

CONTRACTS TO BUY CONDOS

The current process of buying a condo/townhouse through your realtor has excellent safeguards built in.

It is the realtors' standard of business conduct to provide to the buyer the complex rules and regulations and bylaws. It is critical for buyers to have full knowledge of them. Rules and regulations cover such things as parking, use of barbecues, use of amenities, etc. Bylaws cover topics such as age restriction and rental allowability and must be registered in the Land Registry Office to be enforceable.

While I am on the topic of age restriction, did you know only 55+ years age limits are enforceable? It seems the courts presently uphold only the rights of seniors to live in "no kids" complexes. In our area there are numerous 19+ and 40+ age restricted complexes, which are technically not enforceable age limits. Few buyers ever challenge this as they respect that the current owners have a preference for adult living. Also, few of those complexes have any place for children's play activities.

Also a requirement for condo buyers is that they be provided with a minimum of the last 12 months minutes of the Strata meetings, including and especially the most recent Annual General Meeting. This is so the buyer has a good idea what current issues, if any, may be concerning the owners in the complex. For example, planned expenditures for repair and maintenance or changes to rules, regulations or bylaws.

The realtor also obtains copies of the financial statements and provides them to the buyer. Buyers want to know there is a reasonable sized savings account accumulating that will be used eventually for long term maintenance or special repairs. The financial statements also outline how every dollar is spent on items like insurance, management, yard care, snow removal, water, sewer and garbage.

The realtor will also see the buyer gets a Form B. This form is a relatively new form which is signed by the Strata Corporation or the Strata Management company. It is a written declaration as to whether or not there are any legal issues or special levies pending. The introduction of the Form B has been a real plus for consumers.

Finally the realtor obtains for the buyer a Property Condition Disclosure Statement from the current owner of the condo. That statement is the place where sellers disclose if they are aware of any defects in the unit or problems in the complex that a buyer should be alerted to.