



Are you sure you want to

BUY THAT CONDO?

**A USER'S GUIDE TO NAVIGATING THE CONDO MARKET
FROM AN ARCHITECTURAL PERSPECTIVE**

With Vancouver's leaking windows ¹ and Toronto's falling balcony glass ², today's condominiums seem to be crumbling before our eyes. Fueled by rising home prices, swelling urban centers and a desire for maintenance-free living, the housing market is responding with an increasing number of quickly constructed units ³. As the range of units grows, it's important to consider your options as a buyer. Bringing together the best available data on condominium construction and ownership, this guide will help you better understand your choices and needs as you consider your condo purchase.

The Diversity of CONDO OPTIONS⁴

Housing comes in many forms, yet condos are unique because they are made up of privately owned units connected by commonly owned elements. These units can be both owner or tenant occupied.



ROW | TOWNHOUSE

SEMI-DETACHED | DUPLEX

SINGLE-DETACHED HOUSE

LOW-RISE BUILDING

MID-RISE BUILDING

HIGH-RISE BUILDING

Freehold Condominium

- UNIT DEFINITION:**
A plot of land and all the structures located on that plot.
- COMMON ELEMENTS:**
Could be road access, recreation facilities, visitor parking and a playground.
- ALTERNATIVE TERMS:**

 - *Bare Land Units* (AB, SK, MB)
 - *Bare Land Strata* (BC)
 - *Vacant Land Condominium* (NL, PEI)



Conventional Condominium

- UNIT DEFINITION:**
The interior area of a specified space, often with the backside of the interior drywall acting as the boundary line (or centre line between two units).
- COMMON ELEMENTS:**
Structural, mechanical, and electrical services along with lobbies, hallways, elevators, walkways, and amenities.
- ALTERNATIVE TERMS:**

 - *Strata* (BC)
 - *Divided Co-Ownership* (QC)



All Shapes and Sizes

BUILDING TYPES⁵



New & Unbuilt

From the ground up, new buildings offer exciting opportunities and interesting challenges. Glamorous sales offices often leave lots to look forward to, but make sure you understand your purchase agreement so that you aren't left with less than you expected.

Building Components & Longevity⁶

Buildings are made up of thousands of individual components. Over time, these components will need to be repaired or replaced. Getting an idea of when something was last replaced or repaired will give you an idea of when it might next need maintenance.



Conversions

From one use to another, conversions start out their lives as commercial, industrial, religious or rental buildings before being transformed into condominiums. The envelope (exterior) of the building often remains intact, while the interior undergoes an extensive retrofit.



Existing

Seeing is believing. With an existing building, you are able to get the full picture of what you are purchasing. Every building has a back story, so ask questions and review your estoppel/status certificate. Always engage a qualified professional to review the latest reserve fund study and inspection/maintenance reports before signing on the bottom line.

CUSTOMIZABLE FEATURES
Fixtures, finishes, and flooring. The decisions are up to you!

UNIT VARIETY
An array of unit sizes, layouts, and solar orientations are available

YOU'RE COVERED
New Home Warranty programs offer you protection and peace of mind.

DEVELOPER'S DISCOUNTS
No maintenance fees for 2 years, only 5% down, and \$10,000 of free upgrades! Only developers have the ability to offer these types of bargains.

EVERYTHING IS BRAND NEW
So there should be less chance of costly repairs in the near future.

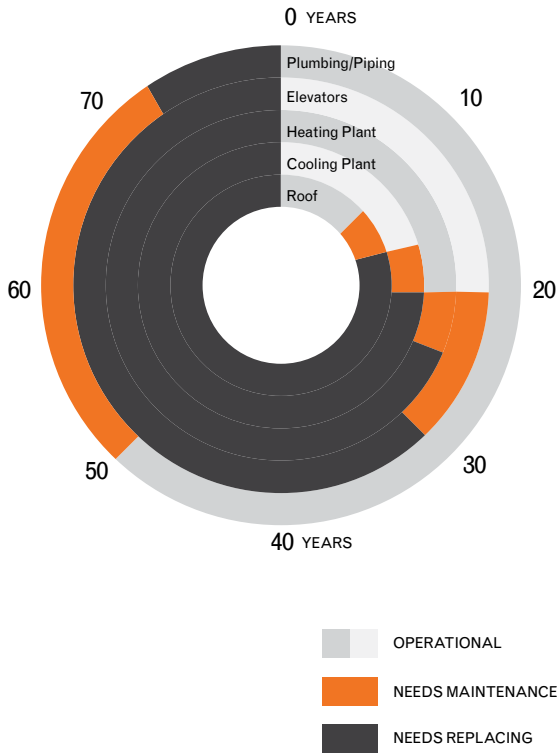
DELAYED AGAIN!
If construction is delayed it can mean making multiple moves, and staying in temporary accommodations, which can cost you.

