

# CAO Condo Owners' Guide

Condominium Authority of Ontario  
2024



# About this guide & CAO

The Condominium Authority of Ontario works to foster harmonious condo communities by providing information, education, and dispute resolution.

This resource provides condo unit owners with important information on how they can understand their investments and contribute to their condo community. You will learn about:



Your rights & obligations



Condo Governance



Fees & finances



Participating in your community



# Table of Contents

Intro to condo living .....	4
Governance: How decisions are made .....	12
Finance essentials for owners .....	19
Annual General Meetings .....	24
Repairs & maintenance .....	27
Solving common issues & the Condo Authority Tribunal..	32
Tools and templates .....	37







# Intro to condo living





# What is a condo?

A “condominium” is a specific type of real estate ownership structure

- You have not just purchased your unit, but an interest in the common elements of the condo corporation
- You must share the costs of maintaining the corporation
- This guide is focused on residential condos. Learn about other [types](#)





# Common elements

- This is everything in your condo that is not your or your neighbours' unit
- Some common elements are “exclusive use,” such as your balcony
- Everything in schedule C in most **declarations** is part of your unit. Everything **not** listed there is a common element
- In most cases, schedule F has information on exclusive use common elements



You can request records like the declaration and other governing docs from your condo corporation.



# Condo living expectations



## What to love



Predict monthly home expenses



Likely to reduce your daily home maintenance effort – no shovelling or mowing the lawn!



Volunteer to join your condo board and shape your community



Enjoy amenities and services like swimming pools, gyms, communal outdoor areas, party rooms, if available



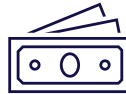
## What to be aware of



You may not always agree with your board



Share in the upkeep of the community through condo fees



Pay any special assessments



Resolve normal condo living issues like noise and odour collaboratively



Comply with your condo's governing documents, which may place restrictions on short-term rentals, parking, pets, etc.



# Owners' community rights

- Attend and vote at owners' meetings
- Requisition an owners' meeting with the help of other owners to discuss topics important to you
- Stand for election to your condo board if you meet the criteria outlined in the Act & governing docs
- Access and use the common elements and amenities in accordance with the Act & governing docs



# Owners' information rights

- Access most condo records, excluding anything that contains personal, employee or litigation info
- Review the financial health of your corporation through periodic information certificates and financial statements
- Owners are generally not entitled to records about other units or unit owners. Some exceptions include:
  - Record of Owners and Mortgagees
  - Record of Notice of Leased Units





# Owners' responsibilities

- Learn about your corporation and check your condo's governing documents
- Attend important meetings so you can understand your corporation's decisions
- Respect your volunteer board of directors
- Find productive ways to share your concerns



Owners that show **civility, compromise and patience** with their neighbours will find their communal living experience more enjoyable



Leasing your unit? Check out the [CAO Condo Tenants' Guide](#) and consider giving it to your tenants as well

# Owners' legal duties

- Comply with the Condo Act and your corporation's governing documents.
- Maintain your unit as per Act & governing docs
- Provide notice within 10 days of signing a lease with a tenant
- Pay your condo fees on time or risk a lien on your unit



Sec. 84 (1) of the Act



Sec. 85 of the Act



# Governance: How decisions are made





# Owners elect boards who:

- Maintain the financial health of the corporation
- Ensure owners receive information certificates, plan for future funding, financial reports, etc.
- Maintain & repair common elements & assets
- Respond to owner concerns
- Disclose conflicts of interest
- Ensure compliance with governing docs and the Act

Boards may delegate some of these duties to managers. Check out the [CAO Guide for Overseeing Condo Managers](#) for more info.



# Governing docs

- Outline how the corporation works
- The governing docs, in order of hierarchy, are:
  - The declaration
  - The by-laws
  - The rules
- Must align with the Condo Act & each document can't contradict the one higher in the hierarchy. By-laws and rules must be reasonable





# Governing docs

## The declaration

- The foundational doc – like a charter
- Lists the units, proportions of common expenses each unit is responsible for, repair and maintenance responsibilities and other important provisions
- Difficult to change; requires 80 or 90 per cent of voting units to consent in writing, depending on the type of change



# Governing docs

## The by-laws

- Determine the corporation's operations, including:
  - Board election, size & responsibilities
  - Assessment & collection of condo fees
  - Definition of the 'standard unit'
  - Processes or permissions, e.g., if the corporation can borrow money
- Voted on by the board & owners - changes must be registered with the Land Registry Office





