



## ASK MARIA

By Maria Bartolotti

# CONDO TERMINOLOGY

Get in on the lingo of condos

**Q:** I'm a newbie condo buyer, and I'm a little mystified by the industry jargon. Any chance you can help me straighten it out?

**A:** I'm constantly being pulled aside by owners or the general public about condominium ownership and what the different terms means. To help you out, here's a refresher on some of the lingo.

### WHAT IS A CONDOMINIUM:

A condominium can be a townhome, conventional, commercial, bareland or any type of property with shared ownership, in which each owner owns the space within their walls, floors and ceiling of the unit to which they hold title, and jointly owns a portion of all the common property. Your home is still your castle, but there are different rules, obligations and financial responsibility that come with living and owning a condominium.

### CONDOMINIUM CORPORATION:

Every condominium development has a condominium corporation that comes into existence when a condominium plan is registered with the Land Titles Office. The corporation is made up of everyone who owns a unit in the development, and the condomini-

um's board of director's runs it with the help of a good management company like New Concept Management Inc.

### BOARD OF DIRECTORS:

In essence, the role of a board, as elected by its owners, is to act honestly and in good faith exercising the powers and in discharging their official duties. These include maintaining the common property and assets of the Condominium Corporation, as well as setting policies and enforcing its bylaws.

### UNIT FACTORS:

The measure used to determine a condo owner's share of condominium contributions (fees) and voting rights. Typically, unit factor is proportional to the size of the owner's condominium unit

The total sum of the unit factors for all the units on a condominium plan is 10,000. It is important to know the unit factor assigned to your unit because it will affect your condominium contributions and your voting rights.

### BYLAWS:

Every condominium has a set of bylaws, which set out the rules and regulations that govern

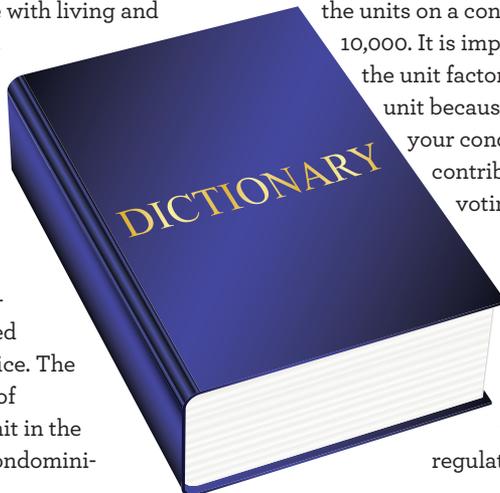
the corporation. They are a legal binding obligation of the owners and occupants in a condominium corporation. In order for the bylaws to be enforceable they must be registered with Land Titles. The condominium board is responsible for enforcing the bylaws. The bylaws may cover such things as whether pets are allowed to live in the building, renovation guidelines, parking restrictions, and more.

### RESERVE FUND STUDY:

A Reserve Fund Study is an important tool that should be utilized by the Board of Directors with the help of their Management Company, like New Concept Management Inc. to maintain and enhance the major common property assets of the Condominium Corporation. The Reserve Fund Study provides a multi-year funding plan for major capital expenditures.

In Alberta, the Condominium Property Act requires Condominium Corporations to complete a Reserve Fund Study every five years. **CL**

For more on this month's topic in Ask Maria, go to: [www.calgaryhomeliving.com](http://www.calgaryhomeliving.com)



*Editor's note: Maria Bartolotti is a board member of the Canadian Condominium Institute - Southern Alberta chapter (CCI-SA). CCI represents all participants in the condominium community.*