Knoedler Team

UNDERSTANDING STRATA DOCUMENTS

A practical guide to reviewing a condo or strata townhouse in the BC.

With a strata home, you share the building's maintenance costs, insurance and future repairs. The documents help us understand the strata's financial health, building condition and possible expenses beyond your monthly fee.

01 **FORM B** | The property snapshot

Shows current strata fees, reserve funds, approved special levies and payment dates, insurance summary, legal proceedings, and parking or locker details. Read the attachments; no approved levy does not mean no future levy.

02 **MINUTES & BYLAWS** | History and rules

Review council, AGM and special meeting minutes for leaks, recurring repairs, engineering work, disputes, proposed projects or fee increases. Check bylaws for pets, renovations, rentals and other restrictions that affect your plans.

03 **BUDGET & RESERVE FUND** | Financial health

Monthly fees pay ongoing costs, including the strata's annual insurance premium. The contingency reserve fund (CRF) is for less frequent major expenses. Compare savings, deficits and contributions against the building's upcoming work.

04 **DEPRECIATION & ENGINEERING REPORTS** | Building Health and Future

A depreciation report forecasts major repair and replacement costs over 30 years; it is not a detailed technical inspection. Engineering reports investigate specific concerns such as structural, moisture or building-envelope deficiencies.

05 **SPECIAL LEVIES** | Extra payments beyond strata fees

A special levy raises money for a specific expense. Check this unit's share, due dates and the work being funded. Proposed levies may appear in minutes before approval. The seller is typically responsible for levies approved before a sale, with the details being outlined in the contract.

06 **INSURANCE & DEDUCTIBLES** | Know both numbers

The annual insurance premium affects strata fees; the deductible is the amount paid toward a claim. Water-damage deductibles can reach six figures. If responsible for a loss, an owner may face deductible recovery even without negligence. Confirm suitable personal strata insurance with a broker.

07 **PARKING, STORAGE & RESPONSIBILITIES** | Confirm what is included

Verify the parking and locker numbers and whether rights are owned, limited common property or assigned. Check repair responsibilities for balconies, windows, patios, alterations and other common or limited-common areas.

BIG-TICKET BUILDING ITEMS WE WATCH

Building envelope & windows. Waterproofing, cladding, flashing and sealants; past or ongoing water entry can lead to major remediation.

Podium / parkade membrane. Waterproofing beneath a courtyard, landscaping or patio over a parkade; repairs may mean removing surfaces above it.

Roof, balconies & decks. Ageing membranes, drainage, railings and recurring leaks can require extensive replacement.

Piping, mechanical & elevators. Repiping, drainage, boilers, HVAC, elevators and fire-safety systems can be major shared costs.

QUESTIONS TO ASK BEFORE REMOVING SUBJECTS

What work is recommended or being investigated? Is the scope priced and funded? Have major repairs been delayed? What is this unit's potential share of upcoming costs? Are insurance premiums and deductibles manageable, and can you obtain appropriate owner coverage?

A planned repair is not automatically a red flag. The key is whether the strata understands the issue, has reliable advice and a realistic funding plan.

General guidance only, not a technical, insurance or legal assessment. Your contract and the strata's actual documents govern. Seek advice from qualified engineers, insurers, lawyers or other specialists where needed.