

# Aging condos eyed for development



**Aging condominium buildings could soon be attracting higher-density developers if changes to B.C. Strata Act are approved.** | REAL ESTATE WEEKLY

**BC**'s aging condominium and townhouse projects could be the focus of developers – and potentially windfall profits for owners – when a change to the provincial Strata Property Act comes into effect.

Under the proposed change, it will be easier for strata owners to dissolve their strata corporation and sell the entire building.

Under the change, 80 per cent of strata owners, rather than the current unanimous vote, would be needed to dissolve the strata.

**Darren Donnelly**, of **Clark Wilson's** Commercial Real Estate Group, said the new legislation has passed first reading and he expects it to become law as early as the end of this year.

Donnelly has been involved with a number of such cases under the former regulations and he believes the change will trigger a rush of applications.

The first condominiums in B.C. were built beginning in the mid-1960s, and some strata buildings were converted from even older condominiums.

“[Strata] owners may wish to terminate their strata corporation for several reasons. As older strata

corporations reach the end of their life cycle, major building and common property components start to fail, resulting in expensive repair bills. In some cases, strata owners want to sell the property to a developer who can put it to better or more profitable uses. For example, strata members living in a low-rise building on a large property may see the opportunity to have the land redeveloped into a larger building with more units

Real estate agents say strata groups are already “reaching out.”

Older complexes, especially those close to SkyTrain stations or on major Metro Vancouver corridors, may have lower density than the current municipal zoning allows. This could mean, for example, that a 50-unit condominium building could be demolished and rebuilt with 75 or more modern strata units if the floor space ratio allows.

“There are potential windfall prices available based on development values,” Donnelly explained.

Donnelly expects some applications will end up in court if the vote is close, but he expects most applications would confirm backing of owners before proceeding. ■