

## Condominium Glossary

Glossary Term	Definition
Accrual Basis Accounting	Accrual accounting reports expenses and revenues in the month they apply, rather than on the date the invoice was paid or the payment was deposited.
Action	An action is a legal proceeding that can affect condominium owners or corporations and may include foreclosures, suits for damages, eviction, and civil actions to collect condominium contributions in arrears, among others.
Administrator	An administrator is appointed by the court to manage a condominium corporation's affairs when the corporation is unable to do so. Owners or financial institutions can petition the court to appoint an administrator. The court determines the powers and duties of the administrator.
Address for Service	Address for Service is the address shown on the original Condominium Plan or on the most recent registered Notice of Change of Address for Service. Notices to the corporation are considered served if left at, or sent by registered mail to, the Address for Service.
Agency	An agency relationship is established when a buyer or a seller consents that a real estate industry member should act on his or her behalf in a trade of real estate.
AGM	See Annual General Meeting
Allocation of Costs	Allocation of costs refers to the division of total condominium expenses among the unit owners. Costs are typically allocated according to unit factors or percentage ownership and collected in the form of monthly contributions.
Agreements	Agreements are contracts. They can be legally enforced. Agreements used by condominium corporations include leases for parking spaces or storage lockers.
Alberta Building Code	The <i>Alberta Building Code 2006</i> (ABC) governs techniques, materials, and equipment used to construct new buildings or substantially renovate existing buildings. It is based on the National Building Code of Canada. The ABC protects the health and safety of residents.
Amalgamation	Amalgamation is the process whereby a single condominium is created by combining two or more adjacent condominiums.
Amenities	Amenities are features that may increase the appeal and value of a condominium, e.g. a swimming pool, fitness centre or playground. Amenities may add value to a condominium when compared to others without similar features. Amenities have maintenance costs which are borne by the unit owners as part of their condominium contributions.
Amortization	Amortization spreads debt repayment over a period of time. This allows a debt to be repaid in regular installments, for example a mortgage could be amortized over a period of 25 years and paid monthly.
Annual Agenda	An annual agenda lists the activities the Board is responsible for over the coming year. It helps the board plan in advance for events, personnel and resources, and can be used to keep owners informed about the business of their condominium.
Annual General Meeting	An Annual General Meeting (AGM) is a meeting of all unit owners that is called by the Board of Directors. The AGM is usually held annually after the end of the corporation's fiscal year. Board elections are held at the AGM. The outgoing

	board presents management and financial reports to the unit owners. The owners elect a new board for the coming year. Other business may be conducted at an AGM, for example appointing an auditor or voting on motions that require approval by the unit owners.
Annual Reserve Fund Report	The annual reserve fund report is prepared by the board of directors or condominium property manager to update the unit owners on the status of the capital reserve fund. It shows the amount of money in the fund that has been saved to pay for long-term repair or replacement of capital property.
Apartment-Style Condominium	An apartment-style condominium looks like a rental apartment complex. The units may have originally been rental apartments and later converted to condominium.
Appraisal	An appraisal is an opinion of value. A real estate appraisal is prepared by a real estate appraiser following commonly accepted professional appraisal standards. (See Comparative Market Analysis).
Approved Lender	Approved lenders are financial institutions approved by the Canada Mortgage and Housing Corporation (CMHC) to make loans under the National Housing Act. These loans provide mortgage insurance to buyers with down payments of less than 20%. The insurance protects the lenders against mortgage default. The insurance premium is usually paid by the borrower.
Arbitration	Arbitration is a formal hearing process that is used to resolve disputes. A third party – the arbitrator – listens to both sides, who may be represented by legal counsel, then makes a binding decision that both parties must follow. The arbitrator may also assign costs for the proceeding to one or both parties.
Architectural Controls/ Guidelines	Architectural controls are guidelines that govern the appearance of a condominium community. The guidelines specify items such as design elements, materials, and colours for buildings and landscaping elements. Architectural controls may be established by the developer or by the board and are included in the condominium plan, plan additional sheet, or the bylaws.
Arrears	Arrears are financial obligations that were not paid on time, for example, the amount of unpaid condominium contributions owed to the corporation by a unit owner.
Arrears List	An arrears list is a detailed record of condominium contributions that are unpaid as of their due date. Typically, it includes the unit number, the owner's name, and the amount and age of overdue contributions. It may also include related costs that have accumulated (NSF charges, caveat costs, etc.)
As Built Drawings	As built drawings show a condominium property in its final state and reflect changes made during construction. The drawings include the final location of buildings, wiring, plumbing, heating and underground services and are used as a reference for future repairs or maintenance.
Asset	Assets are items of value that are owned or controlled. The assets of a condominium corporation include lobby furniture or recreation equipment. Assets owned by unit owners include the unit and that unit's proportional share of the common property.
Assigned Parking	Parking stalls contained within common area may be assigned to unit owners or tenants by the Board of Directors, and are subject to reassignment as allowed by the bylaws or rules of the condominium. See also titled parking and leased parking.

