This Document is in the form approved by the

WORKING GROUP ON LAWYERS AND REAL ESTATE

on **February 14, 2020**

*How to review a resale condominium status certificate*

*• Suggested template for status certificate review follows, below*

*• Recommend that as part of the review of the status certificate, you have:*

* *the offer open in order to compare the documents to each other; and*
* *at hand the statutory form of the status certificate, as many corporations amend or tamper with the wording and omit or change entire sections (see* [*https://www.condoauthorityontario.ca/en-US/resources/government-of-ontario-forms/*](https://www.condoauthorityontario.ca/en-US/resources/government-of-ontario-forms/)*).*

*• AMEND TEMPLATE AS APPROPRIATE. DO NOT COPY BLINDLY.*

**STATUS CERTIFICATE REVIEW REPORT**

I confirm that you are purchasing(or offering to purchase) \_\_\_\_\_\_\_\_\_\_\_(municipal address), Ontario, which is legally described as:

dwelling Unit No. \_\_\_\_, Level \_\_\_\_\_,

parking Unit No. \_\_\_\_\_, Level \_\_\_\_\_, and

storage Unit No. \_\_\_\_\_, Level \_\_\_\_\_, in \_\_\_\_\_\_\_\_\_\_\_\_\_Condominium Corporation No. \_\_\_\_\_, and the right to use exclusive of any common elements, such as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

I have compared the unit and level numbers in the offer with those in the certificate and I have found that they

* match.
* do not match because.... and the offer must be amended).

I have reviewed the Status Certificate dated \_\_\_\_\_\_\_\_\_\_\_ on your behalf . My comments and concerns are set out below based on the circumstances disclosed as of the date of the Status Certificate. A copy of the Status Certificate has been (provided to you earlier under separate cover)(has been made available to you earlier). Documents included in the Status Certificate package are as follows:

i. Status Certificate (Form 13);

ii. Declaration;

iii. By-laws;

iv. Current budget;

v. Form 15 – Notice of Future Funding re: the Reserve Fund;

vi. Shared Facilities Agreements (if applicable); and

vii. Insurance certificate.

Add other documents that were included in the Status Certificate

The status certificate may include additional documents such as owner information forms, Rules and other documents. We have not reviewed these additional documents as a part of this report.

  Before waiving the status review condition, you should review the Status Certificate and all of the documents included in the package. There may be items of interest or concern to you in the documents (i.e. lifestyle) that do not present any particular concern from a legal perspective.

1. **Parking & Locker -**  I advised you as follows (check, as appropriate):

|  |  |  |  |
| --- | --- | --- | --- |
|  | Parking Space | Storage Locker | Other: \_\_\_\_\_\_\_\_\_\_\_\_ |
| Assigned by Board from time to time |  |  |  |
| Exclusive Use |  |  |  |
| Owned by you |  |  |  |

You acknowledge that it is your responsibility, where applicable, to view the parking space and locker and shared facilities to ensure that it/they are adequate and as expected.

1. **Facilities** - Certain facilities may be offered by the condominium (e.g.: gym, pool, etc., if any) and you agree that you have not retained me to advise you in any capacity about any benefits, restrictions, liabilities or costs in connection with these facilities.
2. **Financial** - It is beyond the scope of a legal opinion to provide advice on the budget and financial statements. You understand and agree that you have not retained me to provide any advice on the budget, reserve funds and financial documents and have only been advised of a budget surplus or deficit or neither as may be indicated in the body of the status certificate.
3. **Common Expenses** –
   1. The monthly common expenses for the unit are $\_\_\_\_\_\_\_\_\_\_ .
   2. As of the date of the Status Certificate, there is not a default by the current unit owner.
   3. There is no prepaid amount by the current unit owner.
   4. The amount shown on the Status Certificate is the same as disclosed in your agreement of purchase and sale and set for the budget period ending \_\_\_\_\_\_\_\_\_\_\_\_\_.
   5. There are no circumstances indicated in the Status Certificate that may result in an increase in common expenses or a special assessment. In the event of unanticipated expenditures, the corporation may have to increase common expenses or specially assess.
   6. I am unable to verify whether the common expenses include the cost of the utilities (gas, hydro and water).
   7. There is NO reference to any outstanding or potential chargeback against the unit.
   8. The Status Certificate is reliable only to the date that it is issued.
4. **Reserve Fund** –
   1. The reserve fund for the corporation amounts to approximately \_\_\_\_\_\_\_.\_\_\_\_
   2. A reserve fund study has been conducted and a plan for funding the reserve is in place.  It was completed/updated on \_\_\_\_\_\_\_\_\_. Based on the reserve fund study, the board believes the reserve fund is adequate at this time.
   3. There is in place a plan for funding as required by the Condominium Act, 1998.
   4. The date of the next reserve funds study is \_\_\_\_\_\_\_\_\_\_.