# Governing docs

## Rules

- Must promote safety, security and welfare of the condo community or prevent unreasonable interference with owners' enjoyment of the condo
- Govern day-to-day activities, such as:
  - Allowable pet type, size, etc.
  - Quiet hours, emergencies, fire and safety
  - Parking, storage, garbage collection
- [Learn about how rules are created](#)



# Policies

- Outside of the governing docs.
- Bring consistency and transparency to operational processes, such as:
  - Elevator booking procedure
  - Party room booking procedure and fees
  - Workplace and harassment policy
- Created and amended by the board
- Cannot place new requirements or restrictions on owners – as this is covered by the governing docs





# Finance essentials for owners



# Common expenses

Monthly condo fees are usually based on your condo's yearly operational budget

- Each unit pays a proportion as may be outlined in Schedule D of your declaration
- Used to pay for common elements

## Chargebacks

- Used to cover costs due to an act or omission
  - Example: Your guest damages your unit's door. The corporation repairs it & charges you the cost
- Chargeback scenarios are described in the Act & governing docs





# Special assessments

- These are extra contributions used to cover shortfalls in your corporation's budget
- Corporations may need to levy these to top-up reserve funds or cover unforeseen expenses
- Corporations should inform owners of reasons for a special assessment
- Owners should also be mindful that delaying a major expense, such as repairs, may be dangerous and costly. Fee increases may be necessary to avoid special assessments.



# Reserve Funds

- Must be used to pay for major repairs or replacements of common elements and assets
- Planned for through the Reserve Fund Study and Plan for Future Funding
- Studies must be completed every three years by a qualified professional such as an engineer or architect.

Check out sections 93 and 94 of the Act for more

Read the CAO Guide on Condo Reserve Funds

## Plan for Future Funding

- This is what determines the amount owners pay to the reserve fund.
- The board must create it within 120 days of receiving the Reserve Fund Study
- Owners receive a copy within 15 days of plan being proposed that includes:
  - Summary of Reserve Fund Study
  - Summary of the plan
  - Statement indicating the areas, if any, in which the plan differs from the reserve fund study.



# Getting involved

## Assess your condo's financial health by reviewing:

- Section 4 of the Periodic Information Certificate: shows if the budget is in a deficit & any anticipated reserve fund expenditures for the current fiscal year
- Documents sent with AGM notices such as Audited Financial Statements and Auditors Report
- Plan for Future Funding

### Things to watch for:

- Unexplained fee & operating increase?
- Recent assessments?
- Details in the information certificates?
- Upcoming projects?
- Any lawsuits?

Owners can submit a request for records to access the full reserve fund study.

Learn more: [CAO Guide on Condo Finances](#)

### Do I get a say in my condo's financial decisions?

- Owners do not vote on every financial decision but can work together to requisition an owner's meeting and provide feedback
- Owners may choose to elect new directors to manage the condo's finances differently
- In extreme circumstances, owners can remove one or more directors if they have concerns with the decisions they are making.

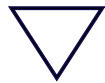
# Annual General Meetings





# What are AGMs?

- Annual opportunity to discuss important condo business
- Must be held within six months of the corporation's fiscal year-end



See sec. 45 (2) of the Act  
for more information

- Activities include appointing an external auditor, presenting audited financial statements to owners, electing directors, discussing repairs or events



