



Condo Purchase Guide

A Quick Overview



Have your condo documents reviewed by a **professional Condominium Document Review Specialist**. A thorough document review will give you a complete outline of what to look out for before purchasing your condo. At **CDIC**, we provide an in-depth summary of your condo documents before you finalize your purchase, outlining all the items below:

Curb Appeal

Are you comfortable with the appearance of the building, both inside and out? Exterior renovations are typically not permitted, and interior renovations usually require board approval. Double-check the condo By Laws and talk to the Management Company to confirm what changes you can make.

Renovations

Most renovations require approval from the board/Management Company. Any flooring material changes like hardwood, laminate or tile typically require board approval. You won't be permitted to make any structural changes, and your contractor may have to limit construction times to certain hours of the day.

Age Restriction

Some condo complexes require residents to be a certain age. While you may meet the age requirement to purchase the condo, you may not be able to live there if you have young children or are starting a family. Check your By Laws to ensure that all residents comply with any age restrictions within the complex.

Condo Fees

Condo Fees are used to manage and maintain the condominium complex, including allocating a portion of these fees to the Reserve Fund. Be aware of what your monthly condominium contributions are going to be, and whether they include utilities.

Special Assessments

A special assessment is a cash call for extra funds over and above the monthly contributions. Your condo document review specialist will flag vital questions such as:

- Do you know if your condominium complex has had a recent special assessment?
- What was the reason for the special assessment?
- How much money was accumulated by the Board?
- Is the Board of Directors/Management Company planning to have another special assessment soon?

Ensure that your purchase agreement asks for an estoppel certificate to ensure that the current owner has made payment on all amounts on their account.

If there is evidence of a special assessment, talk to your Realtor about negotiating to have a sum set aside in trust for a specific period to help pay for the upcoming expenditure.

Reserve Fund

Reserve Fund Studies are an evaluation of all common property elements. All Condominium Corporations in Alberta must have a reserve fund. The study includes a recommended plan for the Board to follow, which indicates how much contribution to the reserve fund is required to have sufficiency. A Reserve Fund Study is legally required to be updated every five years. Verify that you have been provided with the most recent and up-to-date version.

Your Condo Document Review Specialist will ensure that the following points are assessed:

- Is there a reasonable amount in the reserve fund?
- Were there significant repairs or maintenance completed recently?
- How much of the reserve was expended for these repairs?
- Are there any upcoming repairs anticipated?
- Will there be an increase in condo fees or a special assessment?

Owner & Visitor Parking

Be aware of the type of parking that is available for your unit. Find out the parking ratio for the complex and whether your stall(s) is titled, leased, or assigned. Confirm with the Management Company if there are any parking restrictions or if there is an option to rent an extra stall if required. Are there visitor parking stalls for guests? Are visitors required to display a parking pass? Is there a time restriction on visitor parking?



Owner Rights

As an owner of a unit, you have the right and an obligation to vote. The voting rights are determined by the Act, By Laws and by the unit factor for your condominium unit.

All By Laws permit owners to ask for poll votes at meeting. In a poll vote the person's share of the unit factor assigned to the unit determines the weight of that owner's vote.

Pet Restrictions

Review the By Laws and check with the property Management Company, as some condominium complexes may have restrictions on the number and kind of pets you are permitted to bring into the complex. You may require board approval for your pet(s) and may need to submit specific information to the Management Company.

Post Tension Cables

Post Tension Cables (PTC) reinforce concrete during construction and are typically most common in buildings constructed in the 1970's. The Management Company should be able to provide you with a post-tension report if available. Most condo complexes with PTC systems are regularly maintained by third-party contractors, though some mortgage insurers may require a recent PTC report for approval.

Repairs & Maintenance

As an owner, be aware of repairs you may be responsible for both inside and outside your unit. Some townhouses with lawns require owners to maintain the landscaping, while others may include this service in your condo fees. Check the By Laws and confirm with the property manager.

Air Conditioning/Central Air

Not all condominium complexes have central air conditioning. If you are permitted to install an indoor air conditioning unit, ask the Management Company if there are requirements or specifications you may have to follow. Some condominium complexes may require board approval for window air conditioners as they are visible on the exterior of the building.

Fitness & Amenities

If your condominium has a recreational facility or fitness centre, find out if the use of these services is included in your condo fees. Some condo complexes offer event spaces that may be reserved through the Management Company for an additional cost.

Home-Based Business/Unit Rentals

Check the By Laws to see if you are permitted to operate a business in your unit. There may be certain restrictions such as hours of operation, the number of entrants to the building, and the type of business. While renting your unit is generally permitted, your By Laws will also indicate whether your unit can operate as an Airbnb or not.

Insurance

It is recommended that all owners have insurance for the inside of the condominium unit. In the event of any damage within your unit, the complex insurance may not cover personal effects. Some Bare Land Condominium Units may require the owner to have full-service house insurance.

We're Here to Help

Let us take the guesswork out of all the paperwork involved in buying a condo. We'll go through the report with you in detail and explain important elements about your condominium complex.

As an owner, you must follow certain rules and regulations as outlined in the complex By Laws. CDIC will help you understand your level of responsibility and evaluate the **financial health** of your condo.

Condominium financial health varies from complex to complex, depending heavily on the age of the property, management and the Corporation.

We work with you & your Realtor to ensure you receive the most up-to-date information about your condominium complex.

Contact us today so we can help you make the right choice with your future condo purchase.

Condo Document Inspection Centre Inc.

T: 403.228.6770

www.cdicinspections.com

info@cdicinspections.com

201, 735 - 12th Avenue SW
Calgary, AB T2R 1J7