Details of the reserve fund for the condominium are shown in paragraphs 13-15 of the Status Certificate.

1. **Rental Restrictions** - There are rental restrictions related to the unit. If you intend to rent the unit, you are obliged to:
   1. provide the condominium corporation with a copy of the rental agreement or a summary of it,
   2. provide the name of the tenant to the corporation,
   3. provide your name and mailing address to the corporation,
   4. provide the tenant with a copy of the Declaration, By-laws, and Rules of the corporation, and
   5. notify the condominium corporation if the lease is terminated and not renewed.

You may want to confirm with the property manager to ensure no other policies affect your intention to rent your unit. Declarations often have a restriction that only permits a single-family to occupy the unit.

1. **Modifications** - The Status Certificate discloses no agreement with the condominium corporation relating to use of or modification to common elements. If modifications have been made to any common elements by a prior owner of the unit, such changes can have adverse consequences to a new owner. We are not able to provide any legal opinion on whether a modification has occurred and we suggest that you contact the property management company to confirm no such modifications have been made.
2. **Maintenance and Repair** - The declaration sets out the maintenance and repair obligations for the unit and common elements. We encourage you to review whether you or the condominium corporation have such obligations. (see - <https://www.lawyersworkinggroup.com/condominium-documents-subcommittee>)
3. **Lifestyles Restrictions** - This condominium may have restrictions on lifestyle choices, including but not limited to the following:
   1. single family use versus non-related persons;
   2. pets;
   3. barbeques;
   4. balconies / patios;
   5. awnings;
   6. gardens;
   7. short-term rentals;
   8. cannabis/tobacco smoking; and
   9. use of amenities.

There are Rules relating to the use of the unit and common elements, which I encourage you to read. Rules often impact lifestyle choices which are not legal issues considered by your lawyer.

1. **Elevators** - You may be required to enter into an Elevator Reservation Agreement to confirm a time to move into the unit. Arrangements for moving must be made with the building administrator, and a deposit may be required with the booking of the elevator, which amount may be refunded provided there is no damage. You should contact the management office as soon as possible to arrange your move-in time.
2. **Insurance** - The corporation is obliged to maintain insurance on its own behalf and on behalf of the owners for damage to the “standard” units and common elements and we confirm that such insurance is valid until \_\_\_\_\_\_\_\_\_\_\_\_\_\_. However, the condominium corporation does not cover personal property, improvements to your unit that exceed the standard unit as defined in the standard unit by-law, legal liability and property damage caused by you, your family, guests or service personnel. Obtaining such insurance is your sole responsibility.

We have not been instructed by you to make any independent inquiry regarding improvements to the unit. We recommend that you review the standard unit by-law to determine if the developer or a previous owner has made any improvements.

You should speak to your insurance agent about acquiring Deductible Insurance (insurance that pays the deductible of a condominium policy) as well as coverage for your living expenses if the damage is so extensive that you cannot occupy your suite while the repairs are made.  You will also need betterments and improvements coverage which insures any upgrades to the unit or to exclusive use areas as these will not be covered under the corporation’s policy.

The deductibles on your policy are:

Standard ….. $

Sewer …… $

Water ….. $

Flood ….. $

Earthquake ….. $

1. **Litigation** - According to the Status Certificate, the Condominium Corporation is (OR is not) subject to any litigation. The summary of any litigation should be set out in the status certificate. There may be an increased risk of a special assessment arising out of the litigation. If you wish any further details you should contact the property manager.
2. **Purchasers’ Concerns** - I have only reviewed the items set out in this report to you. If you have specific concerns about the building or condominiums in general, please let me know about these specific concerns so that we may speak further about them.
3. **Notice to Condominium Corporation** - You should give written notice to the condominium corporation that you are the new owners of the subject property immediately following closing of the transaction.
4. **Miscellaneous** - Other, if necessary\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Subject to the foregoing, your review of this Certificate and the accompanying documents and any further questions that you may have, you may be satisfied with the information in order to waive the condition for the Status Certificate. Your agreement of purchase and sale provides that

* you must waive the condition. You need to contact your real estate agent or the Sellers directly.
* the agreement is at an end if you do not waive the condition.
* the agreement will become firm and binding if you take no further action.

Please don’t hesitate to contact me if you have any questions.

Yours truly,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Lawyer

Barrister and Solicitor