Audit	An audit is an examination of financial statements to verify that the records were prepared according to accepted accounting standards and that they present a true financial picture. A condominium's bylaws may state whether or not the corporation's financial statements require an audit and define who is qualified to conduct an audit.
Auditor	An auditor examines financial statements and signs them to verify that the records were prepared according to accepted accounting standards and that they present a true financial. A condominium's bylaws may specify who is qualified to perform an audit if an audit is needed.
Balance Sheet	A balance sheet is a snapshot of a financial position as of a certain date. It shows what is owned (assets) and what is owed (liabilities). If applicable, the balance sheet also shows equity. A balance sheet is one of the annual financial statements prepared by a condominium corporation.
Bare Land Condominium	Bare land condominium unit boundaries are defined by boundaries marked on the land; any buildings on the land are contained in the condominium unit. A bare land condominium complex may look like a neighbourhood of single-family homes or townhomes. Bare land condominiums operate in the same way as conventional condominiums, but may not have as many common property elements since yards and driveways are located inside the boundaries of each condominium unit.
Bare Land Condominium Unit	A bare land condominium unit is defined by boundaries marked by monuments (pins) placed on a plot of land in accordance with the <i>Surveys Act</i> . Pins placed in the ground by a surveyor define the edges of the condominium unit. If the bare land unit contains buildings, any shared walls can form a boundary. Plans for bare land condominiums may not show buildings since the unit boundaries are defined on the land, not by the buildings.
Barely Blended Condominium	A barely blended condominium combines conventional and bare land condominiums to allow a developer to construct a condominium complex in phases. The parcel of land is first divided into bare land units. Then, each bare land unit is redivided into conventional condominiums as each phase is constructed. Barely blended development allows a developer to sell one phase before starting construction on the next phase.
Blended Mortgage Payment	A blended mortgage payment combines principal and interest. At the beginning of the mortgage, the bulk of each payment represents interest with a small amount allocated to principal. As the interest is paid down over time, the amount allocated to principal increases until the mortgage is paid in full.
Board of Directors	A board of directors manages a condominium corporation on behalf of the other unit owners. Directors are elected at the Annual General Meeting (AGM). The number of directors, roles, duties, and qualifications are listed in the bylaws. The board upholds the condominium's bylaws and manages the common property and finances of the complex.
Board of Directors Minutes	Minutes are a record of the proceedings of a meeting. Minutes are taken at each board of directors meeting to record discussions and decisions about issues of concern to the condominium corporation. This information can be used by owners or potential buyers to evaluate the health of the condominium community.
Budget	A budget is a financial plan that outlines expected income and expenses over a

	<p>certain time period. An operating budget shows how much the corporation plans to spend on day-to-day activities such as maintenance, cleaning, and snow removal in the coming year. A capital budget (Reserve Fund Plan) shows how much the corporation plans to spend on major repairs or replacement of structural elements over the next 20 to 25 years. Condominium budgets determine how much each unit owner contributes each month to cover common expenses.</p>
Board Meeting	<p>Board meetings are regular meetings of condominium board members to review, plan and carry out the day-to-day business of the condominium.</p>
Board Member's Handbook	<p>A builders' lien is a claim for payment based on work completed or materials delivered during a construction or renovation project. A lien is filed by a contractor, subcontractor, or supplier to be registered on a certificate of title at a land titles office.</p>
Builders' Lien Holdback	<p>Buyers of new condominiums may be able to negotiate a Builder's Lien Holdback on payments made to the developer. Holdbacks are held in trust by the developer's lawyer until the unit is almost complete and the funds are released.</p>
Building Envelope	<p>A building envelope is everything that separates the interior of the building from the outside environment such as exterior walls, roof, windows, doors and foundation. The building envelope is also significant because it forms part of the border between each owner's unit and the surrounding common property.</p>
Building Permit	<p>A building permit allows a developer to begin construction. After securing a development permit, the developer submits detailed construction drawings to the municipal planning office. The plans must conform to all municipal bylaws and building codes. When the plans have been examined and approved, the municipality issues the building permit.</p>
Built-out Bare Land Condominium	<p>A built-out bare land condominium is one that has been completed as planned. The term "built-out" refers to a stage of completion rather than to a particular size or number of buildings.</p>
Bylaws	<p>Bylaws are the rules and regulations that govern a condominium community. They apply to owners, tenants, and visitors. Bylaws must be registered with the land titles office to be legally enforced. Bylaws can be adopted or changed by a majority vote of the unit owners. Provincial legislation or condominium corporation bylaws define the procedures required to amend or alter the bylaws.</p>
Cash Flow Budget	<p>The cash flow budget shows the expected timing and amounts of cash received by the Corporation and cash that must be paid out. It allows the corporation to plan the timing of certain expenses or the cashing in of investment funds.</p>
Coach Home	<p>A coach home (also known as a carriage home) originally described a building with living quarters above a horse coach or carriage parking area (the equivalent of today's attached garage). Modern definitions vary but can include a building made up of two to three stories containing units all with separate entrances. Some single level units are located on the ground floor with others units containing two or more levels in the upper levels.</p>
Commercial Condominiums	<p>Commercial condominiums are complexes used for offices, retail shops, light industrial, storage, etc.</p>
Common Property Unit	<p>Common property unit has been used to describe common property generally, or any portion of common property that has been registered at Land Titles as a unit and has been issued a Certificate of Title. The Title to a common property</p>

