

## Common Questions Answered – Condominium Living & Ownership During the COVID-19 Pandemic



Dear Owners,

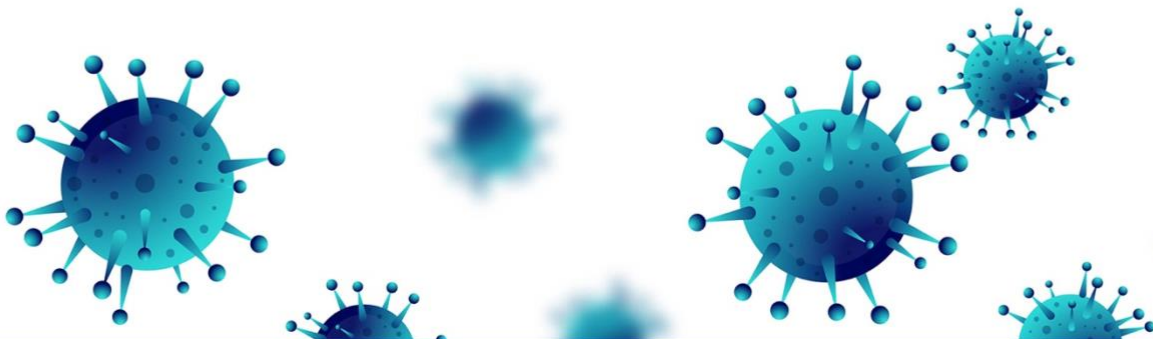
We have summarized below the condominium legal community's general responses to frequently asked questions surround the current COVID-19 pandemic as it relates to condominium life.

### ***Are unit owners still required to pay monthly common expenses?***

Yes, unit owners are required to continue paying common expenses. This obligation remains even if the condominium has temporarily closed amenity areas, suspended certain services, or taken other steps to prevent the spread of COVID-19 that may affect the income of investors.

Condominiums rely on the timely contribution of common expenses. This is the reason the Act provides condominiums with the extraordinary remedy to register a lien against a unit for unpaid common expenses. Condominium corporations are non-profit corporations. Unlike banks who can defer one's payments and continue to stay in business, the failure of a unit owner to contribute to the common expenses of a condominium can have significant financial impact on the other unit owners, who are then required to make up the shortfall.

Owners can and should seek help from their banks and the government (and perhaps defer their own mortgage payments), but condominium corporations must continue to collect fees in order to operate and protect the safety and security of its residents.





— ***Should a condominium proceed to lien a unit if there are unpaid common expenses?***

The lien process currently remains the same. While it may be viewed as insensitive, a condominium must register a lien against a unit to secure unpaid common expenses. If it fails to register a lien within the given timeline, the condominium may lose priority that a condominium lien provides, thereby prejudicing all other owners.

Shibley Righton LLP. has suggested to the government for legislation to be enacted to temporarily extend the 3 month period for registering condominium liens to 6 months. This does not suggest that an extended lien registration period would become a licence for owners not to pay. This proposed extension would provide a board with an opportunity to exercise its discretion in light of financial hardships, however, the obligation to pay remains.

While a recent emergency order has suspended limitation periods in Ontario, there are differing opinions within the condominium legal community on whether a condominium lien is considered a limitation period covered by this order. Awaiting further clarification and specifications on lien deadlines from the government, the most prudent course of action for the time being is to continue giving notice of, and registering condominium liens within the 3 months deadline.

— ***Can a condominium withdraw from its existing Reserve Fund to meet its operational obligations?***

This is not permitted. Once funds are deposited into the Reserve Fund of a condominium, they cannot be withdrawn to pay operating costs and must be used for the purposes permitted by the Act. Currently the Act limits the use of monies in the Reserve Fund to the major repair and replacement of the common elements and assets of the condominium..

— ***Can a condominium pause collecting common expenses from unit owners?***

If the financial circumstances of the condominium permit, a board could relieve unit owners from contributing to the common expenses of the condominium for a period of time. However, condominium lawyers do NOT recommend this option. As nobody knows how long this pandemic may affect the economy, an across the board pause in the paying of common expenses is a very short-term approach. If a condominium uses its surplus now to pause common expense payments it may be more difficult for the condominium to provide relief to affected unit owners in the future when the total impact of the pandemic is better known. The fact is that nobody knows what the long-term consequences of the pandemic will be.





***Can I face legal consequences for leaving my unit if I have recently returned to Canada after travel?***

The federal government has imposed a strict Quarantine Act on travellers returning to Canada and is promising heavy fines or even jail-time for those who ignore the warning to quarantine (self-isolate) for 14 days upon return. This means that the resident must NOT leave his/her unit for any reason for at least 14 days, unless there is an emergency.

The government has said maximum penalties for failing to comply with the order include a fine of up to \$750,000 and/or imprisonment for six months. If someone jeopardizes another's life while willfully breaching the Act, the penalties are \$1 million or three years in prison, or both. These are hefty penalties.



In light of the government's announcement, Corporations should contact Public Health or their local Police Service if they are aware of a resident who has returned from out of the country and is ignoring the obligation to self-quarantine.

***What responsibilities do I have as a resident if I have tested positive for COVID-19?***

Condominium corporations should encourage residents to disclose a positive COVID-19 diagnosis to property management so that reasonable assistance can be provided to the individual following quarantine (self-isolation) protocols if needed and additional preventative measures can be taken to protect the health and safety of other persons in the condominium community.

Condominium corporations should keep all this information confidential unless the individual expressly provides written consent for personal health information to be further disclosed. Even then, the corporation should only disclose information that is reasonably necessary in the management of the condominium corporation. Specific identity or location of infected members should not be divulged.

If you need assistance, please do not hesitate to contact the Management Office. We are here to help and will continue to do everything we can to ensure the building is operating safely and efficiently during these unprecedented times.

**Stay safe, and stay healthy! We are all in this together.**



# CORONAVIRUS

## SYMPTOMS



FEVER



COUGH

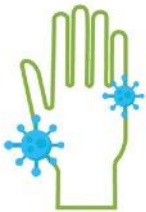


MUSCLE  
ACHE

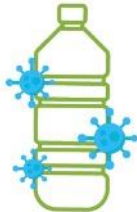


SHORT  
OF BREATH

## TRANSMISSION



HUMAN  
CONTACT



CONTAMINATED  
OBJECTS



AIR  
TRANSMISSION



05-15 DAYS

## INCUBATION

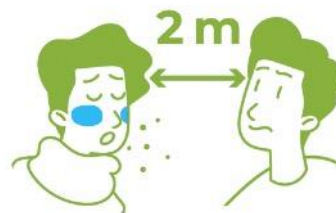
## PREVENTION



FREQUENTLY  
WASH YOUR HANDS



AVOID TOUCHING  
FACE WITH  
UNWASHED HANDS



DISTANCE



USE  
TISSUE



WEAR A MASK



**COMFORT**  
Property Management Inc.