NOT WHAT YOU PICTURED
Make sure to understand your purchase agreement as developers often leave themselves room to make modifications without notice.

CONSTRUCTION ZONE LIVING
Be prepared that construction might continue even once you've settled in.

MONEY STRUGGLES
It may be harder to get a mortgage for something that doesn't exist, and your deposit will be held for the duration of construction.

NEVER BUILT
Find out what will happen to your deposit if the project goes bankrupt or is never built. Many provinces have insurance to cover this. However, it may be to a maximum that is significantly less than you paid.



GOOD AS NEW
Offers many of the features of a new build, such as Unit Variety and Customizable Features.

ONE OF A KIND
Industrial, commercial and church conversions offer dynamic spaces that are never replicated in other building types.

LESS OR MORE EXPENSIVE
Depending on the building type and location, the price could be dramatically different (in either direction) from a comparable new unit.

LOCATION, LOCATION, LOCATION
Conversions are often done in highly desirable areas, which can mean steps to transit and entertainment.

GOOD BONES
The buildings that are chosen for conversion are usually structurally sound, architecturally interesting and made of quality materials. These buildings are worth saving.

NO WARRANTY
Are often not covered by the same catchment as new buildings.

PREVIOUSLY LOVED
Some building components may be at the end of their life cycle but not replaced which means they'll probably need replacement in the near future (\$\$\$).

UNEXPECTED DELAYS
Because the building is being retrofitted, problems can be discovered through the building process, thus pushing back the original schedule for occupancy.

MOVE-IN READY
No need to wait for the building to be completed. It's already done and ready to be lived in.

VIEWABLE
What you see is what you get.

WIDE OPEN SPACES
Existing buildings often offer more square footage and clearly defined spaces.

GST FREE
Lower deposit rates and no GST means more money in your pocket.

PAPER TRAIL
The Condo Board can provide you with reserve fund levels, building condition survey, inspection reports, and maintenance history. If they can't, this should be a serious red flag.

WHO'S WHO
Because the other units are already occupied, you have a chance to meet your neighbours, see how people interact, and get a sense of how the building is run.

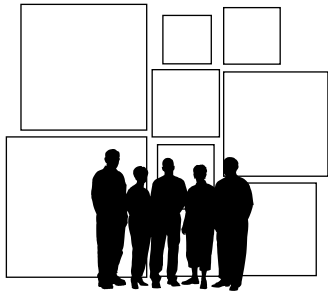
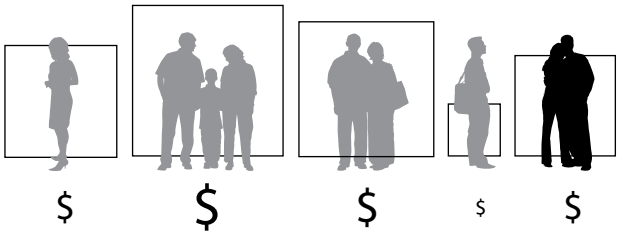
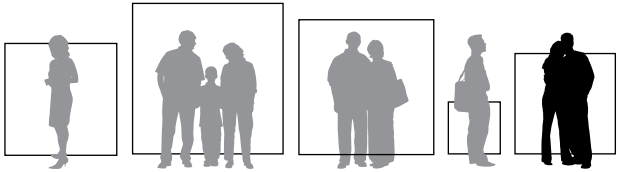
THIS IS IT
Because what you see is what you get you have fewer, if any, unit options.

AUTHORIZED CUSTOMIZATION
Make sure to check what the limitations to customization are as many condo boards have strict rules about what you can do.

ONGOING REPAIRS
As elements reach their useful life span, they need to be replaced. This could mean increased maintenance and repair costs, especially if the reserve fund is not adequate.

WHAT AMENITIES?!
Many older buildings just don't have the features of newer buildings, such as a pool or fitness centre.

How a property BECOMES A CONDO



Ownership Model

STEP 1

A group of individuals purchase private units within a collection of units.

STEP 2

By purchasing a unit, each individual agrees to pay for a percentage of the areas that link the units (often known as the common elements).

The percentage is known as the “unit factor” which is calculated based on the unit value in relation to the collection of units.

STEP 3

A condo corporation is made up of all the unit owners. And as a corporation, a board of directors (Condo Board) is elected to oversee the common elements and the operation of the corporation.

STEP 4

The condominium becomes independently governed once the developer has had a title issued or the collection of units has been registered as a condo. At this time, the board begins managing the property.

STEP 5

Each condominium is an independent community and creates its own by-laws, regulations and rules. It is also governed by provincial or territorial legislation.

This legislation is seldom, if ever, enforced or policed.