	unit cannot be sold (the unit will always be part of the common property).
Comparative Market Analysis	A comparative market analysis (CMA) is an estimate of market value based on market statistics. A CMA is prepared by a real estate broker to assist buyers and sellers in determining current market value of real estate. (See appraisal).
Cash Basis Accounting	Cash basis accounting records expenses and revenues on the date the invoice was paid or the payment was deposited in the bank.
Caveat	A caveat is a legal notice filed on a certificate of land title to register an interest in the property. For example, a condominium corporation may register a caveat against the title of a unit owner who has a substantial amount of unpaid monthly contributions. Prospective buyers should review the certificate of title to discover any caveats registered against the unit.
Certificate of Insurance	A certificate of insurance summarizes the insurance coverage on a property, including the amount of insurance, insured losses, and deductibles. A condominium corporation must obtain insurance coverage for the common property. Unit owners obtain insurance for their unit and personal property.
Certificate of Possession	A certificate of possession is issued to the buyer of a new condominium by the developer when the unit is ready for occupation. Before the certificate is issued, the buyer and a developer's representative inspect the unit to identify any defects or deficiencies. If these are minor, the certificate is issued and the buyer can take possession of the unit. A certificate of possession does not transfer title for the unit to the buyer.
Certificate of Title	A certificate of title registers the ownership of a property at a land titles office. A title certificate applies to only one piece of property, such as a condominium unit and the related share of common property, or a titled parking space. Titles can be leased, sold, mortgaged, or transferred. Any caveats, liens, encumbrances, easements or other interests registered against a property are shown on the title.
Closing Costs	Closing costs are costs incurred in transferring real estate. Closing costs may include legal fees, title transfer, mortgage application and registration, relevant GST/HST/PST, property tax adjustments, and any other fees related to the cost of purchasing a property, securing a mortgage, and transferring ownership.
Closing Date	The closing date is the date that title is transferred and the new owner takes possession of the property.
Commitment Letter/ Mortgage Approval	A commitment letter is written notice of the lender's commitment to provide a mortgage loan to the borrower and the terms and conditions that apply. A commitment letter signifies the lender's approval of the borrower under the conditions set out in the letter.
Common Expenses	Common expenses are the costs of owning and operating a condominium's common property, such as cleaning hallways and repairing damage. Expenses are shared by all unit owners in proportion to their unit's share of the common property. The method used to split the common expenses is outlined in the bylaws.
Common Property	Common property is the part of a condominium complex that is owned in common by all unit owners. The bylaws define the common property in a particular complex and will include everything outside the boundaries of an owner's unit. Items such as hallways, lobbies, recreational facilities,

	landscaping, exterior finishes, structural components, pipes, electrical wiring are common property. Each unit is assigned a proportional share in the common property. All owners can use, and are responsible for, the common property. Monthly contributions are assessed to pay expenses related to owning and operating the common property.
Component Inventory	A component inventory lists the capital components of a condominium's common property. The inventory is prepared as part of the reserve fund study inspection process.
Condition Assessment	Condition assessment is part of the physical analysis conducted during a reserve fund study. The current condition of each component is assessed to estimate its remaining useful life, date of repair, and replacement cost.
Condition Date	The condition date is the date that all conditions on a property sale agreement are to be met. If conditions are met or otherwise removed, the agreement will become firm and binding. If they are not met, the agreement will end.
Conditional Offer / Conditions of Sale	A conditional offer is an offer to purchase that includes matters that must be satisfied before the agreement becomes firm and binding. Common conditions for real estate buyers include financing arrangements or a satisfactory home inspection. Conditions must be described within the agreement and include a time limit. If the conditions are not met, the purchase agreement terminates. The terms of the contract will describe whether deposits are refundable or nonrefundable if conditions are not met.
Condominium	Condominium is a form of legal ownership. Condominium ownership combines individual ownership of a living unit with shared ownership of the common property and shared participation in the condominium corporation. Condominium properties can be high-rise towers, low-rise walkups, townhomes, single-family homes, lofts, offices, industrial workspaces, retail shops, recreational facilities, storage facilities, or any combination thereof.
Condominium Additional Plan Sheet Certificate	A condominium additional plan sheet (CAD) contains extra information about the condominium plan, such as registered bylaws and amendments, a list of directors' names and addresses, as well as any charges, caveats, or easements registered against the condominium corporation.
Condominium Association	The term Condominium Association is sometimes used instead of Condominium Corporation. It may also be used in reference to other types of organizations related to the condominium community.
Condominium Contributions	Condominium contributions cover the cost of owning and operating a condominium's common property. Contributions are based on the funds required by the annual operating budget, including the amount to be added to the reserve fund. This total is divided among all unit owners according to their proportional share of ownership and then divided into monthly installments. Contributions are commonly called "condo fees" but this term is misleading since it implies a penalty or a fee for services rather than the cost of ownership.
Condominium Corporation	A condominium corporation is a legal entity created to administer a condominium; in effect, the unit owners are the corporation by virtue of their shared ownership of the common property. The corporation is run by a volunteer board of directors on behalf of the other unit owners. In many ways, a condominium corporation operates like a nonprofit corporation. However, it is governed by a provincial condominium property act, not business legislation.

