

Condo Smarts June 6, 2018

Rental Inventory

Dear Tony: We are looking to purchase a unit in Vancouver and several of the buildings constructed since 2010 prohibit rental bylaws but when we requested a count on the number of rentals we were told by both the strata councils and the property manager there is no need for a rental inventory if rentals are not permitted. If a strata corporation does not have a rental bylaw, are they required to maintain a rental inventory? As buyers we are concerned we may be buying into a building that has too many rentals. Marni B.

Dear Marni: Every strata corporation has a requirement under the Strata Property Act to maintain some form of rental inventory. While the words “rental inventory” do not appear explicitly in the legislation, there are several references to the provision of the total number of rentals or lists of owners and tenants, that indicate the only method of providing this information is by maintaining a rental inventory. For example, if a buyer requests a Form B Information Certificate from the strata corporation, one of the requirements of the form is to indicate the total number of rentals. This includes all tenancies whether they are exempted by an owner developer exemption, family rental, hardship rental, or included under a rental limitation bylaw. Another example is where the Act requires certain types of records be maintained. The list includes the names and addresses of owners but also the names of tenants. The names of tenants are obtained by the strata corporation from either the landlord or tenant when a Form K, Notice of Tenant’s Responsibilities is signed and provided to the strata corporation. This ensures the tenant is aware of the bylaws and rules of the strata corporation and the strata corporation has a record of who the tenant occupying the unit will be.

The exemptions the legislation permitted developers to create for new buildings constructed since January 1, 2010 do not prohibit rental bylaws, they simply exempt the owner of the strata lot identified on the form J from the application of a rental bylaw for the period identified on the exemption. The rental disclosure exemption must be attached to a Form B Information Certificate and while the Form B is not a mandatory form, the only way to confirm the exemption is by obtaining a copy of Form B from the strata corporation or a requesting a copy of the exemption Form J from the strata corporation or the Superintendent of Real Estate. A note of caution, not all strata corporations since 2010 had rental exemptions filed, and several are for shorter periods such as 10 or 25 years. Don’t assume your unit will be exempt. Only rely on the filed documents. In a number of small strata corporations that vary from duplexes up to 25 units, no exemption was filed at all. This means the new strata corporation could adopt a bylaw that would limit or restrict the number of rentals in their corporation. It is also important for strata councils to pay attention to their bylaws. Many strata corporations have adopted bylaws that impose a fee for move-in/move-out expenses.

If your strata corporation is not maintaining a rental inventory, how are you managing information disclosed to buyers, applying and enforcing rental bylaws, providing accurate owner and tenant lists or enforcing bylaws to collect moving fees?

Sincerely,

Tony Gioventu, Executive Director
Condominium Home Owners' Association (CHOA)
website: www.choa.bc.ca