings with reflectors that also offer tangible benefits that go beyond just an improved financial bottom line. In addition to lower operating costs, heat reflectors reduce greenhouse gas emissions and improve tenant comfort, satisfaction and morale.

"Using the Novitherm heat reflectors throughout our portfolio we have achieved an overall 10%+ savings on the heating load within our buildings", explains Brad Smith, president of Briarlane Rental Property Management. "Improved tenant comfort has been a pleasing side benefit of these heat reflectors."

All this said, there are also bad reflectors on the market, too. These may come with tall claims, but offer virtually no practical benefits. To determine the difference between useless reflectors and effective ones, look at what's called the "emittance" rating of a reflector before making a decision. The lower the emittance number, the better. At 0.06, Novitherm's Canadian-made reflectors have the lowest emittance in the industry.

ISSUE#3: TWEAKING THE ENTIRE SYSTEM

Clean convectors equipped with reflectors are a start, but to realize full efficiency gains, it's also necessary to tweak the control system. It's often possible to lower the temperature of water leaving the boiler by a whopping 10°F, while also increasing tenant comfort at the same time. That said, making this happen involves more than just turning down a dial.

"Multi-residential boiler installations are dynamic systems," explains Wally Young, senior technical advisor with Novitherm Canada. "One change invariably affects others."



"We've found that a three-part approach works best for maximizing the heating efficiency of boiler systems", says Young. "In addition to an initial assessment of existing boiler and control equipment, followed by cleaning convectors, then installing reflectors, we also

recommend three or four boiler temperature adjustments, tweaking the temperature differential and easing out the firing rate."

"We're making a difference in people's lives, one warmer home at a time" explains Bruce Fulcher, Novitherm VP, "and we're doing it more economically than many property owners expect."

Both Fulcher and Novitherm president Frank Snyder grew up on the prairies, and their honest "prairie ethics" are one reason why Novitherm's customer base has grown primarily on a referral basis. "We do what we say we'll do, and do it on time", smiles Fulcher.

Canada is a world leader in heat reflector technology, and that's a good thing. We've still got thousands of multi-res housing units sucking back much more heat than they should. Are some of these yours? You don't have to keep losing money unnecessarily. Invest a little TLC in your distribution systems, and you can pull that lump of dirt out from the exhaust pipe and really make things purr. ♦

SMALL CLAIMS? BIG DEAL!

JOE HOFFER, COHEN HIGHLEY, LLP

Effective January 1, 2010 the monetary jurisdiction for "Small Claims" Court increases from its current level of \$10K to \$25K. This increase is extended to the monetary jurisdiction of other tribunals, including the Landlord and Tenant Board (LTB). The purpose of the increase in monetary jurisdiction is to enable "small" claims to be disposed at less cost in less time without the cumbersome formalities and expense that go with Superior Court proceedings.

For owners of residential rental properties the increase in small claims jurisdiction is positive for the following reasons:

1. Small Claims Court proceedings allow for faster recovery of enforceable judgements;
2. The parties can be represented by Paralegals or represent themselves (Paralegals cannot represent clients in Superior Court proceedings);
3. Costs to trial and judgement are substantially less than Superior Court claims;
4. Procedures are simplified and "default judgements" are common; and
5. In cases where a "solvent" tenant causes substantial damage to a rental unit (ie: fire, water), the LTB can issue an enforceable judgement of up to \$25K if the tenant is in possession, or you can go to Small Claims Court if the Tenant has moved.

There are some drawbacks to the change in monetary jurisdiction:

1. Landlords can now be sued for up to \$25K, either in Small Claims Court or at the LTB, by tenants seeking damages for breaches of the RTA;

2. The new jurisdiction of \$25K gives some Paralegals a huge incentive to solicit Tenant work and sue Landlords on a "contingency" basis (like insurance companies or banks, Landlords are easy litigation prey);
3. Small Claims Court Judges do not have to follow legal precedent in deciding cases; they often dispense "palm tree justice" based on their own "feelings" about the case;
4. Whether at the LTB or in Small Claims Court, if you are a Landlord suing a Tenant, you will often have an uphill battle because the "playing field" is not always "level"; and,
5. It appears that few financial resources have been allocated to meet the expected increase in demand for courtrooms, judges, and staff and this means that there could be a backlog of Small Claims cases and attendant delays to judgement.

For most of you, \$25K is a lot of money and it is worth it to chase debtors for these amounts or to defend against vexatious claims for these amounts. Many licensed Paralegals are experienced in both Small Claims and LTB proceedings and can deftly navigate their way to a swift resolution at reasonable expense. Paralegals employed by Law Firms have the added legal resources to deal with personal injury, contract, debtor/creditor issues and a full range of precedent materials to assist in obtaining successful outcomes.

In 2010, expect to sue and be sued more often for amounts up to \$25K. Small Claims are indeed a "big deal" that will have to be addressed in the New Year. ♦