

Condominium Fees

What is the applicable legislation?

The current Act is [The Condominium Property Act, 1993](#).

The current Regulations are [The Condominium Property Regulations, 2001](#).

Both Acts and Regulations contain all recent amendments and are available on the Publications Saskatchewan website at <https://publications.saskatchewan.ca/#/freelaw>.

What is a condominium fee?

A condominium fee is an owner's contribution to the corporation's common expense fund and the reserve fund.

Subsections 55(2), 55(3) and 56(1) of the Act

What is the purpose of the common expense fund?

Common expense funds are established to provide for expenses related to:

- the control, management and administration of the common property, common facilities and service units;
- the enforcement of the bylaws of the corporation;
- the addition of additional common property, common facilities and service units;
- the control, management and administration of any unit that is designated to the corporation through bylaws;
- insurance premiums;
- the discharge of any other obligation of the corporation that is not to be charged against the reserve fund; and
- the remuneration and expenses of an administrator if one is appointed.

Subsection 55(2)

What is the purpose of a reserve fund?

A reserve fund is established for the purpose of providing for the payment of:

- any unforeseen common expenses, including the cost of the reserve fund study if not paid from common expenses;
- any major repair or replacement of common property, common facilities, services units or assets of the corporation;
- any roofs; exteriors of buildings; roads; sidewalks; sewers; heating, electrical and plumbing systems; elevators; laundry; recreational and parking facilities; and

- any major repair or replacement of any unit that is designated to the corporation through the bylaws.

Subsections 55(3) and 58.1(7) of the Act

How are condominium fees set?

Condominium fees charged by a condominium corporation must be approved through the passage of a resolution by the corporation.

In some cases, resolutions must be approved by a majority vote of the owners. The Act also provides for the ability of a board to exercise some of the powers and perform some of the duties of the corporation. You may wish to seek legal advice on how this affects your corporation.

Once the fees are approved through a resolution of the corporation, the fees become due and payable by the terms of that resolution. The resolution may include a notice period before the fees become due and payable.

Subsections 39(1), 57(2) and 58(4) of the Act

Are the condominium fees fixed in the Act or Regulations?

No. The condominium fees are not fixed in the Act or Regulations. The fees can change at any time by passage of a resolution by a majority vote.

Subsections 57(2) and 58(4) of the Act

Is there a limit on how much condominium fees can be increased?

No. There is no maximum amount set out in the Act or Regulations because the amounts will vary depending on the age, type and size of the condominium. It is a decision of a majority vote of the condominium corporation to set the appropriate level of fees to meet their circumstances.

Subsection 57(2) and 58(4) of the Act

How are my condominium fees levied?

Generally, the fees are levied on the owners in proportion to the unit factor of the owner's respective unit. The unit factor is a measurement of your ownership share in a condominium corporation to the whole condominium units (10,000 unit factors) and is found on the condominium plan and the title to each condominium unit.

However, this ratio can be altered by devising a scheme of apportionment by an amendment to the bylaws of the corporation and the filing of those bylaws with the Corporate Registry at Information Services Corporation (www.isc.ca). A scheme of apportionment would establish contributions to the common expenses fund or reserve fund that is not in proportion to the unit factors. Any such scheme

must be approved by at least 75% of the unit owners and notice must be given allowing dissenting owners 30 days to contest the scheme in the Court of King's Bench for Saskatchewan.

Sections 47 and 48 of the Regulations

I am not using some amenities in my condo. Do I have to pay the fees for those?

Yes. An owner is not exempt from the obligation to contribute to the common expenses or reserve fund expenses even if they do not use all or part of the common property, common facilities or services units.

Clause 54(3)(a) of the Act.

What if an owner is late in paying condominium fees?

The owner will be charged interest at a rate fixed by special resolution. This late interest rate must not exceed 23% per annum.

Additionally, the corporation can register a lien against the title of a unit for the amount of unpaid contributions, interest, and the costs of registering and discharging the lien at the land registry. If the owner pays the unpaid contribution, interest, and discharge costs, the corporation shall discharge the interest. This lien may be enforced in the same manner as a mortgage. This means ultimately that a corporation could use procedures similar to foreclosure to sell the unit to satisfy the unpaid contributions.

*Sections 59 and 63 of the Act
Section 66.2 of the Regulations*

Can a corporation collect a tenant's rent to satisfy the unpaid fees of the owner of the unit?

Yes. If the owner's condominium fees are in arrears respecting a residential unit that is occupied by a tenant or when the corporation has obtained a judgment requiring the owner to pay an amount to the corporation and the owner has not paid that amount, the corporation may:

- by written notice to the tenant and the owner, require the tenant to pay the rent directly to the corporation in an amount not exceeding the rent; and
- apply the amount collected to the unpaid fees until the arrears are satisfied.

However, the corporation must have a bylaw to allow for such payments from tenants.

Sections 81 and 82 of the Act

Can I withhold my condominium fees until urgent repairs are carried out in my unit?

No. A unit owner has to pay their condominium fees even if they have a claim or dispute with the condominium corporation. If they do not pay, the corporation can register a certificate of lien against a unit. This lien can be enforced, if necessary, by selling the unit.

Clause 54(3)(b) of the Act

What is a lien?

A lien is the right to encumber the property of a debtor as security for payment for a debt or duty. A lien may be enforced in the same manner as a mortgage. This means ultimately that a corporation could use procedures similar to foreclosure to sell the unit to satisfy the unpaid contributions. The corporation would register a lien for unpaid condominium fees on a title to a unit in the Land Registry at Information Services Corporation (ISC): www.isc.ca. You may contact Customer Support at ISC by telephone at 1-866-275-4721 or by email at ask@isc.ca for assistance on how to register a lien.

Section 63 of the Act

I paid my overdue fees but the corporation did not remove the lien from the title. How do I remove the lien?

You may be able to proceed by registering a lapse of the interest based on the lien in the Land Registry at Information Services Corporation (ISC): www.isc.ca. This process may eventually allow you to discharge the interest yourself. For assistance with the lapsing process, you may contact Customer Support at ISC by telephone at 1-866-275-4721 or by email at ask@isc.ca.

Is my utility bill covered in the condo fees?

Monthly fees may cover all, some, or none of the costs of your utilities. This varies by type of condominium plan, the utility design in the plan, and the bylaws. Each condominium is unique.

What administration and service fees can the condominium corporation charge?

The corporation can charge reasonable administration and service fees. These fees are to compensate the corporation for the expenses it incurs in providing the administration and service and are not meant to be used for monetary gain.

The corporation can also charge fees for the production and provision of any document that the Act requires to be provided unless otherwise noted. These fees must not exceed the cost to the corporation of producing and providing the document.

Subsection 106(1) of the Act

Sections 66 and 66.1 of the Regulations

What is a reserve fund study?

Please refer to the fact sheet on reserve fund studies.

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