
Condo Smarts

Headline: Buyer Beware

Topic: Buying & Selling

Publication / Date: The Province, May 9, 2019

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Dear Tony: We have been looking for a 2 bedroom mid sized condo in the metro Vancouver area for the past 3 months. We have viewed several units, and put in two offers; however, in both situations, once we received the Form B Information Certificate from the strata corporations, there were significant conflicts between the information the owner provided as opposed to the strata information. Everything from parking and storage lockers to the description of the unit and alterations and upgrades to the units. What is the best approach to protect ourselves from someone attempting to “window dress” their unit and make it look better than it really is?

Celiah Carter

Dear Celiah: A seller has an obligation, if they use an agent, to provide a property purchase disclosure and on the request of the buyer, a Form B Information Certificate is provided by a strata corporation. In addition, you may also request additional documents the strata corporation is required to maintain under the *Strata Property Act*. When a strata corporation provides a Form B Information Certificate, the buyer may rely upon the information included. In the event there is an error, you would have a cause of action against the strata corporation through the courts or the Civil Resolution Tribunal. If you only rely on a property purchase disclosure from an owner, your cause of action would be through the Supreme Court of BC.

The first rule of thumb for any purchase is never take anyone’s word. Always confirm information in writing by email or written communication. Written documents provide essential evidence in the event there is a misunderstanding or dispute and prevent the parties from withholding or exaggerating information. Before you remove subjects on a purchase, request the

Form B Information Certificate from the strata corporation, which also discloses information such as: the current strata fees, balance of the contingency fund, any pending court or tribunal actions or decisions against the strata corporation, alteration agreements a buyer may be responsible for, and parking and storage locker allocations, rules of the strata, and an owner developer Rental Disclosure statement if one exists.

Also request documents like the strata plan that shows boundaries of property, the schedule of unit entitlement to verify how your share of common expenses is calculated, copies of any engineering reports, including environmental reports that have been commissioned by the corporation, minutes of council and general meetings, a copy of the strata insurance policy to verify the deductible amounts for water escape and other perils, and a set of the current bylaws.

As part of the enticement to purchase, sellers frequently disclose additional parking, storage spaces, extended common areas or additional rooms that are not shown on the strata plan or authorized by the strata corporation. Cross reference the sellers disclosure with the documents provided by the strata corporation and if in doubt communicate in writing with your agent and the seller to verify the accuracy of the disclosure. My motto for best business practice: “if it isn’t in writing, it’s probably not true”.