Responsibilities ⁷

YOU

PERSONAL RESPONSIBILITIES:

- Plumbing, appliances, heating, air-conditioning, and electrical systems within the unit
- Cleaning of unit and windows that are accessible from the inside
- Keeping balconies and assigned spaces up to standards outlined by the condo corporation

CONDO CORPORATION

CORPORATION RESPONSIBILITIES:

- Common plumbing, appliances, heating, air-conditioning and electrical systems
- Roof and wall repairs
- Repair and replacement of windows and doors
- Cutting and watering the lawn and gardening
- Upkeep of amenities
- Cleaning of parking areas and paths
- All other areas of the property not enclosed in a unit

CONDO BOARD

BOARD RESPONSIBILITIES:

- Maintenance planning and budgeting
- Financial management and up-to-date statements
- Managing and contracting for needed maintenance and repairs
- Dealing with insurance claims and legal proceedings
- Communicating and reporting to the corporation
- Organization of corporation meetings
- Oversight for Reserve Fund Studies

\$\$\$ Understanding Your Money ⁸

RESERVE (CONTINGENCY) FUND:

- Funded through the maintenance fees
- Used for larger repair projects (elevators, roofs, etc.)
- Managed by the board

RESERVE FUND STUDY:

- Determines the condition of the property
- Sets out a schedule for repairs and their costs
- Outlines monthly support needed to maintain an adequate reserve fund

MONTHLY MAINTENANCE (CONDO) FEES:

- Used to maintain the communally owned components
- Based on the budget outlined by the board and the unit factor
- Unregulated and can increase without limit

SPECIAL ASSESSMENT:

- Undertaken when the Reserve Fund is inadequate
- Completed to determine the cost of a needed repair
- Cost is broken down using the unit factor
- Each owner is required to pay their assessed contribution

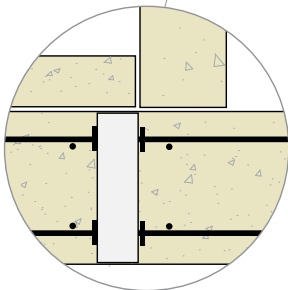
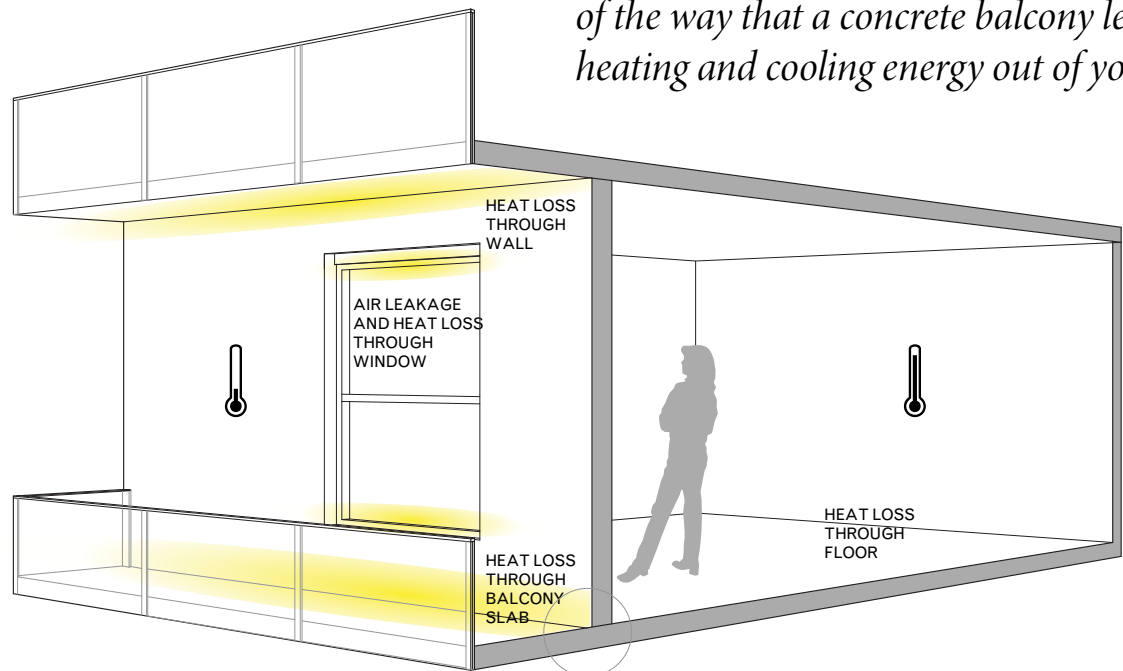
UNIT FACTOR = % OF CONTRIBUTION

The “unit factor” is the percentage of property that the unit occupies and is used to determine the level of financial contributions required.

If these buildings could talk,
THEY'D SAY...

