

Strata Living

Headline: What does a buyer do when the strata won't give them the information they request?

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Dear Tony: My name is Gerry and I have been working on a deal to purchase a lovely condo in North Vancouver but we have hit a snag. The strata corporation had a depreciation report done in 2012 and in the report the corporation were recommended to have a closer look at their wood balconies because there were indications of water seeping under the membranes. I read the minutes of 2012 and 2013 and discovered the strata did retain an engineer to look at the balconies and received the report; however, they refuse to release the report to the owners or any buyers. We really like the unit and are prepared to negotiate the additional cost with the seller, but we cannot get a copy of the report, so there is no way of knowing what the extent of the problem is or what the probable costs will be. The owner has tried to get the report and no luck. What are the next steps?

Gerry

Dear Gerry: Section 35 of the *Strata Property Act* now requires that the strata corporation is required to maintain copies of depreciation reports, engineering reports and environmental/technical reports. They are also required to provide copies of those reports to an owner, tenant or their agent within 14 days of a request. The owner or their agent should submit a request in writing.

If the report is not provided, the owner may have to take further action to obtain a copy of the report. It is possible that the report has technical errors or omissions that the strata corporation is attempting to resolve; however, they should relay that information to the owners. It is also possible that there is a significant issue raised in the report that is causing the council to withhold or hide the report. That just raises more suspicion and uncertainty about the condition of the balconies and the anticipated construction and costs. As a buyer you may not have any choice but to walk away from the purchase. The costs of wood construction balcony repairs can be significant so without the cost assessments and information you could be taking a significant risk. If you decide to proceed, talk to your real estate agent and lawyer about options of hold backs until the information is confirmed to at least provide some cash buffer in the event you are faced with a significant special levy.

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