Condominium Fees	See Condominium Contributions
Condominium Manager	A condominium manager is a person or company hired to take responsibility for the day-to-day operation of a condominium complex. The term “manager” is used in many ways and may describe a live-in handyman or a condominium property management company. Some condominium managers will require a real estate licence to perform certain duties for their clients.
Condominium Plan	A condominium plan, or declaration, is a detailed drawing that shows the edges of the property, the location of any buildings, the boundaries of each condominium unit, and the proportional share of ownership allocated to each unit. The plan also shows parking and storage areas, exclusive use areas, walkways, roads, and other features. When a condominium plan is registered, a condominium corporation is automatically created, and ownership of the property is transferred to each unit in proportion to its share of the common property.
Condominium Plan Number	The condominium plan number is a unique number assigned by Land Titles when the condominium is registered (Condominium Plan No. _____). The condominium corporation formed upon registration of the plan is assigned the same number as the plan (Condominium Corporation No. _____).
Condominium Property Act	A condominium property act governs the creation and operation of condominiums in each province. Land titles and property ownership fall under provincial jurisdiction. While there are basic similarities between the condominium acts in each province, the terms used and specific regulations can vary.
Condominium Property Regulation	Some provinces have condominium property regulations in addition to a condominium property act. Regulations expand on select provisions of the act and provide implementation details and guidelines.
Condominium Unit	A condominium unit is a space in a condo complex that is individually owned by a unit owner. A unit can be a living space, a plot of land (bare land unit) an office space, a retail space, a parking space, or a storage locker. Units are clearly identified on the condominium plan. A condominium owner can own more than one unit in the complex, for example a living unit and a parking unit.
Condominium Unit Owner	The owner of an individual unit in a condominium complex.
Construction Allowance/ Builder’s Allowance	A construction allowance or builder’s allowance is a credit offered by the developer to the buyer of a new condominium to purchase items such as appliances or fixtures. Buyers pay the difference if their choices exceed the amount of the construction allowance.
Construction Schedule	A construction schedule is a timeline or project plan that coordinates the activities of various trades and suppliers during the construction of a new condominium.
Contract	A contract is an agreement between two or more parties that can be legally enforced. Contracts may contain clauses that award damages or set penalties for failure to perform obligations made under the terms of the contract. Real estate contracts include seller and buyer brokerage contracts, purchase offers and sales offers.
Conventional	A conventional bare land development is a standard bare land development with

Bare Land	no subsequent re-division of units.
Conventional Condominium	A conventional condominium is one where the unit's boundaries are defined by the walls, floor and ceiling. Ownership consists of the unit and the undivided interest in the Common Property.
Conversion	A conversion condominium is one that existed in a form other than condominium prior to re-development, for example a warehouse converted to a condominium storage facility or apartment building converted to condominium units.
Co-operative Housing	Co-operative housing differs from a condominium, in that an association or corporation owns a group of housing units and the common areas for the use of all the residents. The individual participants own a share in the cooperative which entitles them to occupy a unit in the co-operative, to have equal access to the common areas, and to vote for members of the Board of Directors.
Corporation Number	The condominium corporation number is assigned upon registration of a condominium and is the same number as that of the condominium plan number.
Covenant	A covenant is a clause in a legal document that imposes a right or obligation on one or both of the parties to the contract. For example, mortgage contracts usually contain a covenant where the borrower must make regular mortgage loan payments to the lender.
Default	A default is a failure to comply with the terms of a legal agreement. Default may lead to the termination of the agreement. In a mortgage agreement, default can mean a failure to make the payments which may result in foreclosure. If the agreement is a purchase agreement, default may allow the other party to terminate the agreement or seek damages.
Defect	A defect in a new condominium is an item that needs minor additional work to meet quality standards, for example adjustments to fit or perfecting the finish.
Deficiency	A deficiency in a new condominium is a major item that has not been completed before the occupancy inspection. Common examples include seasonal deficiencies such as landscaping that cannot be completed in the winter months.
Deficiency Holdback	A deficiency holdback is an amount held in trust by a developer's lawyer until the deficiencies in a new condominium are remedied. The amount of the holdback is equivalent to the amount required to perform the work to correct the deficiencies.
Delineated space	Delineated space is typically shown on the condominium plan with dotted lines to indicate that the area of common property within the lines is designated for a specific purpose, for example, to lease to unit owners for parking or storage. The bylaws will indicate if the lease of a delineated parking stall can be transferred to the new owner with the sale of the related residential unit.
Demand Letter	A demand letter is a written request to make a payment, for example, a condominium corporation may issue a demand letter to a unit owner who has not paid monthly contributions.
Deposit	A deposit is a partial payment that indicates a commitment to follow through with a contractual arrangement such as a real estate purchase.
Designated space	Designated space is an area within the common property that the board designates for use by a particular unit.
Developer	A developer is a person or company who creates a new condominium complex. Developers build brand new condominiums or convert existing buildings into



