

Strata Living

Headline: Form F payment certificate
Topic: Form F
Publication date: April 16, 2015
Publication: 24 Hours
Written by: Tony Gioventu

Dear Tony: What happens when your strata corporation tries to force you into paying for something on a form F that you know nothing about? We sold our home in March and our lawyer requested a copy of the Form F payment certificate the week of the transaction. On the Form F there was an amount of \$500 for damages that related to carpet damages in the hallways. Not only were we unaware of this amount, but it was impossible as we don't live in the apartment building, but one of the townhouses that has no common area hallways. The new management company advised this was an old claim on the account from the previous management company. We asked for details of the claim, and no one can even identify when this incident occurred. They refused to waive the amount so we had to pay the amount to be able to transfer our title. This seems totally unfair that a strata or management company can do this at the last minute.

Mrs. G. Mclelland

Dear Mrs. Mclelland: The Form F Payment Certificate is an essential document that is required to transfer title when a property is sold. The form provides a declaration of whether funds are owed, and if so the amount and whether satisfactory arrangements have been made to pay the funds. This is often the best time for a strata corporation to collect unpaid fees like bylaw fines and user fees, without the need for further action. Strata corporations have to take great care with their accounting when applying amounts to a Form F. Damages cannot be included, and while the strata may

try to collect them, if the owner protests they must remove the amount. They must also be mindful of the 2 year imitation period on civil claims. You simply can't wait for someone to sell their unit, you must take action within the limitation period or lose the ability of the strata to claim the amounts. There are some provisions in the *Act* that allow a strata owner to pay the amounts into trust to the strata if you have referred the matter to arbitration or court proceedings have been started. So technically if you had time you could have commenced an arbitration or filed a small claims application. There is also a provision to pay the amount into court into trust if the Supreme Court Civil Rules allow. All of this consumes time and funds that many owners are trying to avoid when they sell their units. Once the Civil Resolution Tribunal comes into effect, strata owners will be able to pay the amount in trust to the strata corporation provided they have commenced a CRT action, providing them with an economic and expedient process to solve the dispute. The best solution for anyone selling their unit is to request a Form F payment Certificate as soon as possible. The certificate is current for 60 days, and gives a seller time to address any claims included on the form or disclosed to the seller.

For more information on CHOA resources and benefits visit www.choa.bc.ca
or contact the office at 1-877-353-2462 or email info@choa.bc.ca.

No part of this publication may be reproduced without the prior written permission of CHOA

This publication contains general information only and is not intended as legal advice. Use of this publication is at your own risk. CHOA will not be liable to you or any other person for any loss or damage arising from, connected with or relating to the use of this publication or any information contained herein by you or any other person.