



CHOAIR2024-01

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CHANGES TO DEPRECIATION REPORT REQUIREMENTS

Information Release

New Westminster: Effective July 1, 2024, the Province has implemented multiple changes to depreciation report requirements. All strata corporations with 5 or more strata lots will be required to obtain a depreciation report, this means strata corporations will no longer be permitted to waive this requirement by an annual $\frac{3}{4}$ vote. Also of note, the renewal period for updating a depreciation report has changed from three to five years. Additionally, effective July 1, 2025, depreciation reports must be obtained from a designated professional. And, as of July 1, 2027, owner developers must provide funding towards the first depreciation report for new strata corporations with five or more lots.

A depreciation report identifies the common property, common assets and those parts of a strata lot the strata corporation by bylaw must repair and maintain. This in turn provides the strata corporation with a tool that will help develop a long-term maintenance plan and determine the future financial needs of the corporation.

“The regulatory changes to depreciation reports are a welcome transition for strata corporations and consumers. They provide a level playing field, a transition period for implementation and a longer duration for financial planning, as well as a deposit from developers for future strata corporations to launch their reports, and defined professions to serve the industry.” Said Tony Gioventu, CHOA executive director.

For those strata corporations who have not yet obtained a depreciation report, they must comply by July 1, 2026 if they are in the Metro Vancouver, Capital Regional District and the Fraser Valley Regional District, all other areas of the province, including those only accessible by boat or plane must obtain a report by July 1, 2027.

The Condominium Home Owners Association (CHOA) is a non-profit association that assists the entire strata industry throughout BC. CHOA promotes the interests of strata property owners by providing advisory services, education, resources, and support for its members and the strata community at large. Visit the CHOA website at: www.choa.bc.ca

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