	condominiums.
Development Permit	A development permit grants municipal approval for the proposed use of a plot of land including project density and concept. It is one of the first steps in the development of a new condominium. A development permit is not a construction permit. Before construction can begin, a developer must submit detailed construction plans for approval by the municipality.
Developer Sales Agent	A developer sales agent acts on behalf of a developer to sell the units in a new condominium complex or a condo conversion. The sales agent may be an employee of the developer or a REALTOR® whose brokerage is under contract to represent the developer.
Discharge of Mortgage	A discharge of mortgage is issued by the lender to confirm that the mortgage has been paid in full. The discharge must be registered on the certificate of land title to take effect.
Disclosure Documents (condominium)	Disclosure documents are documents that a developer must provide to the buyer of a new condo, or documents that a seller must provide to the buyer of a resale condo. The type and content of disclosure documents may be mandated by provincial legislation. Disclosure documents provide important information that a buyer can use to make an informed decision.
Document Reviewer	Document reviewers are specialists who review condominium disclosure documents on behalf of buyers of condominium units. Reviewers examine the documents to note any unusual or important points so that they can bring these to the buyer's attention and help them make an informed decision.
Dower Act	The Dower Act is Alberta legislation that gives certain rights to the spouse of an owner of real property. It does not apply if both spouses are on title or if the relationship is common law.
Down Payment	A down payment is the amount of the purchase price that buyers must provide from their own funds. In other words, it is the difference between the purchase price of a property and the amount advanced by the mortgage lender.
Easement	An easement is an agreement that gives a party the right to use a landowner's property in some way. While there are technical differences between an easement and a right-of-way, they have the same effect. Common easements include access roads and utility rights-of-way. Easements remain on the title until the holder of the easement discharges their rights from the certificate of title.
Encroachment	An encroachment refers to something, such as a fence, deck, or overhang that protrudes into property owned by a neighbour or the municipality. Encroachments that are not covered by an easement may violate municipal bylaws.
Encumbrance	An encumbrance is a claim for debt registered against a certificate of title at a land titles office. A mortgage is a common example of an encumbrance that is registered against the title for a condominium unit.
Equity	Equity is the difference between a property's market value and the total amount of debt (mortgage and other encumbrances) registered against the title.
Estoppel Certificate	An estoppel certificate is issued by a condominium corporation to confirm the balance in the contributions account for a particular unit. If monthly contributions are not up-to-date, the amount owing belongs to the unit, not the previous owner, and a buyer would be responsible to pay the amount owed. If a

