
Condo Smarts

Headline: Don't be Deceived by a Property Owner's Disclosure

Topic: Buying & Selling

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Written by: Tony Gioventu

Dear Tony: We purchased our first condo in Richmond back in August of 2022. At the time we received the recommended documents by our realtor for a Form B Information Certificate, which included the depreciation report completed in 2022. We mistakenly assumed this was the complete report on building conditions, and did not pursue this any further. We are faced with a significant special levy for the replacement of the balconies throughout the complex. On reading the depreciation report, we did not see any red flags about upcoming major repairs, only the planned replacement of the building exterior siding, doors and windows projected for 2030. Soon after we purchased, we received notice of the special general meeting for the special levy to replace the balconies. The repair was approved based on the recommendation of the engineering report. It was issued in June of 2022 to the council, but never shared with the owners till October 2022. Please include our letter and warn all buyers to ask for any and all reports that have been received by the strata corporation. We would not have purchased had we been aware, and the property owner's disclosure is not a complete record of all documents.

SJ Kostic

Dear SJ: Thank you for your letter. It identifies a gap in the manner information is handled by a strata corporation and accessed by owners and prospective buyers. Once a report is received by a strata corporation, it becomes part of the records of the corporation and any owner, tenant or their agents may request and access that information. There are really 3 sources of information for buyers:

- The property owner's disclosure,
- the Form B Information Certificate, and
- the archive of records a strata corporation must maintain.

Part of those records include reports such as engineering, structural, building envelope conditions, environmental or sanitary reports, geotechnical reports and hazardous waste reports. Whether you are a buyer of a condo in a high rise, or a duplex or a bare land strata corporation, any such reports may have a significant impact on your ownership and future liabilities.

Amendments to the legislation in recent years have added the requirement for a Summary of the Strata Corporation Insurance Coverage, and any reports obtained by the strata corporation respecting repair or maintenance of major items in the strata corporation, including, without limitation, engineers' reports, risk management reports, sanitation reports and reports respecting any items for which information is required to be contained in a depreciation report. Avoid urgency, don't make assumptions and request all reports and information relevant to your purchasing decision.