Watchout for those balconies!⁹

And not because of falling glass but because of the way that a concrete balcony leaks heating and cooling energy out of your unit.



Thermally Broken Balcony Slab

WHAT HAPPENS:

- Heat is distributed throughout the unit and takes the path of least resistance toward cooler areas.
- The concrete slab acts as the perfect pathway (thermal bridge) for the heat to escape.
- Heat makes a continual exit while a temperature difference exists between the two spaces. The same process happens with cold air exiting in the summer.

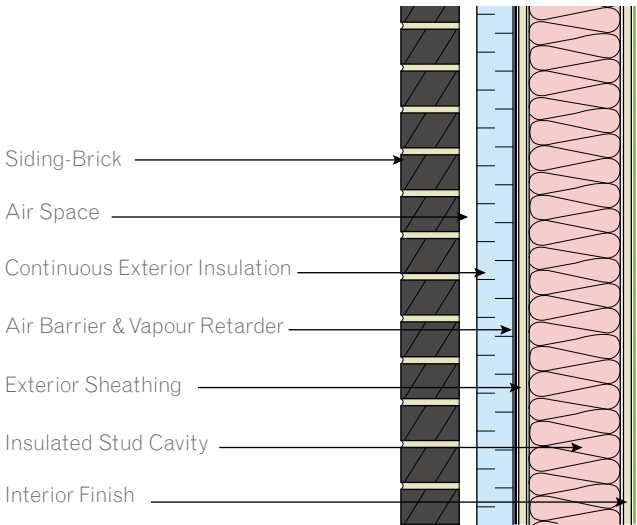
LOOK FOR:

- Thermally broken slab
- Balconies that do not have exposed concrete (wrapped with insulation)
- Balconies that were added after construction and are not part of the concrete structure

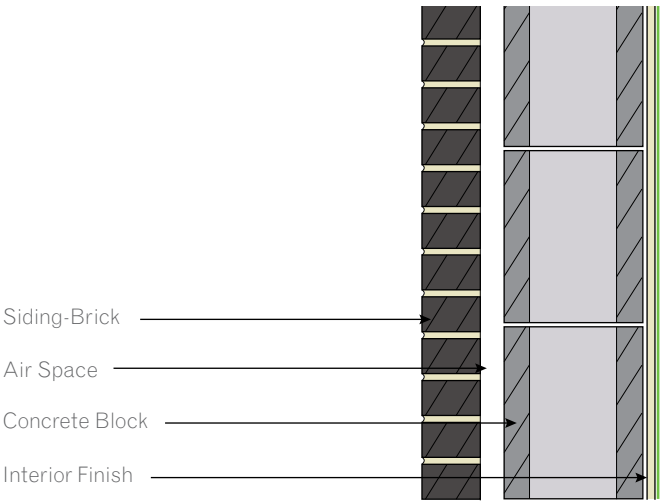


Keep me warm with insulated walls¹⁰

Your condo walls are all that stand between you and Mother Nature, so every material layer counts.



2011 NATIONAL ENERGY CODE FOR BUILDING
Complete Wall Total R-value = 20+



1960s VINTAGE EXTERIOR WALL
Complete Wall Total R-value = 3

UNDERSTANDING INSULATION:

- The R-value is the degree to which a building component resists the flow of heat through it. Higher R-values indicate a greater level of resistance
- A wall's R-value is the summation of all the wall components R-values
- A wall's thickness can often tell you much about the number of components it contains. A thicker wall usually means more components and better protection

WATCH OUT FOR:

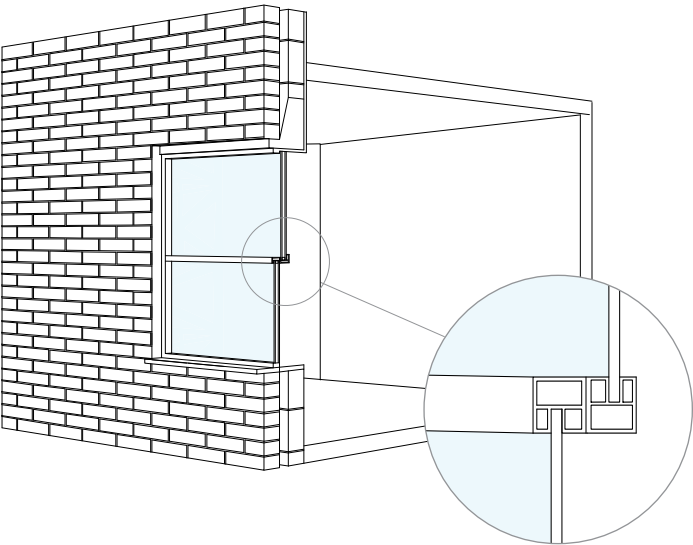
- Concrete block or brick walls that directly connect the external environment with the internal space. This means there are no insulating components to keep in (or keep out) heat and moisture
- Thin wall depths around windows and doors, as this is the only place to see the wall's thickness
- Elevators, garbage shots and mechanical rooms near your unit, because sound reverberates through walls. If not properly insulated and separated, these elements can lead to unexpected noises within your unit

If these buildings could talk,
THEY'D SAY...

