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Mr. Zakreski:

RE: Strata Property Law Project—Phase One

The British Columbia Real Estate Association (BCREA) appreciates BCLI’s Strata Property Law Project, and is pleased to provide input. Since 2007, the Association has sought feedback from REALTORS® and made recommendations to the provincial government regarding potential improvements to the *Strata Property Act (SPA)*.

The following table represents outstanding concerns raised during BCREA’s consultation process, which have not been addressed. Please understand these concerns may not represent the Association’s formal position, but rather the experience of specific REALTORS®.

Challenge	Recommendation
Lack of information in minutes	Add clarity to s. 35(1)(a) by requiring strata council minutes to include information relating to maintenance, moisture and complaints by owners; the minutes should also include the wording of resolutions voted on, in addition to the results of the votes
Inability of buyers to have direct access to strata corporation documents	Amend s. 36(1) to allow buyers to access minutes, financial statements and engineering reports by dealing directly with the strata corporation, rather than having to rely on the authorization by an owner
Inconsistent turnaround time for producing strata corporation documents	Amend s. 36(3) to make the time for the production of documents the same in all cases and disapply the <i>Interpretation Act</i> , which addresses the calculation of time when the phrase “at least” is used; e.g., s. 45 of the <i>Strata Property Act</i> says that the strata corporation must give at least two weeks’ notice of a meeting—when the <i>Interpretation Act</i> is applied, two weeks becomes 20 days



Challenge	Recommendation
Form B Information Certificate does not address critical information	<p>Add new provisions to s. 59(3) to require strata corporations to disclose information about:</p> <ul style="list-style-type: none"> a) What equipment is leased and what will happen when the lease is due, such as whether a significant financial payment would be required b) Additional costs the strata corporation must incur when it is part of an air space parcel
Existing Form B Information Certificate information is inadequate	<ul style="list-style-type: none"> a) Expand s. 59(3)(a) to include what utilities in relation to the strata lot are included in the strata corporation's budget, and whether there are any additional billings by the strata corporation for user fees, such as for the use of parking stalls b) Expand s. 59(3)(c) to indicate what alterations have occurred in the strata lot c) Amend s. 59(3)(e) to require the strata corporation to provide a meaningful answer to a buyer regarding budget deficits d) Expand s. 59(3)(f) to include information about specific purchase funds held by the strata corporation e) Expand s. 59(3)(l) to include the number of rentals that are allowed in the building and how many strata lots are currently rented pursuant to the rental bylaw
Confusion over responsibility for repair	Amend s. 72(2) to allow the regulations to permit an owner of a strata lot to take responsibility for the maintenance, repair and liability of common property in the circumstance of an authorized alteration, where both the strata corporation and the owner have agreed to the terms and conditions in writing
No standardization of depreciation reports	Prescribe a standardized depreciation report, updated annually with professionals completing appropriate sections
Lack of access for inspection	Add a new provision to Part 5, Division 2 to permit inspectors to access common property on behalf of prospective purchasers
Mixed-use voting on bylaw amendments by each of the residential and non-residential sections has resulted in non-residential owners withholding the vote on the bylaws as a means of obtaining leverage within the strata corporation	Amend s. 128(1)(c) and s. 197(3) to avoid the need for approval of non-residential owners for all bylaws that are unrelated to the non-residential strata lots

Challenge	Recommendation
Rental Disclosure Statement period unclear	Amend s. 139 to confirm that Rental Disclosure Statements for an indefinite period of time are valid, and that the assignees have the benefit of the Rental Disclosure Statement
Mixed-use developments, combining residential and non-residential, often have difficulty obtaining a ¾ vote from the non-residential owners to repair	Amend Part 11 to require the creation of sections for residential and non-residential strata lots; to represent different interests, the <i>Strata Property Act</i> already allows for the creation of sections for residential and non-residential strata lots or for different types of residential strata lots
Lack of compliance with the Act by self-managed strata corporations	Establish a regime to administer penalties for strata corporations failing to comply with the Act, motivating the strata corporation to maintain the appropriate records and make them available
Lack of best practices guide for self-managed strata corporations	Create additional provisions to assist self-managed strata corporations; i.e., a best practices guide created by the Financial Institutions Commission or a schedule of best practices appended to the <i>Strata Property Act</i> , similar to the standard bylaws

If you have questions or require additional information, please contact me at 604.742.2787 or rlaing@bcrea.bc.ca.

BCREA represents real estate boards and REALTORS® on all provincial issues, providing an extensive communications network, standard forms, economic research and analysis, government relations, applied practice courses and continuing professional education. To demonstrate the profession's commitment to improving Quality of Life in BC communities, BCREA supports policies that encourage economic vitality, provide housing opportunities, respect the environment and build communities with good schools and safe neighbourhoods.

Sincerely,



Robert Laing
Chief Executive Officer