# AGM essentials

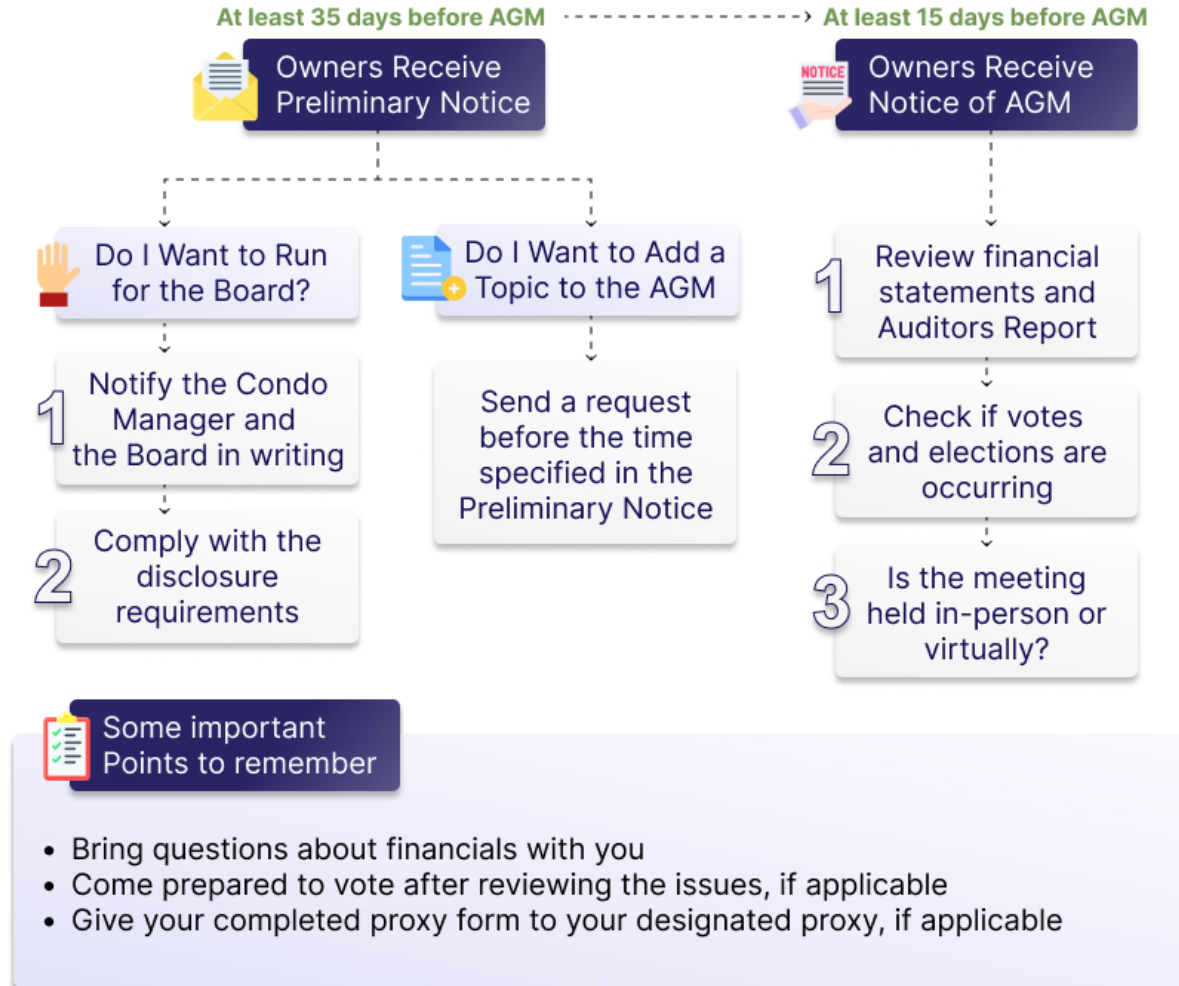
## You should attend AGMs to:

- Understand the financial health of the corporation
- Ensure the corporation's complying with requirements

## Be mindful of requirements relating to:

- Quorum – how many owners and directors are needed to make decisions
- Proxies – how owners delegate voting
- Notices – see chart on the right
- Disclosures – mandatory for conflicts of interest

## Preparing for an AGM





# Repairs & maintenance



# Board & owner responsibilities

- If applicable, review your condo's declaration for:
  - Schedule C: boundaries of unit
  - A repair and maintenance section will describe both the owner and corporation's obligations.
- Owners are generally responsible for repairing & maintaining their unit and the corporation the common elements
- If applicable, **improvements to a unit** are the owner's obligation to repair and insure. Improvements are anything not included in the standard unit definition



# What can owners change or repair?

## Repair responsibilities may include:

- Flooring
- Paint, wallpaper
- Furniture, shelving
- Light fixtures, taps

## Renovations:

- Check your governing docs & with your board before you begin
- Owners may be able to renovate parts of their unit

## Your corporation may be responsible for:

- Balconies
- Exterior doors
- Flooring, walls

▶ **Check your governing docs and see sec. 89, 90, 98 of the Act**



# Best practices

## Before accidents, repairs or maintenance:

- Get personal condo insurance that covers decorative elements, improvements and accidents
- Use licensed electricians, plumbers or contractors
- Book the elevator or other access points in advance to transport equipment
- Understand work may only take place outside of quiet hours





# Insurance and deductibles


- Corporations must have insurance for damage due to fire, floods and other major perils
- Owners are notified of changes to their condo's insurance policies through Information Certificates – make sure to review these!