	corporation issues an estoppel certificate that states the account does not have an outstanding balance, the corporation cannot later ask the buyer to make up arrears in the sellers account.
Exclusive Use	An exclusive use area is part of the common property that is reserved for use by one particular condominium unit – balconies, decks, parking spaces, and storage lockers are common examples. Exclusive use areas are shown surrounded by dotted or dashed lines on a condominium plan and identified with the relevant unit number. Even though use is restricted to one unit owner, exclusive use areas are still common property owned by all condominium owners. The bylaws contain rules governing the use of exclusive areas and define who is responsible for maintaining the area.
Exclusive Use Agreement	An exclusive use agreement gives an owner exclusive use of a specific common property area. The agreement may set out how the area can be used, and may transfer maintenance responsibilities for the area to the owner who has been granted exclusive use.
Exterior Elevations	Exterior elevations are detailed drawings that show the outside of a building, from all sides. Developers of new condominiums provide exterior elevations to potential buyers so that they can see what the finished building or unit will look like.
Extraordinary General Meeting	An extraordinary general meeting (EGM) is a meeting of condominium unit owners that is called for a specific purpose (usually urgent) and is not included in the regular schedule of meetings. The board of directors may call an EGM, or the bylaws may allow unit owners to call an EGM if certain conditions are met.
Fee Simple	Fee simple is a form of ownership that provides the most rights with the fewest limitations and is generally considered absolute ownership. This bundle of rights includes the right to use, sell, lease, enter, give away, or refrain from any of these rights in regard to real property. The rights are subject to restrictions imposed by laws of governing bodies such as municipalities.
Fees	The term “fees” is commonly used to refer to the mandatory monthly contributions that all unit owners pay to cover common expenses related to owning and operating the condominium complex. The term is misleading because it implies a penalty or fee for service, not the cost of ownership. The preferred term is “condominium contributions.”
Financial Statements	Financial statements include a balance sheet (statement of assets and liabilities), an income statement (profit and loss statement), a cash flow statement, and notes. Other financial reports may be included as needed. Final statements are produced at the end of a corporation’s fiscal year. Financial statements are useful to owners and buyers of condominium as they detail sources and uses of funds, the cost of services provided, and the amount saved in the reserve fund saved for major repairs.
Finish Schedule (Exterior / Interior)	A finish schedule is a detailed list of the colours, styles, and types of finishes chosen by the buyer of a new condominium from the list of choices provided by the developer.
Fiscal Year	A fiscal year is the financial year of a corporation. A fiscal year is not necessarily a calendar year. Financial statements are prepared on the end date of the fiscal year to show the corporation’s financial activity for the prior year.
Fractional	To create fractional ownership, a property is divided into percentage shares

Ownership	which are then sold to individual owners. Each owner enjoys use of the property in a percentage of time equal to their percentage of ownership. Owners share any management fee and any increase or decrease in property value.
Foreclosure	A foreclosure is a court order that allows a mortgage lender or condominium corporation to sell a unit to collect money owing. Foreclosures can occur when a condominium unit owner has stopped making mortgage loan payments, or when a unit owner has stopped making monthly contributions.
Freehold	An interest or estate in land held in fee simple (see fee simple) for an infinite period of time (fee simple) or a defined time (life estate).
Full-service Professional Management	Management by a full-service professional management company is established by long-term contract between a condominium corporation and a management company. The responsibilities and powers of the management company may extend to control of the corporation's operating and reserve funds, with the property manager providing financial and operational reports to - rather than taking day-to-day instruction from - the Board of Directors.
Gated Communities	A gated community is a form of residential community containing strictly-controlled entrances for pedestrians, bicycles and vehicles and often surrounded by walls and/or fences and sometimes manned by a security guard.
General Ledger	A general ledger is used by accountants to record income and expense transactions throughout the year.
Governing Documents	Governing documents are documents that control how a condominium community is organized and managed. Examples of governing documents include the condominium plan and condominium additional plan sheet, declarations, bylaws, rules and regulations. Governing documents are different in each province and differ between corporations in the same province.
Green Design	Green design (also called environmental design, environmentally sustainable design, environmentally conscious design, etc.) is the philosophy of designing objects <u>and</u> their environment, as well as services to comply with the principles of social, economic, and ecological sustainability.
GST/HST	The Goods and Services Tax (GST) is a federal tax on the supply of goods and services in Canada. Harmonized Sales Tax (HST) combines the GST with the provincial sales tax in several provinces. GST/HST must be paid on the purchase of a new condominium. Resale condominiums are usually exempt from GST/HST; however, buyers should ensure the accuracy of this in their individual situation.
GST Rebates	GST rebates may be available to buyers who purchase a new condominium for use as a principal residence. The amount of the rebate varies according to the situation.
High-Rise Apartment	A high-rise apartment is generally defined as a multi-family structure having 10 or more stories.
HOA	See Homeowners' Association
Homeowners' Association	A homeowners' association (HOA) is a group created by a developer of a community. Functions vary, but many HOAs monitor architectural guidelines or provide maintenance services for amenities that the municipality will not maintain. HOAs are common in newer communities, including some condominiums. Where HOAs exist, membership is compulsory as is the requirement to pay an annual fee. The HOA fee is separate from a condominium

