

Condominium Home Owners' Association

Serving BC's Strata Property Owners since 1976

Bulletin: 300-207

Condo Smarts

Headline: No Form B means no sale for owner

Topic: Forms

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Dear Condo Smarts: I recently listed my condo for sale and last week had an offer to purchase.

It was subject to the review of a Form B Information Certificate and the Engineering Report for work that was completed in 2004. The strata council did not provide the Form B within the 10 day period, and as a result my sale collapsed.

It turns out that our management company was terminated on September 15th, and have not yet returned our records or documents preventing the new manager from completing the forms.

Who's going to be responsible for the loss of our sale?

Isn't there some way to force the return of the records?

- Gavin C. Port Moody

Dear Gavin: You have unfortunately been caught by a defect in the legislation.

Under the *Strata Property Act* the strata management contract by default is terminated 60 days after the termination decision. Then, the manager has another 4 weeks to return the records. In that 4 week period your new manager or the strata council may not have sufficient records to complete many of the forms required for sales, or routine strata business.

The other quirk is that while the legislation requires the records must be returned in the 4 weeks, the legislation says nothing about when your trust funds are returned.

CHOA is working with the Real Estate Council and Ministry of Finance to find solutions, but until that time, here are a few remedies for strata corporations.

- Each strata can negotiate specific time periods within their contracts for the return of the records and documents, provisions of Forms, and the return of financial documents and trust funds.
- What would happen if the manager's building was destroyed along with all of your records? An on site set of records for the strata may also be a solution.
- Many strata corporations also create a Form B everywhere 1-3 months so they have quick access to materials for real estate transactions, avoiding the last minutes rush.
- If all else fails there's nothing better than simply informing the strata owners of the transition and delays.

Whatever you do, don't guess. As a strata corporation you will be responsible and liable for any information on the Forms, whether completed by you or your manager.

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