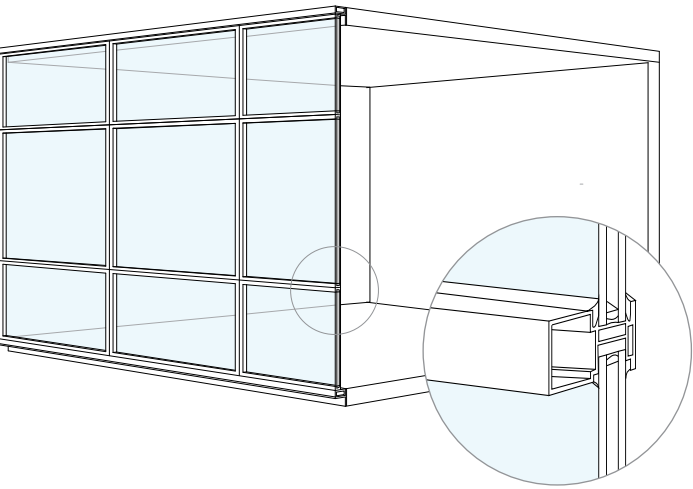
Less windows, please,
please, please!^{11, 12}

Glass is an incredibly poor insulator and allows heating and cooling to energy easily escape through it.

Less windows = less heat loss + more comfort



Aluminum window with single pane of glass
0.9 R-VALUE*



Aluminum window with double insulating low-E glass with 1/2" argon filled space
2.4 R-VALUE*

* Note: All R-values include an interior and exterior air film

UNDERSTANDING GLASS:

- The R-value of glass is significantly impacted by the number of panes in a sealed glazing unit. Windows with double or triple panes are the better choice
- Because of the low R-value of glass, it should be used sparingly as it is unable to properly insulate environments. Large glass areas compromise thermal comfort
- Window walls with floor to ceiling glass (right image) can be installed by a single trade and there is no need to coordinate work with brick layers or other exterior wall cladding trades. This makes them more economical to developers, but window walls lack the durability and energy efficiency of traditional walls. The term to describe this approach to building enclosures is "Build Cheap, Maintain Expensive"

LOOK FOR:

- Window frames with thermal breaks – pultruded fiberglass is better than aluminum
- Glass with low emissivity (low-E) coatings
- Windows only where you need them, not complete walls
- Windows that open, as it allows you a natural ventilation source
- Common signs of condensation damage or water penetration include window casings that have bubbled paint, are showing signs of mold, or are damp to the touch