## **Are you responsible for your corporation's deductible?**

Most insurance policies require that you pay a lump sum called a deductible before funds can be released. You may be required to pay part of your condo's deductible as well as your own in case of an accident. Speak to your broker after reviewing your condo's insurance deductible by-laws.



A photograph of two men in business attire. The man on the left is wearing a light-colored shirt and is looking towards the man on the right. The man on the right is wearing a dark suit jacket over a blue checkered shirt and is gesturing with his hands while holding a document. The background is blurred, suggesting an office or meeting environment.

# Solving common issues and the Condo Authority Tribunal





# Solving common issues

The CAO provides tools and templates to help owners resolve issues before they escalate. Click on the underlined text below for more:



[Settlement Agreements](#)



[Condo Managers](#)



[Harassment](#)



[Infestation](#)



[Light](#)



[Noise](#)




[Odours](#)




[Parking & Storage](#)



[Pets & Animals](#)



[Records](#)



[Short-Term Rentals](#)




[Smoke & Vapour](#)



[Vehicles](#)



[Vibration](#)



[Meetings](#)

# Condominium Authority Tribunal

An online Tribunal that uses a quick & affordable 3-step process of negotiation, mediation & adjudication and **can accept cases about:**



## Records

- You are being denied **access**
- You are being asked to **pay** too much
- Your corporation's records are **inadequate**



## Compliance with Settlement Agreements

- You and another party agreed to a settlement agreement in a previous CAT case but the other party did not comply with it within the last six months

## Unreasonable nuisance related disputes

- Your neighbour's or corporation's behaviour is interfering with the reasonable enjoyment of your condo because of:



Noise



Vibrations



Smoke & Vapour



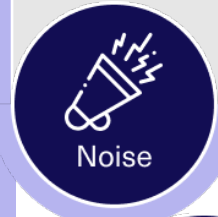
Light



Odour

## Governing document related disputes

- You can file a case if someone in your condo is not complying with the governing documents, the documents are defective or there's a dispute about compensation related to these issues:



