Strata Management Licensing: 
Frequently Asked Questions

• Does our manager have to be licensed?

As of January 1, 2006, the Real Estate Services Act came into effect for all of British Columbia. One of the significant provisions is the mandatory licensing of strata managers and strata management companies. There are a variety of real estate services, such as sales, rental management and strata management.

If a company/brokerage and/or individual is licensed to provide strata management services the respective license will identify this specific activity. To find out if your company/brokerage and/or individual is licensed visit: www.recbc.ca Go to the “Consumer Information” link and click “Licensee search” and enter the names(s). If the name appears click on the link to determine the license details.

• Are there exemptions?

Yes, there are a few exemptions. For example, a person who is a strata owner may act as the strata manager for up to 2 strata corporations in which they own property. The provisions of insurance, regulating and consumer protection of the Real Estate Services Act do not apply, unless the manager is a licensed agent working for the management company that has been contracted by the strata corporation.

• Is there a standard contract?

The Strata Property Agents Association of BC has created a formatted contract that may be used in the negotiation process of strata management services; however, there is no standard contract. The only requirement of the Real Estate Services Act is that by January 1, 2007, the contractual agreement comply with the terms and conditions of the Real Estate Services Act, Regulations, Bylaws and Rules of the Real Estate Council of British Columbia.

A strata management contract is a negotiated agreement between the strata corporation and the strata management service provider. Both parties may negotiate fees, schedule of services and duties, delegation of authority, liability, termination periods, duration of the contract, conditions of breach and remedy, and any other terms and conditions that will enable a successful relationship. CHOA advises strata corporations to conduct a legal review of their contracts, by an independent lawyer, before they enter into the agreements (sign the contracts).

• Is there a standard fee?

Fees for strata management services form a part of the negotiation process. Before you establish a fee, it is important to understand what services are being provided. They could include: record keeping and management, contract supervision and negotiation, accounting payables and receivables, meetings, site inspections and homeowner communications. Consider a basic assessment of the services you are contracting. How much time will it take to perform each of the tasks? How much accessibility do you want to your manager? How often do you want your manager to be on site? What type of reporting do you want? How frequently? Is the manager supervising contractors and staff?

Remember, no two strata corporations are the same. The services you contract and what you pay may be quite different from your neighbouring properties.

For more information go to: www.choa.bc.ca

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