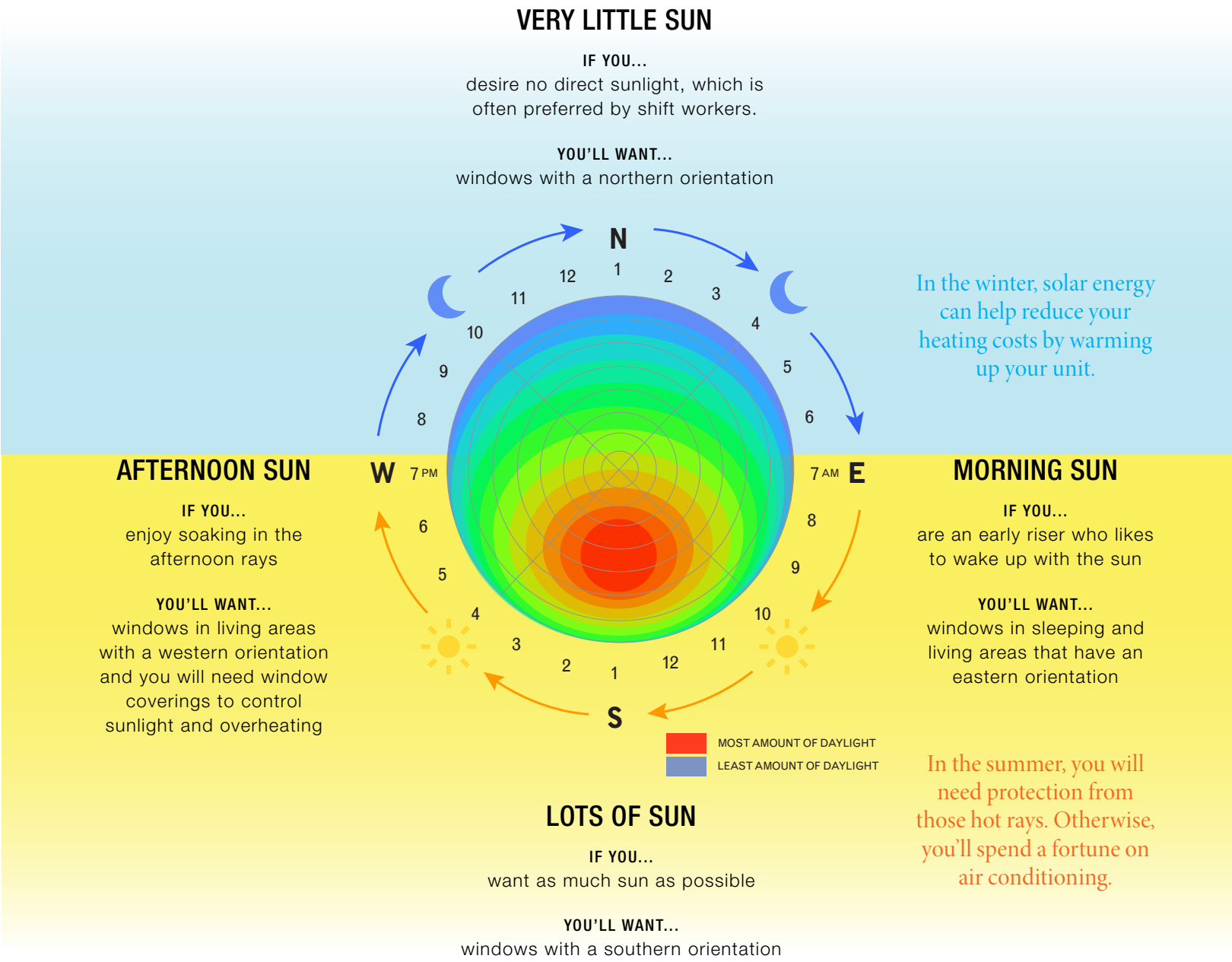
Let the sun shine in
SOLAR ORIENTATION

Sunlight = Heat

The more that you have direct sunlight entering your unit, the more heat energy you have entering your unit.

Windows = Daylight + Views + Natural Ventilation

Living in a condo suite that receives no direct sunlight, offers poor views and provides few or no operable windows can become tiresome, even depressing.



Everything you want under one roof

AMENITIES



IN EXISTING BUILDINGS

SEEING IS BELIEVING

Viewing the amenities gives you a chance to see if they are what you're looking for and their current condition. If you're looking to swim laps but the pool is only 10m long, then the cost of having a pool might not be worth your while.

UPDATE NEEDED

If the amenities look like they need to be updated, make sure to ask if they are on the reserve fund schedule and when this will be completed or if a special assessment is needed. You don't want to get caught having to pay excess funds for something you have yet to use.



IN NEW BUILDINGS

AMAZING AMENITIES ≠ LOW MAINTENANCE FEES

Developers are not required to complete a Reserve Fund Study which means that the maintenance fees promised are often only estimates of what it will actually cost to maintain the building. True Maintenance costs aren't fully established until the Condo Board has been formed, and a Reserve Fund Study is undertaken. This can often lead to significant increases in monthly maintenance fees within the first couple of years. As well there is the issue of deferred costs!

