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Converted building condominium

Existing buildings (such as an apartment building) can be converted into a condominium.

Condominium conversion

When an apartment building is converted into a condominium, its rental units become condominium units that are individually owned. Ownership of any common property or common assets that are part of the building will be shared among the unit owners and managed by the condominium corporation.

The developer must give the current tenants of the apartment building notice of the conversion at least six months before submitting the application to create a condominium in the Land Titles Office. The developer must also make a conditional offer for sale that gives the tenants 30 days to consider purchasing their rental unit. The offer must be priced as it would be if sold on the real estate market.

The only time the conditional offer isn't required is if the unit type is changing between residential and non-residential, or if the unit is being merged with other units or being subdivided into additional units.

Development process

As part of the application to create the condominium, the developer must confirm that proper notice and conditional offers for sale (if necessary) have been given to the tenants at least six months before submitting the application.

The developer is also required to obtain a building assessment report and provide it to the approving authority. If there are more than two units in the converted building, the developer must obtain a reserve fund study and contribute to the reserve fund.





Building assessment report

The building assessment report must be prepared by a professional engineer, a licensed architect, or another person specified by the approving authority, who is at arm's length from the developer.

The building assessment report must detail:

- defects and building code variances related to the building envelope, electrical, plumbing, water drainage, load bearing and safety systems; and
- information from occupants on any observed problems in the building.

The report may also include disclaimers about the report's information, any limitations of the inspection, and recommendations for further investigations.

The building assessment report must be signed and dated by the person who prepares the report. The developer must submit the building assessment report to the relevant approving authority. An approving authority reviews and approves subdivision-related applications in accordance with applicable legislation. The approving authority may be an officer appointed under the *Subdivision Act* or an official authorized by a municipal council or Yukon First Nation.

Disclosure to purchasers

Besides the standard disclosure documents, the developer must also give the purchaser:

- a disclosure statement that the building is a converted building;
- a copy of the building assessment report;
- a reserve fund study and financial statements on the reserve fund, if the condominium has more than two units; and
- a list of any concerns identified in the assessment report that were not addressed or are unlikely to be addressed before the unit is transferred to the purchaser.

⚠ Note: this fact sheet is based on the *Condominium Act, 2015* and its regulations which will come into force on 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.