

Condominium Home Owners' Association

Serving BC's Strata Property Owners since 1976

Bulletin: 300-221

Condo Smarts

Headline: Phased developments will one day affect all owners

Topic: Phased developments

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Dear Condo Smarts: We live in a five-phased condo development. We are new to strata living so didn't know what to expect, but when we purchased in the final phase we were assured that the five buildings would operate separately, other than our joint use of the parking garage and the club house. The oldest of our phase is nine years and the newest is two years, so there is quite a difference in the quality and type of construction.

Last month we received a notice from the strata advising of a special general meeting (regarding the fact) that the roof had to be replaced on the first two buildings due to design problems and failures. Even though it's not our building our assessment alone will be almost \$5,000. Why should we have to pay when it doesn't affect us, and why doesn't the warranty cover these previous buildings ?

-- Marilyn Fullerton

Dear Marilyn: Phased strata plans are developed all over the province. They occur for a variety of reasons: to manage finances, control the rate of services, and to respond to market demand.

They can be as simple as a 20-lot bare land strata developed in four phases, five lots at a time, or complex developments of over 1,000 units exceeding 15 properties. But they all have one thing in common: they are eventually all the same strata corporation.

When you purchase in a phased development you also purchase the benefits and obligations that come with all of the common property and common assets.

You may have buildings created before the mandatory warranty that as a result have no coverage, and buildings that are substantially older requiring costlier maintenance and repairs — or in a new phase, you may have a share of the accumulated reserve funds from previous years. There are a few interesting points about phasing that are helpful to know.

The strata cannot adopt a bylaw that restricts or prohibits, pets, age, rentals or marketing activities without the written consent of the developer or until the final phase holds its first general meeting.

The developer cannot exercise any votes on any undeveloped phases until that phase of the strata plan is filed in Land Titles.

Common property and common assets are the responsibility of all phases once complete, so yes you may find yourself paying for other buildings if repairs are on common property. If buyers have any questions about the terms and conditions of phased plans, read the developer's disclosure statement before you purchase.

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