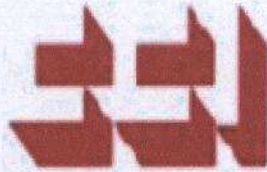


Condo Voice

for
Northern Saskatchewan



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FEATURE ARTICLES

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Buying a Condominium?

Be Informed!

This article was written by Deborah M. Howes, C. Arb, C. Med, FCCI – High Clouds Incorporated

Buying a condominium unit is not the same as buying a “house.” Why? When you buy a non-condominium residence, you own the land and everything built on the land. You are responsible for the land and everything built on the land. You make all the decisions affecting your property. You set all the time lines. Your home is your castle, subject to the provincial and city laws and your neighbour’s complaints.

When you buy a condominium unit, you own property and share ownership of your property with your neighbours. This property may include land, or buildings, or only airspace within a building. You also become part of the business and part of the community called condominium. Each part of condominium – property, business and community – brings responsibilities, obligations and rights for the owners. Your home is still your castle, but there are different rules, obligations and financial burdens. Most decisions are made by and timelines set by the community or its elected government – the board.

What do you need to know before you buy a condominium? Here’s a list of six things:

1. **Know the property** – does this include land, buildings, airspace within a building? Check the condominium plan and the unit title to find out. Property boundaries affect your rights and obligations, including future costs. Find out what is in the unit and what is common property. Find out what parts of the property you can use (exclusive use areas). What is the condition of the property? The reserve fund study report will tell you about the condominium common property and a home inspection will tell you about the unit. If the unit is new, is there a warranty, on what and for how long? What is insured by the condominium corporation and what do you have to insure?
2. **Know the rules** – what rights and restrictions are in the condominium bylaws that will affect you? Check for things that matter to you – pets, parking, running a business, satellite dishes, posting signs, flying a flag, barbeques, cutting the grass, etc. When are condominium fees due? Do you need permission for a pet? To find out, review the condominium bylaws, the Condominium Property Act and Regulation.
3. **Know the finances** – you will check your own mortgages rates and payments. However, you also need to know the financial health of the condominium corporation and what owners contribute through condominium fees. Check the financial statements of the condominium corporations, the value of the reserve fund account, the amount of the current condominium fees, information on future condominium fees and special assessments, and the status of any arrears on the unit. Minutes of board meetings and general meetings will help you learn about the financial stewardship of the board of directors. Ask for an estoppel certificate to ensure you are only paying for your condominium fees, not those of the previous owner.

4. **Know the people** – yes the location, the price and the unit have desirable features for you. But who will be your neighbours and your business partners? Will you be happy working with them in the condominium's business and socializing with them as neighbours? To get a pulse on the people, speak to the condominium manager or president of the board. Read minutes of past general meetings and board meetings to see what type of issues arise and how they are handled.
5. **Know the principles of condominium** – every condominium complex has its own bylaws and its own personality. All fall under the Condominium Property Act and Regulation. All operate on the principles of democracy, like a city or municipality – owners elect a board who runs the condominium corporation between annual meetings. The board is like a city council – setting the budget and condominium fees, collecting the money, determining how and when to spend the money, and reporting to the owners annually. Everyone must follow the bylaws, but the owners can change the bylaws if enough want a change.
6. **Know your limits** – get legal advice before you remove the conditions on your offer to purchase. Once the conditions on your offer to purchase are removed, you cannot back out. Get a home inspection. Pay for a document review by a professional agency.

Buyers have the right to full disclosure of information before they buy. An informed buyer is a prepared buyer who will become an informed and active owner. It's your hard earned money. Know what you're buying when you buy.

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Ten Reno Questions to Ask

This article was written by Inez Dver, CanWest News Service.

My neighbourhood has seen real estate values soar in the past couple of years. But rather than sell to the highest bidder, homeowners are updating and renovating in record numbers.

If you are considering hiring a contractor for a major home renovation, here are things you must do to protect yourself against fraud, con artists or scams.

1. Ask friends, family and neighbours for references. Call at least three contractors and obtain written quotes. Review each quote carefully and pay particular attention to items that could hugely inflate your costs. These could include weather days, material upgrades, the hiring of sub-contractors and estimated date of completion.
2. Before you make a final decision, contact the Better Business Bureau to determine if the contractor is a member in good standing or has had complaints filed against him.
3. Do not pay all costs up front.
4. Try to be at home when the work is being done or have another adult on the premises at all times.
5. Do not give workers ready access to your home. It takes one bad apple to case if for unsavoury purposes.
6. Do visual inspections of the work from time to time to ensure the quality of workmanship and materials, as stipulated in your contract, is being maintained.
7. Have the company owner do a final visual inspection once the job is completed. If possible, ask for a warranty or written guarantee. Keep this document in a safe place as you may need it later.
8. Pay the final bill only when all work has been completed to your total satisfaction.
9. Pay with debit or credit card, cheque, bank draft or certified cheque and keep proof of payment. Do not pay cash!
10. Always obtain a "paid-in-full" receipt.