

Condominium Home Owners' Association

Serving BC's Strata Property Owners since 1976

Bulletin: 300-249

Condo Smarts

Headline: Owners Face Flooding and Ruin

Topic: Hot water tanks

Publication date: October 14, 2007

Publication: The Province

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Dear Condo Smarts: We live in an apartment building in Campbell River in which each unit has its own hot water tank. Now that the building is over 10 years old, the tanks are starting to fail and the strata corporation is paying significant losses for water insurance deductibles and damages.

Is there any way the strata can either take control of the hot water tanks or force owners to buy insurance to cover the damages these old tanks are causing?

We are slowly being bankrupted and our insurance company has told us our deductible cost for water escape will be rising to \$25,000 on renewal in December.

-- *Marj Austin*

Dear Marj: There are probably more than 250,000 units across the province that have hot water tanks in each strata lot, and they are in both apartment-style condos, townhouses and detached buildings.

The big question: Who's responsible for those tanks?

If the tanks are contained within the strata lots or limited common property allocated to those strata lots or for their exclusive use, they are almost always the responsibility of the strata-lot owner.

Therein lies the greatest problem. Most people don't replace/repair their tanks until they fail and a flood occurs.

Strata councils and managers need to take an active role with the obligations of maintenance and repair.

Educate your owners. When you send out your annual notice to the strata owners, include a notice reminding owners about their responsibility to maintain and repair their hot water tanks, gas fireplaces, furnaces and any other appliances in their units.

Owners also need to be reminded that they could be responsible for the deductible amount of a claim.

To alleviate the obligations, several strata corporations have created a bylaw where the strata is responsible for maintaining and repairing hot water tanks as part of the strata lot.

This way, the tanks are routinely serviced and changed before they fail and the long-term financial picture is much better for everyone involved.

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