

Instruction Guide 22

Certificates of Payment

Important Notice: This Instruction Guide has been prepared by the Superintendent of Real Estate to provide information about the *Strata Property Act* (the "Act"). This is only a guide to certain parts of the Act and Regulations. Please consult the Act and Regulations to determine the complete and precise requirements of the Act and Regulations. In addition, please remember when reviewing statements about the Standard Bylaws that they may not apply until January 1, 2002, and even when they do apply, they may have been amended or removed if the strata corporation has filed bylaw amendments in the Land Title Office. Please check all filed bylaw amendments to determine whether and how the Standard Bylaws may have been amended.

Superintendent of Real Estate Financial Institutions Commission 1900-1050 West Pender St. Vancouver, BC V6E 3S7 Telephone: (604) 660-2947 Facsimile: (604) 660-3170 e-mail: FICOM@gems9.gov.bc.ca Web site: www.fic.gov.bc.ca

October, 2000.

1. When is a Certificate of Payment Issued?

A "Certificate of Payment" (Form F) must be issued when requested if:

- the owner does not owe money to the strata corporation; or
- money is owed and the owner has:
 - paid the disputed amount into court if court proceedings have been started and payment into court is permitted;
 - paid the disputed amount to the strata corporation to hold in trust if the matter has been referred to arbitration or if court proceedings have started; or
 - \blacktriangleright made satisfactory arrangements with the strata corporation to pay the money.

2. <u>Timing</u>

The strata corporation is required to provide the Form F within one week of the request.

3. Who is Permitted to Request a Certificate?

An owner, purchaser or person authorized by the owner or purchaser may request a Form F.

- an owner under the Act is:
 - a registered owner of a strata lot, and includes trustees who hold title for the benefit of someone else;
 - a registered owner of a leasehold strata lot in a leasehold strata plan (who is referred to in the Act as a "leasehold tenant"), and includes trustees who hold title for the benefit of someone else;
 - a person registered on title as a holder of an agreement for sale of a strata lot, and in this case, the registered owner will not be an owner under the Act; and
 - a registered holder of a life estate (which is referred to in the Act as a "tenant for life") and in this case, the registered remainder owner will not be an owner under the Act.
- a purchaser under the Act is:
 - a person who enters into an agreement to purchase a strata lot or to acquire a strata lot lease in a leasehold strata plan, but to whom the strata lot or strata lot lease has not yet been conveyed or assigned.

The Act does not provide that the agreement to purchase a strata lot be unconditional or free of subjects.

4. Who is Responsible for Preparing the Form F?

The Act makes the strata corporation responsible for providing the form. However, under the Act, the strata council carries out the duties of the strata corporation.

Where a strata corporation has employed a strata manager, it is often the strata manager who has the information necessary to complete the Form F. However, the responsibility for directing the strata manager remains with the strata council.

5. <u>Information to be Disclosed</u>

The Form F contains information on money owing by a strata lot to the strata corporation in respect of:

• strata fees;

- special levies;
- a reimbursement of the cost of work performed as a result of an owner failing to comply with an order from a public authority for work to be done on the strata lot;
- a strata lot's share of a judgment against the strata corporation;
- fines; and
- costs of remedying a contravention of a bylaw or rule for which the owner is responsible.

The Form F must not include claims of damages against an owner, which have not been determined by a court or by arbitration.

6. <u>Fees</u>

The maximum fee a strata corporation can charge for a Form F is \$15.

7. <u>Effect of Form F</u>

The Form F is current for sixty days and is required by the Land Title Office for the registration of the following pertaining to a strata lot:

- a lease or assignment of a lease;
- an agreement for sale; or
- a conveyance of title.

8. **Transition**

In cases where a Form A under the <u>Condominium Act</u> was issued prior to July 1, 2000, it is:

- deemed to be a Certificate of Payment;
- valid for the purposes of the Act for three months after the date it was issued.

References:

Sections of the Act: 114 - 116, 256 Sections of the Regulations: 6.10, 17.8