

Condominium Home Owners Association

A non-profit association serving strata owners since 1976

Bulletin: 300-009

Condo Smarts

Headline: If in doubt, check the plan

Topic: Unit entitlement

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A Kamloops resident lives in a small bachelor unit but was dismayed to have to be paying the same \$257 per month fees as the owners of the large three-bedroom unit with six residents.

When she questioned her council, she was told that the strata had decided to use the formula almost 10 years ago to make fees easier to calculate. The same formula, moreover, was applied to last year's special assessment for a new roof and was currently being applied to a special assessment for the re-piping of the building. While she had no objection to pay, this just doesn't seem fair.

Strata Law: When a strata corporation is established, a document called the Strata Plan is filed in the Land Title Office. This plan is required to create titles for each of the strata lots. As part of this document, a schedule of unit entitlement is filed. This is the formula required to calculate the share of each strata lot's fees, special assessments and its share of judgments or claims against the corporation. In many cases the unit entitlement is based on the area (square footage) so owners pay according to the size of their strata lots as shown on the strata plan. In addition, there may also be bylaws that set out special expenses based on types of strata lots.

Tips: The strata corporation must maintain a copy of the registered strata plan and amendments, plus any related bylaws. Agents, managers, strata councils and owners should never take anyone's word for what is in the strata plan. If you have any doubts, verify the formula by referring to the registered plan. Several publications and guides are available to help with this.

After reviewing the registered strata plan, it was discovered that the plan was indeed based on square footage and the monthly strata fees for the bachelor units were as low as \$109 per month while the penthouse units were as high as \$437. The council did not have the authority to change the formula and the corporation is now reverting back to the registered plan. If your strata is considering amending your plan, you should seek legal advice.

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