

Condominium Home Owners' Association

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Condo Smarts

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Every year thousands of condo buyers call our advisors look for some help out of a sticky situation resulting from a uninformed condo purchase. As the season of spring buying fires up, buyers need to take a few simple steps to avoid disappointment and unanticipated costs. Here are 5 specific situations buyers have encountered in the past month alone, that you need to know before you sign on the dotted line.

1. David in Kelowna sent us an email asking for his help in getting an exemption to rent a unit he just bought. The seller told him it was an investment unit. Turns out, the strata had only recently passed a new bylaw prohibiting rentals. *First tip:* Before you sign the deal for any unit, read all of the bylaws that are currently still in effect. Don't rely on the strata or the current owner to provide you with what they think are the bylaws. Only by having your lawyer or agent review the registered bylaws in Land Titles can you be sure.

2. Alanna Johnson in Vancouver called an advisor wanting to find a quick solution to an age exemption. Turns out the strata minimum age for residency is 55 and over, she's only 38. The council treasurer told her they never ask people's age, so she assumed it was ok. *Second tip:* Don't rely on verbal information. If you can't obtain a written answer to solve the concern, something is likely wrong.

3. Mrs. Lu in Richmond wrote to us complaining because she bought parking space 33 in her building, now council is

telling her the spaces are all being moved and she can't keep the space. *Third tip:* You can't buy or sell something that doesn't belong to you. Common and limited common property (LCP) belongs to the strata corporation. The only way to reasonably secure your parking or storage lockers is by having an LCP designation or a separate parking or storage strata lot.

4. Jane Carter in Burnaby emailed that when the refunds for the PST grants and legal settlements were returned, their property manager sent them to the new buyer of 2 years ago who is the current owner. She thought she would automatically get the money because she paid the dues. *Fourth tip:* Whether buying or selling, special arrangements in contracts and purchase should be negotiated and written by your lawyer. Saving \$1,500.00 in legal fees may cost you \$10,000.

5. Mrs. Hickson of Courtney was surprised to find her home inspection only applied to her unit, not the whole building, as a result she found out she bought into a leaky condo, with little recourse against the inspector. *Fifth tip:* Home inspectors are currently an unregulated industry. When you request a home inspection for a condo, make sure it includes the building envelope and common areas. Verify that your inspector/engineer is qualified and insured to provide a complete and reliable home inspection to protect your investment, including copies of their insurance policies.

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