

If you've had occasion to attend a Toronto Blue Jays' game in the last few years, you've probably noticed that the City of Toronto has a seemingly insatiable appetite for high-rise tower condominiums. Given the size and density of its downtown core, and the proximity of the lakeshore to its financial district, it is not surprising that a city like Toronto has experienced such a boom in high-rise condominium production.

But Toronto is not the only city in Ontario (despite some Torontonians' claims to the contrary) that offers a vast market for condominium purchasers. And while high-rise condominium towers are certainly a popular choice for many urbanites, it is important to understand that condominiums come in different shapes and sizes.

Depending on the type of unit, condominium living may be an attractive option for those who wish to own a home without some of the added responsibility associated with a single-family dwelling. While not all condominiums relieve the unit owner from maintenance and repair obligations, those in which the condominium corporation assumes responsibility for these issues are a popular choice for both young and middle-age purchasers who may be too busy to do it themselves. Such condominiums are also popular with retirees who find day-to-day home maintenance and repair too strenuous, or simply want the freedom to travel without worrying about such things.

Regardless of the reason you may be considering a condominium purchase, it is critical to obtain an up-to-date status certificate for the unit and have it reviewed by your solicitor. In most cases, your real estate agent will make the agreement of purchase and sale conditional upon such review.

Pursuant to the *Condominium Act, 1998* (the "Act"), a condominium corporation has 10 days within which to produce a status certificate to anyone who requests one upon payment of the prescribed fee (which is currently \$100). The Act also establishes what information a status certificate must contain.

So, what is a status certificate?

In a nutshell, a status certificate provides a snapshot of a number of things that would be of interest or concern to prospective purchasers, including its overall financial situation and budget; the amount of money in its reserve fund (which is a savings account maintained for major repairs and replacements of the common elements); the rules by which units owners are expected to abide; and whether the condominium corporation has knowledge of any circumstances that may result in an increase to the monthly common expenses. A status certificate will also reveal whether the condominium corporation is involved or expected to be involved in any litigation.

The information revealed in an up-to-date status certificate may prove to be critical in a prospective purchaser's decision to proceed forward with a transaction.

Some condominium corporations, for example, have rules that strictly prohibit pets. This issue, in particular, has been the subject of extensive litigation between pet-loving unit

owners and condominium corporations that forbid them. I recall one client who, after purchasing his unit, discovered that he would have to find a new home for his 20-year-old cat. Obviously, the no-pets rule would have been a useful piece of information to that particular purchaser.

In other cases, an up-to-date status certificate may reveal that the unit is subject to a “special assessment,” which is a sum of money the condominium corporation levies to cover an unforeseen expense. Advance knowledge of a special assessment is important as it may affect what a purchaser is ultimately prepared to pay for a unit.

In my experience, most condominium corporations are well run by professional property managers that have a thorough understanding of the legislation and the needs of the unit owners. This does not mean, however, that a prospective purchaser should not take the time to obtain a status certificate and have it reviewed by a lawyer.