

Sales of Units During the COVID-19 Pandemic

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There is a lot of anxiety around the transmission of the COVID-19 virus (rightfully so). Boards and Condo Managers have been overwhelmed in the last two months with all of the new considerations, restrictions and policies they've had to put into play since the virus came to Canada.

One thing most didn't think of right away was the sale and purchase of units. I mean, who would sell or buy right now?! Well, there are all sorts of reasons, including already completed agreements. We aren't to question "Why?", but we should discuss "How".

There are some steps each Corporation, or at least the Condominium Management company, should take right now.

Corporations should create a policy for move-ins/outs.

A property manager can create a generalized policy and then modify for each Corporation. A policy likely already exists for your high-rise buildings, this is a great place to start.

Include items like:

- Confirmation the resident moving in has spoken to their moving company (if applicable) to learn their Physical Distancing policy and how they plan to apply it. This applies to townhouses as well as high-rises. By learning the moving company's policies, the resident can help reduce the risk of spreading the virus, keeping themselves and their building healthy. If someone sees something contrary to the current restrictions, they can call by-law enforcement to address it.
- Superintendents should be notified immediately after the movers exit the building for the last time, so they can start disinfecting the hallways, elevators and entrances to the building. Residents are responsible for sanitizing their own units (door handles included).
- **With move-ins**, every high-rise should have shut their in-house office doors to non-employees right now, so they need to be informed how to register to get a parking space or their laundry access card, etc.
- **With move-outs**, the same thing applies. Fobs, laundry cards or other passes shouldn't be returned person-to-person right now, so find a system that works for your building. (Many are using envelopes and dropping them at the Corporation's drop box with follow up refund payment and receipt)
- Consider ripping up the deposit cheque instead of returning it (show proof of destruction of the cheque).

Once you have a policy prepared and approved by the Board, send it to ALL owners and include in the status certificate.

As a way to nip some potential issues in the bud, consider creating a policy for sale of units.

Lots of people aren't able to get their short-term lease income right now (legally or otherwise), so we're anticipating seeing some of these units go up for sale. Also, some residents are owners' children who have completed post-secondary education and the unit no longer serves the same purpose. Whatever the reason, there are still units moving on the market (despite the drastic reduction).

Condo Managers can reach out to owners, pre-emptively with a communication and include some of the following:

- Please reach out to your Condo Manager after you've signed the listing agreement with a realtor.
- If the Condo Management company has the requirement, realtors should provide a signed copy of some form of a COVID-19 Buyer Disclosure Form, signed by those who are viewing the unit. The Corporation should keep these on file for at least two weeks. Lawyers may feel it beneficial to keep them for a different amount of time.
- The realtors need to advise the building manager or the condo manager (whatever your policy dictates) whenever a showing is scheduled (Date AND time). We need this information so Superintendents can try wipe all surfaces they may have come into contact with (were they peering into the gym's windows, breathing onto the glass, etc.)

Some Condo managers, realtors or owners might feel this is extreme, but we really need to help protect our residents (and our corporations). Showings have decreased dramatically, so the imposition may be less than you think. Do what's right for your residents, in the end.

So, you've created a modified moving policy, a new policy for showings, now what do you do with it after sharing with all owners the first time?

COVID-19 Buyer Disclosure Forms

Many of the real estate firms in London and area already have a form that outlines questions for potential purchasers of units. It will likely contain questions confirming the potential purchasers of a unit have actual interest in the unit they will be viewing (not just looky-loos), that the viewers have not traveled outside of the country for the last 21 days and other questions relating to limiting the risk of exposure to the virus. Speak to your realtor to see what they're doing to limit risks right now.

Add a page to your status certificate.

People purchase without using realtors and sometimes without ordering a status certificate (not you, though, because you're smart and want to know what you're investing in!). We can't control if they order a status certificate, but most people do purchase one.

- Include at the front of the certificate the following:
 - o Moving rules and how deposits are being handled
 - o A description of the amenities that are current closed and not accessible for viewing (they need to know what they are buying, but also if they can't use every single washer because you're creating a social distancing pattern in the laundry facilities)
 - o Any new cleaning procedures in place
 - o Elevator rules according to social distancing

- Aesthetic renovations cannot be started upon purchasing a unit, due to the current government restrictions
- The condo management's policy on how they handle a diagnosis in the building

Granted, most of these items are related to high-rises. Townhouse units, still should be considering implementing at least three of these items.

We're all weathering the storm that is this pandemic as well as we can. As life continues, however modified, if you have implemented these policies, it will be one less thing on your plate, when a unit sells at your Corporation.

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