
Strata Living

Headline: Who charges the fees?

Topics: Collections; Liens

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Written by: Tony Gioventu

Dear Tony: Unfortunately I lost my job a few months ago and fell behind on my strata fees. I immediately contacted my strata and they advised they would have to include interest as per our bylaws and if I couldn't make any payments after 90 days they would have to file a lien to protect the debt for the strata. I was aware of these steps and understand the council has to enforce the bylaws and protect the strata, but things took a bit of a nasty turn. Our strata manager filed a lien at the end of the first month in arrears and has charged my account an additional \$500 for the management administration costs. My council confirmed they were not aware of the decision and there is nothing in council minutes that authorized the manager to file the lien. I have been told that to clear my account I have to pay my back strata fees and interest to the strata and the cost of filing the lien and the management administration costs to the strata manager. Where does the management company get the authority to charge me these fees?

Charlotte Wilson

Dear Charlotte: The strata management company does not have the authority to directly charge owners, tenants or occupants for any fees of any type. When a management company is contracted as the agent of the strata corporation, the strata management agreement will identify the types of charges the management company is permitted to charge the strata corporation for services. The management company also contradicted the direction of the strata council to provide 90 days before a lien would be filed. Regardless of the contract conditions it is the strata corporation who makes these decisions. When an owner is claimed to owe money it is only the strata corporation that is permitted to charge for interest and fines permitted by the bylaws and fees and costs permitted by the *Strata*

Property Act and *Regulations* to file a lien. Whether the fees are user fees, interest, strata fees or special levies, costs for fines, work orders, insurance deductibles, damages or other costs permitted by the *Act* they are charges that may only be imposed by the strata corporation. Any amounts you pay will be paid in trust to your strata plan number and the strata corporation reports those corresponding revenues in their financial statements. Don't forget that owners retain the right to challenge any claims or expenses declared by the strata corporation or management company and you can make an application to the Civil Resolution Tribunal in BC to resolve the dispute