

COVID-19 Information for Strata and Rental Property Managers

This information is current as of March 25, 2020. As the situation continues to change rapidly, please visit [RECBC's COVID-19 and Real Estate](#) pages for the most up-to-date information.

The Real Estate Council of BC (RECBC) and the Office of the Superintendent of Real Estate (OSRE) recognize the pressures being placed on strata and rental property management companies and the need for strata and property managers to prioritize the health and safety of their clients, building residents, and staff members.

We have received correspondence from a number of strata and rental property management brokerages about the challenges they are experiencing as they continue to provide services to strata corporations and landlords. Below are responses to some of the issues that have been raised.

FINANCIAL REPORTING DEADLINES EXTENDED

In recognition of the exceptional circumstances and the additional business pressures that brokerages are under, we have temporarily extended the deadlines for regulatory reporting requirements for brokerages during this crisis.

We are temporarily extending the deadlines for yearly filings known as Accountant's Reports, to allow additional time for brokerages as they deal with the challenges of the current environment. This means that brokerages with filings due between March 1 and April 30 will have until June 1 to file their reports with RECBC. This does not absolve strata management brokerages of obligations under section 7-9 of the Rules which outline reporting requirements to client(s).

Brokerages with filings due between March 1 and April 30 will be contacted directly by RECBC with more information about the temporary extension.

To ensure ongoing public protection, RECBC will continue to strategically target audit activities based on risk and may request documentation and reporting from brokerages as required.

COMMUNICATION WITH CLIENTS

Brokerages are encouraged to make clear to their clients what their priorities are and how they will manage business during these times. It is understood that it is not business as usual, and that strata and rental property managers will need to modify their priorities given the current extraordinary circumstances.

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RECBC recommends engaging in open and transparent communications with clients to resolve any issues that may arise related to COVID-19 in the course of providing real estate services. The health and safety of all concerned – clients, members of the public, and real estate professionals – is the highest priority.

PAYMENT OF STRATA FEES

At this time, all strata owners are expected to continue to make payments of strata fees in accordance with the terms of the *Strata Property Act* and their strata's bylaws.

Strata owners are strongly encouraged to utilize online payment methods to pay balances on their account. Many strata managers are sending owners reminders for how to set up a pre-authorized debit program or other online banking options.

PAYMENT OF RENT

Tenants are strongly encouraged to utilize online payment methods to pay their rent. Rental property managers should encourage tenants to make rent payments using a pre-authorized debit program or other online banking options.

FINANCIAL ASSISTANCE

Some brokerages have requested support in securing financial assistance. Various levels of government are working on supports for small businesses, targeting industries that have been particularly hit hard by the COVID-19 crisis. BC's real estate regulators will continue to work with the strata and rental property management industry to ensure continuity of services during these difficult times.

USE OF UNLICENSED ASSISTANTS IN STRATA MANAGEMENT

Some strata management brokerages have asked whether unlicensed assistants can take on additional responsibilities, to support operations and activities at this time. Strata management services are defined in the *Real Estate Services Act* and are very specific. While unlicensed assistants can continue to support strata management firms in liaising with and supporting clients, no changes to the regulatory framework are being contemplated at this time. Unlicensed assistants are not insured or trained to provide real estate services and must be overseen by a managing broker.

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There is an exemption in section 2.18 of the Regulation permitting caretakers and managers employed by a strata management brokerage (i.e. in an employer/employee relationship with the brokerage) to

- Collect strata fees;
- Collect contributions;
- Collect levies or other amounts levied by, or due to, the strata corporation under *SPA*

Caretakers and managers must remember that any fees collected must be promptly turned over to the brokerage or strata corporation. Managing brokers are reminded that they are ultimately responsible for the conduct and actions of brokerage employees.

USE OF UNLICENSED ASSISTANTS IN RENTAL PROPERTY MANAGEMENT

Some rental property management brokerages have asked whether unlicensed assistants can take on additional responsibilities, to support operations and activities at this time. Rental property management services are defined in the *Real Estate Services Act* and are very specific. While unlicensed assistants can continue to support rental property management firms in liaising with and supporting clients, no changes to the regulatory framework are being contemplated at this time. Unlicensed assistants are not insured or trained to provide real estate services and must be overseen by a managing broker.

There is an exemption in section 2.14 the Regulation permitting caretakers and managers employed by a rental property management brokerage (i.e. in an employer/employee relationship with the brokerage) to

- Collect rent, security or pet damage deposits;
- Show the rental property to prospective tenants;
- Receive and present applications from prospective tenants;
- Supervise employees or contractors hired or engaged by the brokerage;
- Communicate between landlords and tenants with respect to landlord and tenant matters

Caretakers and managers must remember that any monies collected must be promptly turned over to the brokerage. Managing brokers are reminded that they are ultimately responsible for the conduct and actions of brokerage employees.

An unlicensed assistant who falls within this exemption must not negotiate or enter into a contract on behalf of the brokerage or the owner of the rental property.

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STRATA CORPORATION ANNUAL/SPECIAL GENERAL MEETINGS

There is a requirement under the *Strata Property Act* for Annual and Special General Meetings to be held in person, unless the strata corporation's bylaws have been amended to allow electronic meetings. BC's Provincial Health Officer has ordered that gatherings of more than 50 people are prohibited for the foreseeable future and has asked that everyone observe physical distancing of 2 metres. Brokerages should explore the use of alternatives to in-person meetings with their strata corporation clients. The [Condominium Home Owners Association](#) (CHOA), the [Professional Association of Managing Agents](#) (PAMA) and the [Vancouver Island Strata Owners Association](#) (VISOA) have also provided resources on their websites that may assist you. Where a meeting cannot be conducted safely, a deferral may be required. Strata corporations looking at this as an option may wish to seek legal advice.

PREPARING CLIENTS IN CASE OF FURTHER DISRUPTIONS

As real estate professionals, it is very important that you communicate clearly and transparently with clients about their operations and service levels as this crisis continues. Respectful communications are critical to ensure continuity of service and to manage expectations.

Strata councils and residents should consider documenting and sharing information on how their basic property systems function and what measures they can take for emergencies and basic operations.

WHAT TO DO IF YOU ARE UNABLE TO FOLLOW RESA OR SPA

In these unprecedented circumstances, brokerages may find themselves in conflict with *RESA*, the Rules or the *Strata Property Act* (*SPA*). If contravening legislation is inevitable, you should document the breach and the reasons.

For example, if a strata management brokerage is not able to facilitate an AGM/SGM in accordance with *SPA* because of government guidance around limiting group gatherings, the brokerage should maintain written documentation why the AGM could not be held, and keep records of all written communications with their clients.

Should a complaint arise you will then be able to provide evidence regarding the circumstances and the steps taken to manage the situation.

If a complaint should arise related to a real estate professional's actions, RECBC would consider the matter in light of the current exceptional circumstances and the legitimate health and safety concerns that real estate professionals may have.

Please visit [RECBC's COVID-19 and Real Estate](#) pages for key updates, resources and frequently asked questions in response to this pandemic. The content is evolving as the pandemic situation changes. Please also note response times from RECBC may be slower than normal as a result of COVID-19.