

Condo Law for Albertans

condolawalberta.ca/governance-operations/repairs-maintenance/

The condo corporation has a general duty under the *Condominium Property Act* (CPA) to control, manage and administer its real, personal, common and managed property. It also has an ongoing duty for future maintenance and replacement of capital property through a reserve fund. This section will explain these duties.

General duty to repair and maintain

The condo corporation has a general duty under the *Condominium Property Act* (CPA) to repair and maintain its real, personal, common and managed property. Common property is anything in a condominium complex not contained within the boundaries of a condominium unit. Common property is also jointly owned by all owners. Managed property is any unit or part of a unit that a corporation is required by bylaw to maintain, repair or replace.

As part of its general duty to repair and maintain, the condo corporation must also follow repair notices or orders made by municipal or public authorities.



Tips for condo boards:

- Check the bylaws for additional duties of the corporation to maintain and repair property.
- Unless the bylaws say otherwise, the condo corporation is generally not responsible for repairs within condominium units. Owners are responsible for repairing and maintaining anything within their condominium unit such as the fridge or dishwasher.
- Experts recommend having a list of competent, reputable contractors or supplier network at hand to help facilitate condo repairs.
- If there is an issue over the responsibility for repairs or with contractors, a board should consult with a lawyer for advice.

Duty to repair and replace capital property

The condo corporation has an ongoing duty for future maintenance and replacement of capital property through a reserve fund. Under the *CPA*, a condo corporation must create and maintain a capital replacement reserve fund with enough money to cover major repairs and replacement of things like the roof, central heating, electrical system, doors and exterior siding.

As part of the condo corporation's duty to create and maintain a reserve fund, it must retain a qualified person to carry out a study of the property, who will then produce a reserve fund report with recommendations to the board. The condo corporation must then create a

reserve fund plan based on the report so that it can determine the amounts needed through condominium contributions, special assessment levies, or some other method to finance and maintain the reserve fund.

It is important that the condo corporation ensures that the reserve fund plan reflects the recommendations in the reserve fund report. Otherwise, there can be potential problems including:

- Large increases in condominium contributions or major special assessment levies;
- Financial stress to unit owners, board members; and
- Loss of value in units, which may make the units difficult to sell.



Alberta's new *Condominium Property Amendment Act* will bring changes to reserve funds in Alberta. This website will be updated once the changes come into force.

How does a condo corporation pay for repairs and maintenance?

Condo contributions (fees) are set to help pay for repairs and maintenance. These contributions go towards the cost of repairing and maintaining common property (for example, landscaping) and to the reserve fund. Contributions are calculated based on unit factors.

The board also has the power to levy a special assessment for emergency expenses that are not covered by the operating budget or for topping up the reserve fund so that there is enough money to cover capital repairs. Each owner's payment of a special levy is calculated based on his or her unit factor.



The cost of some repairs may be covered by the condo corporation's insurance policy. Condominium corporations should check their insurance policy carefully to help determine whether repairs can be covered by their policy.



The *Condominium Property Amendment Act* will bring changes to condo contributions (fees) and special assessments (levies). This website will be updated once the changes come into force.

Further resources

[Ask Maria: Reserve Fund vs Special Assessment](#) (Maria Bartolotti)

[Condo Concepts: Special Assessment: The Last Resort](#) (Maria Bartolotti)

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