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Bare land condominium

Understanding bare land condominiums

In conventional condominiums, a building is constructed on a parcel of land and the units are defined by reference to the floors, walls, and ceilings of the building. Unit owners collectively own the land and individually own their unit.

A bare land condominium development may look similar to a conventional subdivision except that the privately owned units of a bare land condominium are defined by the boundaries of the land rather than its buildings.

In bare land condominiums, each unit owner owns their individual lot or parcel of land – including any buildings on it. A series of detached or attached buildings (like row housing – also known as townhouses) can be constructed on bare land units.

Some bare land complexes are made up of individual homes with no shared walls. Owners and prospective buyers of bare land condominiums should educate themselves about their particular development and type of unit.

Managed real property

Common assets that form a physical part of the attached building are called “managed real property”. Managed real property is specific to attached buildings like row housing and refers to the parts of the building that the condominium corporation must maintain, repair or replace.

Some examples of managed real property include the shared roof, exterior finishing, exterior doors, and exterior windows, as well as structures or non-structural improvements across more than one bare land unit.



Declaration requirements

The application to develop a bare land condominium must include the following additional information in the declaration:

- a statement about the features of the condominium – whether it is just bare land units or a phased development comprised of bare land units and conventional building units; and
- if the development includes attached buildings, then a statement that the condominium:
 - does not have managed real property;
 - has managed real property as defined in the regulation; or
 - has managed real property as described in the declaration.

Bare land unit boundaries

In bare land condominiums, the unit boundaries are defined on the condominium plan. All attached buildings have to fit within the boundaries of their bare land unit. The developer must provide proof of this to the registrar of land titles before a bare land unit title can be transferred to a purchaser.

⚠ 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.

Responsibilities of the corporation

The condominium corporation is responsible for maintaining the common property and common assets, including managed real property.

The corporation will divide the costs of managed real property as part of the affected unit owner's monthly condominium fees.

If an easement or a restriction limits the use of common property or common assets, a special resolution of eligible voters is required.

However, if an easement or a restriction burdens one or more of the bare land units, then consent is required from the affected owners and any registered claimants against the units.

Assessment and taxation

Each unit, together with the unit owner's interest in any common property and in any managed real property, are subject to assessment and taxation.

As well, any common asset consisting of real property, other than managed real property, is subject to assessment and taxation.

Insurance

In the case of a bare land condominium, the corporation is not required to insure any building or other improvements on any bare land unit, except managed real property, regardless of when or by whom they were built.

An owner of a bare land unit may buy insurance for the buildings on the bare land unit and must also obtain and maintain general liability insurance.

i See fact sheet #3 for details on condominium insurance.