

Information Bulletin

Bulletin Number: SPA 09-01

Topic: STRATA PROPERTY ACT AMENDMENTS AND RENTAL DISCLOSURE STATEMENTS

Issue Date: DECEMBER 15, 2009

Strata Property Amendment Act, 2009

On September 21, 2009, the Ministry of Housing and Social Development issued a News Release explaining proposed amendments to the *Strata Property Act*. These amendments were enacted in the *Strata Property Amendment Act, 2009*, S.B.C. 2009, c. 17, whose provisions will come into force by regulation. BC Regulation No. 312/2009 was recently approved and many provisions of the *Strata Property Amendment Act, 2009* will come into force on January 1, 2010.

Rental Disclosure Statements

The amendments in force on *January 1, 2010*, include changes to section 143 of the *Strata Property Act* regarding the effect of a Rental Disclosure Statement that is filed in Form "J" with the Superintendent of Real Estate. Amended section 143 provides that if a Rental Disclosure Statement applicable to a residential strata lot is filed before January 1, 2010, it will continue to be the case that a rental restriction bylaw does not apply to that strata lot until it is conveyed by the first owner (other than the owner developer), or until the date that the rental period disclosed in the Rental Disclosure Statement expires, whichever is earlier. This same protection from a rental restriction bylaw also continues for a changed Rental Disclosure Statement that is filed after December 31, 2009, to change a Rental Disclosure Statement that was filed before that date.

Amended section 143 also provides that if a new Rental Disclosure Statement is filed after December 31, 2009, a rental restriction bylaw does not apply to that strata lot until the date that the rental period disclosed in the Rental Disclosure Statement expires. This means that beginning on January 1, 2010, a new Rental Disclosure Statement may benefit every purchaser rather than just the first purchaser from the owner developer.

In order to distinguish more easily whether a Rental Disclosure Statement filed after December 31, 2009, is a new filing or a changed filing, the format of Form "J" will be revised effective January 1, 2010, to require that information. The revisions to the format of Form "J" will also require a specific date (i.e., day/month/year) to be set out for the date that the rental period expires. This will provide a clearer expiry

date than the descriptive expiry periods that were explained in some Rental Disclosure Statements filed before January 1, 2010.

An owner developer who wishes to file a new or changed Rental Disclosure Statement should deliver to the Superintendent of Real Estate one original signed copy and the fee payment. The fee for a new or changed Rental Disclosure Statement is still \$150 payable by cheque, or by MasterCard or VISA credit card, to the Minister of Finance.

A copy of the Strata Property Act, a copy of the Rental Disclosure Statement form (*i.e.*, Form "J"), and a copy of the revisions to Form "J" that are effective as of January 1, 2010, are available on the website.

Staff at the Financial Institutions Commission periodically issue information bulletins to provide technical interpretations and positions regarding certain provisions contained in the *Strata Property Act* and *Regulations*. While the comments in a particular part of an information bulletin may relate to provisions of the law in force at the time they were made, these comments are not a substitute for the law. The reader should consider the comments in light of the relevant provisions of the law in force at the time, taking into account the effect of any relevant amendments to those provisions or relevant court decisions occurring after the date on which the comments were made. Subject to the above, an interpretation or position contained in an information bulletin generally applies as of the date on which it was published, unless otherwise specified.