COMING SOON

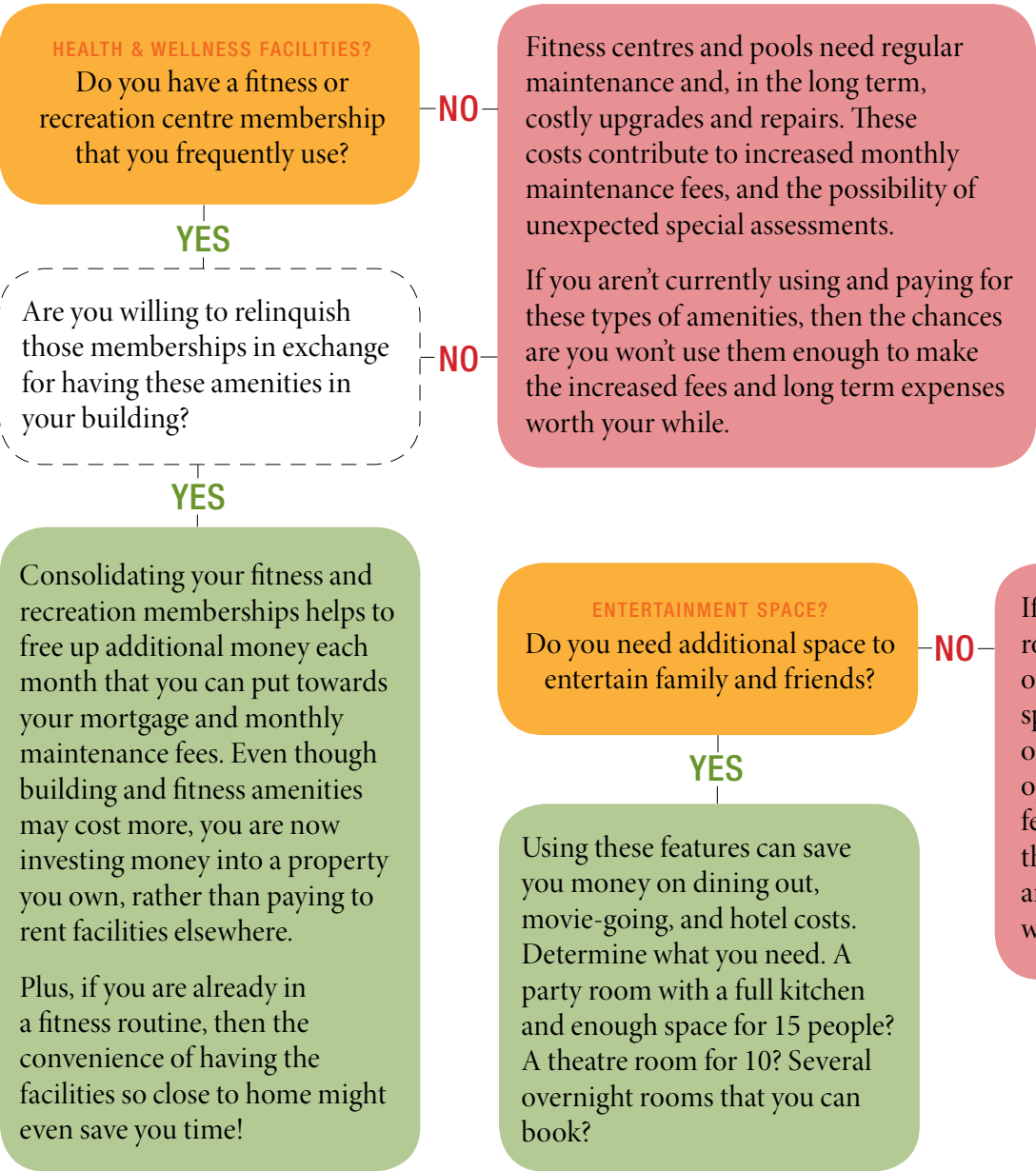
Amenities are often the last pieces completed, so be prepared for possible delays or set backs.

IT'S BRAND NEW!

Which means it's all bright and shiny and shouldn't need serious maintenance (\$\$) right away.



What are you looking for?



Do you want...¹³

| AS PART OF THE PROPERTY | WITHIN WALKING DISTANCE | DON'T WANT | | AS PART OF THE PROPERTY | WITHIN WALKING DISTANCE | DON'T WANT | |
|--------------------------|--------------------------|--------------------------|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | OUTDOOR LEISURE SPACE | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | CHILDREN'S PLAY AREA |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | EXERCISE ROOM | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | DOG PARK |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | SWIMMING POOL | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | YOGA OR FITNESS CLASSES |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | PARTY ROOM | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | CONCIERGE SERVICES |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | INDOOR/OUTDOOR PARKING | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | VALET PARKING |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | GUEST SUITE | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | DAYCARE |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | GUEST PARKING | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | ACCESS TO PUBLIC TRANSIT |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | UNIT SPECIFIC STORAGE | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | GROCERY SHOPPING |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | PERSONAL OUTDOOR SPACE | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | BANK |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | GARDENING SPACE | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | PERSONAL PARKING SPACE |

Provincial/Territorial

RESOURCES

Click on the link to access the website.

| | |
|------------------------|--|
| | ALBERTA |
| | LEGISLATION |
| [Link] | Condominium Property Act, Amended 2013 |
| | RESOURCES |
| [Link] | Buying and Owning a Condo |
| | |
| | BRITISH COLUMBIA |
| | LEGISLATION |
| [Link] | Strata Property Act, Amended 2013 |
| | RESOURCES |
| [Link] | BC Financial Institutions Commission FAQ |
| | |
| | MANITOBA |
| | LEGISLATION |
| [Link] | Legislation, Amended 2012 |
| | RESOURCES |
| [Link] | Condominium Housing |
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| | NEW BRUNSWICK |
| | LEGISLATION |
| [Link] | Condominium Property Act, Amended 2009 |
| | RESOURCES |
| [Link] | Condominium Property Act FAQ |
| | |
| | NEWFOUNDLAND & LABRADOR |
| | LEGISLATION |
| [Link] | Legislation, Amended 2009 |
| [Link] | Condominium Regulations |
| | |
| | NORTHWEST TERRITORIES |
| | LEGISLATION |
| [Link] | Condominium Act, Amended 2011 |
| [Link] | Condominium Regulations, Amended 2008 |
| | RESOURCES |
| [Link] | Buying a Condominium - User's Guide |
| [Link] | Owning a Condominium - User's Guide |