	unit owner's condominium contributions. The existence of an HOA is registered on the property title.
Hotel Condominiums	A hotel condominium is a building used as both a condominium and a hotel. Hotel condos are developed and operated as luxury hotels, usually in major cities and resorts. When not using the condominium, owners can leverage the marketing and management done by the hotel chain to rent and manage the condo unit as any other hotel room.
Impeachment	Impeachment is a process to remove an elected officer, such as a member of the condominium's board of directors. The bylaws outline the process to be followed.
Improvements and Betterments	Improvements and betterments are renovations, additions, or upgrades made to a condominium unit by an owner. The condominium corporation's bylaws may provide for the right of the corporations to approve or veto improvements.
Industrial condominiums	Industrial condominiums are commercial condominiums that are owned by industrial businesses. For example, a strip mall with individual condominium bays for light industry such as machine shops or equipment repair shops.
Information Meeting	See Town Hall Meeting
Information Statement	An information statement contains reliable information about the status of a condominium unit and property. In Alberta, legislation gives potential buyers (and others) the right to information that may not be included on the Estoppel Certificate. This information, provided in writing along with the Estoppel Certificate, may be referred to as an information statement.
Insurance — Condominium Corporation	Every condominium corporation is required to insure the common property. The perils to be insured against and the amount of insurance coverage to be obtained may be specified in the bylaws or mandated by provincial legislation. The corporation may be required to carry enough insurance to rebuild the complex if it were destroyed.
Insurance — Directors and Officers Liability	Every condominium corporation is required to carry liability insurance to protect named directors, officers, and employees from liability arising from actions, errors, or omissions in the performance of their normal duties. The bylaws and/or provincial legislation specify the amount and type of coverage required.
Insurance — Unit Owner	Unit owners should carry all-risk insurance coverage that protects them from property loss, personal liability, and a variety of disasters, such as fire, theft, or vandalism. Before purchasing insurance, an owner should review the corporation's certificate of insurance to ensure that there are no gaps or overlaps in coverage. For example, the corporation's insurance policy may not cover improvements made to a unit. As well, owners should insure themselves against liability for costs arising from claims for damage to the common property or liabilities arising from claims against the corporation, if possible.
Insurance Appraisal	An insurance appraisal is conducted on behalf of an insurance provider to estimate the value of the property to be insured.
Interest	Interest is either the cost of borrowing money or the proceeds from investing money. Mortgage interest is included in regular mortgage payments that combine principal and interest.
Interest Adjustment Date	The interest adjustment date sets the rate of interest payable on a mortgage and usually occurs one month before mortgage payments begin.

Interim Occupancy	Interim occupancy refers to a period of time between the buyer taking possession of a unit and final transfer of the property. Terms of interim occupancy are established by legislation in some jurisdictions. In Alberta they are established by agreement between developer and buyer.
Interior Floor Plan	An interior floor plan shows a detailed view of layout of a condominium unit or the layout of the entire floor in a multi-level unit.
Joint Tenancy	Joint tenancy is a form of undivided co-ownership that includes the right of survival. If one joint tenant dies, their ownership interest is automatically passed on to the other joint tenant(s). Joint tenancy is a common form of ownership between spouses.
Land Titles	Land Titles describes a system used to record matters regarding land ownership rights. In Alberta, the Land Titles Act governs the Land Titles Office of Service Alberta, which registers all documents that create and terminate legal rights in property.
Lease of Common Property Agreement	A Lease of Common Property Agreement sets out the terms of agreement between a condominium corporation and the lessor of any portion of common property.
Leasehold Interest	A leasehold interest is an interest in land which includes the right to exclusive possession and use of an asset or property for a specified period of time under the terms of a lease agreement.
Leased Parking	Leased parking can occur when the common property contains space that is leased to owners for parking. The parking spaces can be delineated (outlined by dotted lines on the condominium plan) or non-delineated, where they are not shown on the plan as individual spaces but are part of a general area of common property.
Lending Value	The lending value of a property is determined by an appraisal conducted on behalf of the mortgage lender. As the lender may be using conservative lending practices when considering a long-term loan, the lending value estimate is often lower than a market value estimate or the actual sale price of the property.
Liability Insurance	Liability insurance protects a condominium corporation or an individual from the cost of defending a lawsuit or from a judgment against them for damages or bodily harm.
Life Estate	Life estate is the exclusive use of a property for the term of a person's life.
Loft	A loft is usually created through the renovation of existing warehousing and factory buildings in urban areas to residential space. These buildings may also be condo conversions. Loft units are typically open concept in design while integrating structural components of the existing building.
Low-rise building	A low-rise is a building that is only a few stories tall. There is no standard height requirement for a building to be considered a low-rise, however, common interpretations include a building of less than ten stories.
Management Agreement	A management agreement is made between a condominium corporation and a professional management company and sets out the responsibilities of both parties in relation to the condominium's owners, assets and funds.
Managed Property	Managed property is that portion of real property owned by a unit owner but managed by the condominium corporation under the terms of the bylaws. For example, the roof of a structure contained within the boundaries of a bare land

