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Condominiums on leasehold land

A public authority's land registered in the Land Titles Office, including Settlement Land, can be developed into a leasehold condominium.

A public authority may be either Government of Yukon, an eligible First Nation government or a municipality.

Ownership for a limited time

An interest in a leasehold condominium unit can only be held for a limited time because the land is not owned by the condominium corporation or the unit owners. Instead, the land is leased from the public authority through a ground lease. The lease does eventually expire so leasehold titles are issued only for the term of the ground lease.

Ground lease and leasehold condominium agreement

The ground lease applies to the entire parcel of land and can't expire for at least 60 years (or more as agreed between the parties) after the date the condominium is created. It outlines all the terms and conditions between the public authority, developer, condominium corporation, and the leasehold unit owners. A leasehold condominium agreement further sets out the responsibilities between the developer and the public authority.

If ever there are any conflicts with the leasehold condominium agreement, the terms of the ground lease prevail.

Disclosure to purchasers

In addition to the disclosure documents that apply to other types of developments, the developer must also give the purchaser:

- a copy of the registered ground lease; and
- a document that sets out the expiry date of the leasehold title as well as interest in any common property or common assets.

Ground lease rights and obligations

The registration of a leasehold condominium application transfers the ground lease rights and obligations of the developer to the condominium corporation. However, this doesn't release the developer or the public authority from the rights and obligations under their leasehold condominium agreement.

A condominium corporation may make bylaws that require leasehold unit owners to comply with any applicable terms and conditions of the ground lease.

Expiry of the ground lease

As soon as the ground lease expires, all leasehold titles and all interests in any common property and common assets including any improvements or upgrades made to them go back to the public authority. Mortgages and claims against leasehold titles or the common asset certificate are also void – unless the public authority incurred the liability or agreed in writing to take it on.

The corporation and unit owners will get advance notice from the public authority when the ground lease is close to expiring. The public authority must give the first notice five years before the expiry date, and the second notice six months before the expiry date. The notice must include the terms, conditions and restrictions of the ground lease that apply when it expires.



⚠ Note: this fact sheet is based on the *Condominium Act, 2015* and its regulations which come into force October 1, 2022. It is intended as a simplified general resource and is not to be considered legal advice or legal opinion. Please seek legal advice about any specific issues.

Changes to the ground lease

The ground lease can be changed or renewed if it's approved by both the public authority and a special resolution of the corporation. The corporation must ensure that affected documents such as the declaration and plan, are updated and registered in the Land Titles Office. The corporation must also communicate to leasehold unit owners any changes made to the ground lease.

Non-compliance to the ground lease

If the corporation or any of its directors and officers don't comply with the ground lease terms, bylaws, rules or the *Condominium Act, 2015*, and its regulations, the public authority may take legal action.

If a leasehold unit owner doesn't comply with the Act, the regulations, or the bylaws or rules, the public authority may request a court order to sell the unit or ask the court for other relief. The public authority doesn't have the right to evict leasehold unit owners or take possession of units without a court order.