

Strata Living

Headline: Insurance Deductibles

Topic: Insurance

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I received a letter from our property manager just before Christmas that was for an insurance claim. The letter indicates that because a pipe that broke was partially within our common wall, we are responsible for the insurance deductible of \$10,000.00. We contacted the strata council and they were unaware of the letter, so we then spoke to our lawyer and at her direction have no intention of paying this amount. These pipes are common property and as a result not the responsibility of a strata lot owner to maintain and repair. So if we don't have the responsibility to maintain and repair the pipes, why should we have the liability of the repair? It's not like we have the ability to open up the walls and maintain the pipes. Isn't this the whole point of paying for insurance through our strata fees in the first place? Besides, who gets to make this decision?

Carol W. Coquitlam

Dear Carol: There are really only 2 ways the strata corporation can attempt to collect the insurance deductible. The Strata Property Act allows a strata corporation to proceed with a court action to collect the deductible if the owner has been responsible for the claim, or the strata corporation may have bylaws that could determine a deductible is due if the owner has been responsible for the claim. In either situation

the strata council will either have to pass a $\frac{3}{4}$ vote at a general meeting to proceed with the court action or enforce a bylaw to permit court action in Provincial Court or to enforce a bylaw to claim the deductible amount. In both situations the approval and instructions to proceed with the collection of the deductible amount is a decision of the strata council. The enforcement of bylaws and proceeding of court actions are the decision of the corporation and council. The manager is an agent of the corporation and acts on their duly ratified decisions and instructions. Your next step may be to demand a hearing with council to address this issue. If you are seeking a decision of council, they must provide you a written decision with one week of the hearing.

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