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Purchasing and owning a condominium unit

Before buying a condominium unit

If you are thinking about buying a condominium, it is up to you to review information and documents that will help you to make an informed decision.

As a potential buyer you can request an information certificate that sets out facts about the corporation's current status and the condominium unit being sold. This could include information such as the condominium fees payable, amounts owed to the corporation, agreements under which the owner takes responsibility for expenses, amounts of any future special levy that the owner may have to pay, and other notices or resolutions.

Purchasing from a developer

If you plan to buy a new condominium unit, an agreement with the developer will be necessary. If the unit or common property is not finished yet, the purchase agreement must include descriptions, drawings, or photos of the final look of the development for both the interiors and exteriors.

The developer must hold the payment received from a purchaser in trust, on certain conditions, in accordance with the regulations.

Disclosure documents

When you sign the purchase agreement, the developer must provide you with copies of specific legal and financial documents relating to the condominium development, such as:

- the budget for common expenses;
- any contracts the condominium corporation is part of;
- a copy of mortgage or summary of its terms;
- the financial statements; and
- if the unit is in a converted building, any building assessment report or reserve fund study, as required by the regulations.

 See section 54 of the *Condominium Act, 2015* for a complete list of disclosure documents.

Cancelling a purchase

Purchase agreements have to state the purchaser's right to cancel the purchase. You have 10 days to cancel the purchase agreement to cancel by giving written notice to the developer. If the purchase agreement was signed before the condominium is registered at the Land Titles Office, the cancellation deadline is within 10 days of receiving the disclosure documents. The developer has 15 days after receiving notice to return your money.

Possession

The developer must deliver a copy of the occupancy permit to you by the possession date. The developer may give you possession of the unit before the condominium is registered - whether under an agreement or a separate rental arrangement or lease.

- the condominium application registered with the Land Titles Office (or within 30 days of registration if it has not been done yet);

Ownership and use

A unit owner is free to exclusively use, sell, lease or mortgage the unit as long as regulations and condominium bylaws are followed. Outside the unit, common property ownership and use is shared with other unit owners. Common property cannot be mortgaged.

Some condominiums may allow common property or common assets to be used exclusively by one or more unit owners. The corporation is responsible for upkeep of the common property and common assets, unless the bylaws state otherwise.

Easements and right of entry

Easements are agreements that allow the condominium corporation to grant access rights to utility and other service providers.

Easements such as those for structural supports, electrical or plumbing are implied in the *Condominium Act, 2015* even if they are not listed in the registered condominium application.

Because these easements run through units and common property, the corporation may need to ask for the right of entry to maintain them. Unless it is an emergency, the corporation must give written notice at least 24 hours before entering a unit.

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.

Maintaining units

Unit owners are responsible for maintaining and repairing their units. The corporation can sometimes take on a unit repair that was not done in a reasonable time if other units, common property or common assets may be affected by it. The unit owner must then reimburse the corporation or the cost of the repairs can be covered in the same way as unit assessments. A unit owner is also responsible for obtaining and maintaining general liability insurance.

Maintaining common property and common assets

The corporation looks after maintaining, repairing or replacing common property and common assets. For common property exclusively used by a unit owner, a bylaw may make that owner responsible for repair and maintenance. A unit owner who has the right to use common property, including exclusive use common property or exclusive use common assets, must allow the condominium corporation or the service provider reasonable access to perform its duties.

The corporation cannot significantly change the use or appearance of the common property and common assets without a special resolution. The exception is when an immediate change is needed to prevent major risks to safety, loss or damage.

Condominium contributions

Unit owners are responsible for payment of regular monthly condominium fees and any special levies to the condominium corporation. These assessments pay for maintenance and repairs and to replace common property and common assets.

A prospective buyer or a unit owner should know how the condominium contributions are calculated and be aware that they may increase.

See fact sheet #5 for information about meetings of unit owners and voting rights.