Noise



Vibrations



Smoke & Vapour



Light



Odour



Parking & Storage



Pets & Animals



Vehicles



Other Nuisances

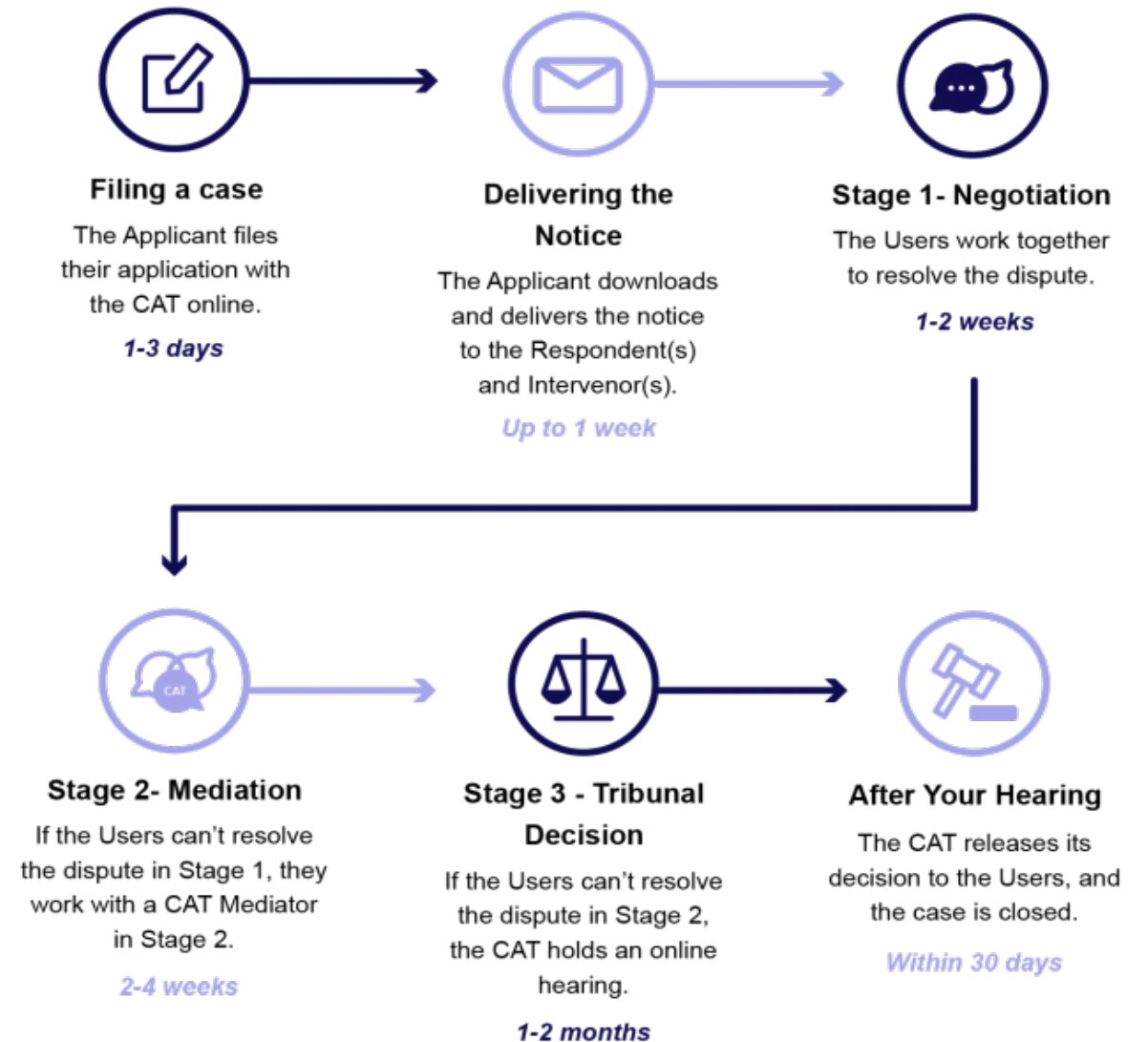


# Tribunal Process

## Here's what you need before you begin:

- [Create a CAO account](#)
- Identify anyone else who is joining the case with or against you
- Read the information on the CAO's website about your issue
  - [CAT Guide to Respondents and Intervenors](#)

The CAT cannot accept cases filed against condo managers. Visit the [Condominium Management Regulatory Authority](#) site instead.



# Legal resources for owners



## Legal Expense Insurance

Legal Expense Insurance may partially or fully cover you against costs associated with legal action and advice. Check with your broker.



## Legal Information Resources

Other options that can help you understand or prepare for a legal matter include:

[Legal Line](#)

[Community Legal Education Ontario](#)



## Legal Advice

A lawyer or paralegal from one of these low-cost options in your area may be able to help you with legal advice:

[The Law Society of Ontario](#)

[Pro Bono Ontario](#)

[JusticeNet](#)



# Tools and templates



# New owner's checklist

**Start by getting to know your board, managers and neighbours! You should also:**



Check the [CAO's Condo Calendar Tool](#) & review your condo's annual requirement deadlines



Check the [CAO's Condo Registry](#) to find general information on your condo



Ensure tenants are familiar with obligations in the governing documents



Plan and attend any condo community events



Sign up for any condo community newsletters or publications



Consider completing the [CAO's director training](#) to learn more about condo governance



Consider joining the board – check with directors for any vacancies



# Emergency checklist

## Prepare yourself with these steps:

- Ensure your corporation has the latest contact info for you and your tenants
- Learn your building's Fire Safety Plan - if required by the Fire Code
  - **Know your evacuation route**
  - **Get assistance with mobility challenges, if needed**
- Know where the resident assembly point is for different emergencies
- Keep a few days of non-refrigerated, canned essentials on hand
- Buy a fire extinguisher
- Know the locations of the water shutoff valve and electrical panel
- Know how important updates will be communicated to you

## Prepare a “go bag”

What would you need for 2-3 days?

- Extra warm clothes
- Prescription medication
- Contacts for your loved ones, condo board and management
- Phone charger
- Portable battery charger
- Flashlight
- Batteries
- Reheating blanket
- Cash

# Further reading on board governance & training

## Condo boards and training

- In most cases, board directors must complete CAO training within 6 months
- This training is also available to owners anytime at no cost:



Board director training

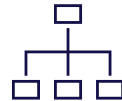
You can also take our advanced training on key topics:



Condo governance



Finance



Overseeing condo managers



Issues management



Emergency preparedness



Procurement





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