



Re-Sale Condominiums and Status Certificates

November 2013

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- OREA Agreement of Purchase and Sale
 - Legal Description
 - Common Expenses-inclusions
 - Conditions
 - Status Certificates
 - Form 15 Reserve Fund Study
 - Latest Set of Audited Financial Statements, Budget
 - Declaration and Insurance Certificate
 - Forms

- Legal Description- Must ensure legal description of all units are noted (including parking and lockers)- Unit 1, Level 8, TSCC#
- Be careful of parking and locker units in related buildings and condominium corporations. Must disclose and note in the Agreement. Need separate Status Certificates
- Owned vs. Exclusive Use Units – cannot parcel off and sell exclusive use units separately
- Rental Items - HVAC, hot water tanks to be assumed ie: Reliance-if not assumed by Buyer, then Seller will continued to be billed

- Confirm inclusions and exclusions (Seller)- hydro, water, gas, heat, a/c, common elements and insurance
- Confirm the latest amount (changes due to new budget)
- Common Expense Arrears-If not paid the Corporation can register a lien against the Unit (expensive to remove)
- Hydro or Gas Supplier – Toronto Hydro, Provident or Enercare
- Rental Items - HVAC, hot water tanks to be assumed ie: Reliance-if not assumed by Buyer, then Seller will continued to be billed

- Status Certificate Review by Buyer's Solicitor for at least "TWO FULL BUSINESS DAYS" following receipt (But THREE FULL BUSINESS DAYS are preferred)
- Seller's can pre-order Status Certificate before offers - \$100.00. Has to be not more than 30 days old or stale dated.
- May submit "clean" offer if you can have a lawyer review the Status Certificate before Offer Date (still not optimal)
- Form 13 Status Certificate, Form 15 Reserve Fund Study, Last Set of Audited Financial Statements, Declaration, By-Laws and Rules
- Seller to provide 2 Suite Keys, 2 Building Entry Fobs/Cards, and 1 Garage Door opener at the Sellers sole expense on or before closing

- Form 13 Status Certificate, Form 15 Reserve Fund Study, Last Set of Audited Financial Statements, Declaration, By-Laws and Rules (approximately 200 Pages)
- Form 13 Status Certificate - Approximately 5 pages
- Confirms : Units-Dwelling, parking, locker-sometimes inconsistencies or exclusive use
- Common Expense Amounts an/or Arrears
- Budget - Any known increases or Special Assessments
- Reserve Fund - Amount in the Fund and date of the last Reserve Fund Study
- Litigation, claims
- Number of Leased Units
- Section 98 Agreements – changes to common elements
- Special notes:

- The Reserve Fund is the “contingency” fund for major repairs to the building over the lifespan of the building- New Roof, Boiler, Common Element Areas
- Form 15 – Future cashflows, approximately 5 Pages
- Under Condominium Act –Every condominium in Ontario is required to have engineers conduct a reserve fund study every 3 years.
- Study sets out what amounts are required to be in the reserve fund each year for the next 20-30 years to ensure proper maintenance of the building
- Should correlate with amount with the amount currently reported in the Status Certificate
- If very low (substantially underfunded) – higher possibility of a special assessment in the near future or annual budget increases that exceed inflation

- The Condominium Act specifies that condominiums must provide complete their financial statements within 3 months of the corporation's fiscal year end (Condominium Corporations with less than 25 units are exempt).
- Operating Fund- if large deficit- possible special assessment in the future
- Reserve Fund
- Budget – Yr over Yr Increase and likely cause

- Declaration-Building Registration Date (age of Building), Number of Units, Boundaries of Units, Common Element or Exclusive Use Areas, Pets
- Share of Common Expenses
- By-Laws- governance of the Corporation
- Rules and Regulations - Pets, BBQ's
- Insurance Certificate

- Owner registration
- PAD or Pre-Authorized Payment Form (void cheque)
- Elevator Reservation
- Tenant Form (if rental)
- Provident or Enercare hydro/water monitoring agreement

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