

CONDO CONCEPTS

By Maria Bartolotti



DRIPPY DILEMMA

Leaky condos ... who's to blame and how can you protect yourself?

You've seen it on the news, read about it in the paper, and you probably know some unfortunate soul who has gone through it. It's a condo owner's worst nightmare — the leaky condo syndrome.

As a Condominium Manager, I have worked with condo corporations who have had to special assess their owners because of failing building envelopes. It's never an easy process for them to go through, and a very expensive one for everyone involved.

So just how does a leaky condo happen? The key is the building envelope/enclosure.

The building envelope or building enclosure includes all parts of the building (assemblies, components and materials) that are intended to separate the interior space of the building from the exterior climatic conditions. It includes, for example, the foundation, exterior walls, windows, exterior doors, balconies, decks and the roof.

The leak happens when moisture somehow penetrates the building envelope, and this could be because of a combination of things, but questionable workmanship has been reported as a contributing factor in many of these cases.

What a condo buyer has to realize is that, in Alberta, the developer is only responsible for offering a one-year warranty on the building envelope and five years on the structure. After that, it's up to the corporation to look after the stucco that has failed, the roof that's leaking, decks that slope towards the building instead of away, and so on.

Unless your corporation is willing to go to battle and hire a lawyer to sue the developer, it can cost anywhere from thousands to millions of dollars in special assessments to correct the problem.

(Editor's note: Special assessments were discussed in the April 2012 issue of Condo Living.)

The province has been studying this crisis for years and has considered making changes to the



construction industry to help homebuyers. But as of today, there has been no new legislation to protect the consumer, and no date has been set to make this happen.

As a prospective buyer wanting to purchase a condominium, here are some useful tips that can help you make an informed decision.

1. The most important thing is to ask questions; does the condo have a history of leaks and problems? If so, what has been done to fix and solve the problem?
2. Read the Reserve Fund Study; has anything been noted? What's been projected and is it adequately funded?
3. What's been documented in the meeting minutes?
4. Have you talked to the Condo Manager?
5. Are condo fees in line and is there enough money to meet the expenses and any unaccepted upsets?
6. Who's the builder and what's their history?

Nobody can predict the future of a condo, or when it's components might fail, but sometimes asking the right questions can help buyers avoid the headaches and heartaches that may be associated with leaky condo syndrome and extra condo expenses. Until next time ... **CL**

Maria Bartolotti is the owner-manager of New Concept Management Inc. She has developed a strong reputation for rendering timely and efficient services to the condominium industry. Maria believes that her company's success hinges on her hands-on approach to condominium management as well as maintaining open lines of communications with her clientele. Maria is actively involved in her industry. For more information, visit www.newconceptmanagement.com