

Condo Smarts April 9th – 13th, 2016

Owner Alteration Requests

Dear Tony: Our strata council has discovered a serious problem in how we manage our information. In 2002, one of our townhouse owners requested permission to install 3 skylights into her unit. The strata consented on the condition that she agreed in writing to be responsible for the maintenance and repair and any future costs related to the damages. She sold her unit in 2007 and the unit changed ownership again in 2014. We're planning the roof replacement later this year and the roofing consultant has told us the skylights have to be replaced at the same time. They were not installed correctly and to remove them and reinstall them will finish them off. The additional cost will be \$1,800 so we informed the current owners of the cost. The current owners have responded and advised they were unaware the skylights were not part of the strata responsibility. They want to know why they should be paying for the replacement. The council needs to know how we collect the cost, and if we cannot what do we do next? Gillian

Dear Gillian: A strata corporation is not permitted to make an owner responsible for the maintenance and repair of common property, but as a condition of an alteration the strata may require an agreement that they will be responsible for any costs associated with the alteration. When a strata lot is purchased, most buyers will request a Form B Information Certificate. The certificate provides basic information about the strata such as the monthly strata fees, contingency reserve balance, parking and storage locker allocations, special levies, court proceedings and judgements against the strata and in this case, any agreements where the owner has taken responsibility for expenses relating to alterations to common property. The Strata Property Act requires strata corporations to keep copies of Form B's that have been issued for at least 6 years, but it also requires that strata corporations retain copies of contracts that are current. In your case the alteration agreement would have been considered a contract. Both buyers in 2007 and 2014 requested a Form B. Unfortunately the strata did not disclose or attach the alteration agreement, and there are no other records since 2002 that indicate the installation of the windows or any conditions. Ultimately strata corporations who permit alterations to common property and do not require alterations agreements, or who do not disclose them to subsequent buyers may find the strata is left with the responsibility. There is a principle of disclosure here. When an owner requests a Form B, they expect to rely upon the information the strata provided as accurate. As a buyer I may have chosen not to purchase the unit if I found out I would be responsible for the skylights.

Strata corporations always struggle with managing their records. Strata councils frequently change, the strata management company changes, records get moved around or archived and critical documents are lost. On line storage has provided everyone with an asynchronous tool for document storage and access. A web site for your strata where nothing but records storage is maintained is an excellent economic resource. For example, Power Strata Systems in North Vancouver provide a cost based hosting of strata web sites specifically focused on information management. For \$35.00 a month a 25 unit strata can host all of their records and maintain a stable corporate history. Your strata controls the information and access and the next strata council or management company won't be chasing down lost records or contracts.

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