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| | NOVA SCOTIA |
| | LEGISLATION |
| [Link] | Condominium Act, Amended 2010 |
| [Link] | Condominium Regulations, Amended 2013 |
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| | NUNAVUT |
| | LEGISLATION |
| [Link] | Condominium Act, Amended 1999 |
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| | ONTARIO |
| | LEGISLATION |
| [Link] | Condominium Act, Amended 2012 |
| | RESOURCES |
| [Link] | Guides to Condominiums |
| | |
| | PRINCE EDWARD ISLAND |
| | LEGISLATION |
| [Link] | Condominium Act, Amended 2009 |
| [Link] | Condominium Regulations, Amended 2010 |
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| | QUEBEC |
| | LEGISLATION |
| [Link] | Advisory Committee on Co-Ownership |
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| | SASKATCHEWAN |
| | LEGISLATION |
| [Link] | Condominium Property Regulation, Updated 2010 |
| [Link] | Condominium Property Act, Amended 1993 |
| | RESOURCES |
| [Link] | Condominium Development & Definitions |
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| | YUKON TERRITORY |
| | LEGISLATION |
| [Link] | Condominium Act, Amended 2002 |

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Click on the link to access the website.

| | |
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| | TEXT SOURCES |
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| 1 | Ross, Howard. "Leaky Condos could Collapse, Inquiry Told Bad Designs and Materials, Poor Workmanship Result in Rotting Vancouver Buildings, Huge Repair Bills, Ruined Lives." <u>The Globe and Mail</u> , Apr 29, 1998 |
| 2 | Kuitenbrouwer, Peter. "Frenzy of Rising Condos, Fears Over Falling Glass; Councillor Wants Full City Investigation of Safety Concerns." <u>National Post</u> , Aug 18, 2011 |
| 3 | [Link] CBC Article: Throw-away Buildings |
| | |
| | CONDO OPTIONS, PAGE 1 |
| 4 | [Link] CMHC Article: Condominium Buyers' Guide |
| | |
| | BUILDING TYPES, PAGE 3 |
| 5 | [Link] Adapted from CMHC Article: Condominium Buyers' Guide |
| | |
| | BUILDING COMPONENTS AND LONGEVITY, PAGE 3 |
| 6 | [Link] CMHC Article: Service Life of Multi-Unit Residential Building Elements and Equipment |
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| | RESPONSIBILITIES, PAGE 6 |
| 7 | [Link] CMHC Article: Condominium Buyers' Guide Pg 6-7 |
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| | UNDERSTANDING YOUR MONEY, PAGE 6 |
| 8 | [Link] Article: Ontario's Condominium Act Review: Stage One Findings Report |
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| | BALCONIES, PAGE 7 |
| 9 | [Link] Article: A Bridge Too Far? |
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| | WALLS, PAGE 8 |
| 10 | [Link] Article: The Perfect Wall |
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| | WINDOWS, PAGE 9 |
| 11 | [Link] Article: Can Fully Glazed Curtainwalls be Green? |
| 12 | [Link] Article: The Future of Windows is Here? |
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| 13 | [Link] Adapted from CMHC Article: Condominium Buyers' Guide, Appendix C |

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| | IMAGE SOURCES |
| | ALL ILLUSTRATED GRAPHICS BY AMANDA CHONG |
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| [Link] | Semi-Detached I Duplex |
| [Link] | Single-Detached House |
| [Link] | Low Rise Building |
| [Link] | Mid Rise Building |
| [Link] | High Rise Building |
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| | Keep Me Warm With Insulated Walls Photograph by Gina Page |
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| [Link] | Image of Theatre |
| [Link] | Image of Lounge |
| [Link] | Image of Yoga Studio |
| [Link] | Image of Guest Suite |
| | |
| | ABOUT THIS PROJECT |
| | Amidst an emerging debate about the built quality of condominium towers in Canada's largest urban centers, Gina Page (M.Arch candidate) approached Dr. Ted Kesik (University of Toronto) with an idea to develop a guide for condo buyers that would synthesis basic architectural knowledge and building science research. The work of Amanda Chong (M.Arch candidate) transformed the research and writing into a graphical and intuitive format. |
| | |
| | Often, architectural knowledge is not readily available or accessible to the public. For this reason, the authors emphasized publicly available information. We believe that an informed consumer will lead to a higher quality of product. It is our hope that you'll expand your understanding of this topic using the resources listed. |
| | |
| | RESEARCH & WRITING: GINA PAGE LAYOUT & DESIGN: AMANDA CHONG ADVISOR: DR. TED KESIK |

