

Bulletin No. 2009-03

Condominium Act, 1998

**Ministry of Government Services** 

ServiceOntario

Policy and Regulatory Services

DATE: APRIL 16, 2009

Condominium Corporations

TO: LAND REGISTRARS

The object of a corporation created under the *Condominium Act, 1998* (the 'Act') is to manage the property and assets of the corporation on behalf of the owners of the condominium corporation. As part of this management duty, Section 18(1) of the Act allows that a corporation to own, acquire, encumber and dispose of real property.

Real property, or an interest in real property, acquired by a condominium corporation becomes an asset of the corporation and a condominium corporation may deal in the land registration system with its real property assets as an owner.

If a real property asset of the corporation is incorporated into the common elements of a condominium, it becomes part of the condominium property. Assets only become part of the common elements through an amendment to the declaration and description. Under Section 17.1 of the Act, once real property is incorporated into the condominium common elements, a corporation may not deal with it unless specifically permitted under the Act.

## Easements granted to Condominium Corporations

Section 18(3) of the Act allows easements to be granted to a condominium corporation even though the corporation may not own land capable of being benefited by the easement. However, easements granted to a condominium corporation continue as assets of the corporation until they are incorporated as common elements through an amendment to the declaration and description. If the corporation does not own land capable of being benefited by the easement, this interest in land should be treated similar to a grant of easement in gross and abstracted only on the servient parcel. The condominium corporation may incorporate the easement as part of the common elements through an amendment under Section 107 or a Court Order under Section 109 of the Act.

Subsequent to registration of an amendment to the condominium declaration and description or a Court Order to incorporate the easement, a document remark on the abstract is to be added to the amendment document or Court Order stating:

Amendment to Declaration (number) to add Appurtenant Easement to the Common Elements.

## **Real Property Granted to Condominium Corporations**

As stated above, condominium corporations may own real property apart from their duties as managers of the condominium common elements. Land granted to a condominium corporation is to be abstracted as a parcel separate from the condominium. The condominium corporation may incorporate the land as part of the common elements through an amendment under Section 107 or a Court Order under Section 109 of the Act.

Subsequent to the registration of an amendment to the condominium declaration and description or a Court Order to incorporate the land, the parcel owned by the condominium corporation should be closed and a document remark added to the amendment document or Court Order stating:

Amendment to Declaration (number) to add Land to the Common Elements.

Should you have any questions on this matter, please contact your Regional Surveyor.

Katherine M. Murray Director of Titles