	unit.
Mediation	Mediation is a formal dispute resolution process usually undertaken with the assistance of a professional mediator.
Minutes	The minutes are the formal record of a meeting. The minutes include a summary of matters reported on, discussions, decisions made or tabled, etc. A condominium Board of Directors, by legislation, must keep minutes of all meetings and, upon request, make the minutes available to owners and mortgagees.
Mixed Use Development	A mixed use development combines more than one type use of condominium units in the same building. For example, retail condominiums on the ground floor, with office and/or residential condominiums above. When the condominium plan is registered, one corporation is created to govern the entire complex. The board of directors has to balance the interests of each group in the mixed use community.
MLS®	MLS® (Multiple Listing Service®) is a trademark registered and owned by The Canadian Real Estate Association (CREA). The mark may be used only in association with listing services performed by members in good standing of CREA.
Mortgage	A mortgage is a loan secured by real property such as a condominium. If the borrower defaults on the payments, the lender has the right to foreclose and sell the property. A mortgage is registered as an encumbrance on the property's certificate of title and discharged when the mortgage is paid in full.
Mortgage – Conventional	A conventional mortgage is a loan for up to 80% of the lending value of a property. The lending value is determined by an appraisal conducted on behalf of the lender. The lending value and the market price are usually different. Conventional mortgages do not require the buyer to purchase mortgage insurance.
Mortgage – High Ratio	A high-ratio mortgage is a loan for up to 95% of the lending value of a property. The lending value is determined by an appraisal conducted on behalf of the lender. The lending value and the market price are usually different. Buyers must purchase mortgage insurance if they take out a high ratio mortgage. In Canada, high-ratio mortgages are insured by the Canada Mortgage and Housing Corporation (CMHC) on behalf of the federal government. Several commercial companies provide similar financing.
Mortgage Payment	A mortgage payment is a regular payment that reduces a mortgage loan. Mortgage payments blend principal and interest. In the beginning, the interest portion is larger; at the end, the principal portion increases until the mortgage is paid in full.
Mortgagee	A mortgagee is a lender who advances funds for the purchase of real property, such as a condominium unit, to a borrower (the mortgagor). Mortgagees are usually banks, trust companies, or mortgage brokers.
Mortgagor	A mortgagor is a borrower who receives funds from a mortgage lender to purchase real property, such as a condominium unit. The mortgagor is contractually obligated to make regular payments. The mortgaged property is pledged as security for the loan. If the mortgagor fails to make regular payments, the lender (mortgagee) can foreclose and sell the property.
Motion	A motion is a proposal for action that is raised and voted on at a formal meeting

	such as a board meeting or an Annual General Meeting of condominium owners. Those present at the meeting vote on the motion, if the majority is in favour, the motion passes. Some motions require a set number of votes or certain voting procedures to pass. The bylaws and/or provincial legislation contain information about voting procedures.
Non-Compliance Sanction	Non-compliance sanctions may be imposed by a condominium corporation against unit owners, tenants, or visitors who violate the registered bylaws. Sanctions may be fines or other penalties. A corporation's bylaws must list the range of sanctions and the amounts of any fines that can be imposed.
Needs Assessment	A needs assessment is a step-by-step process of comparing the present circumstances with desired circumstances, and making decisions about what is necessary to bridge the gap. For example, a reserve fund study is a needs assessment that focuses on capital replacement needs in relation to funds set aside for that purpose.
Non-delineated	In relation to condominium, <i>non-delineated</i> spaces are spaces such as parking stalls or storage areas that are not shown as individual spaces on the condominium plan. Non-delineated areas are not units, and therefore cannot be sold. Typically, the lease of a non-delineated area ends with the sale of the related residential unit.
Non-revenue Funds	Non-revenue funds are monies that are received but must eventually be paid back. Examples of non-revenue funds are loans taken out and security deposits collected from owners or tenants.
Notice of Arrears	The Notice of Arrears is a formal written notice to a condominium owner of his or her unpaid condominium contributions. This is a necessary first step toward legal action to collect past due contributions.
Notice of Change of Bylaws	Notice of Change of Bylaws is a process by which a change in a condominium's bylaws is registered. The official form used for registering any such change in Alberta, the Notice of Change of Bylaws, is provided in the legislation.
Notice of Change of Directors	The Notice of Change of Directors is the formal document that must be registered at Land Titles following a change in Board membership, or a change in the name or address of any existing members.
Notice of Special Resolution	Although not required in a particular form, a written Notice of Special Resolution must be given to all owners at least 14 days prior to the vote. A special resolution passed without all owners receiving 14 days advance notice of the vote may be considered invalid by the courts.
Occupancy Inspection/ New Home Orientation	An occupancy inspection is a walkthrough inspection conducted by a developer's representative with a buyer to verify that work on the unit is complete and identify any minor work that still needs to be done. Many developers use this opportunity as a new home orientation to show buyers the features of their new home and run through any maintenance procedures.
Occupancy Letter	An occupancy letter states the percentage of owner occupied units and the percentage of rental units in a condominium. This information may affect some mortgage applications. Another form of occupancy letter is one where the developer or developer's representative advises buyers of the possession date.
Occupancy Permit	An occupancy permit is given to developer by a municipal safety codes official to certify that the new condominium unit has passed municipal inspection and is safe to occupy.
Offer To	An offer to purchase (offer of purchase and sale, or purchase agreement) is a

Purchase / Purchase Agreement	contract that sets out the terms and conditions under which a buyer and seller have agreed that the seller's property will transfer to the buyer. These contracts are often negotiated or countered until both parties accept the terms, or the deal may fall through.
Officers (Condominium Corporation)	The officers of a condominium corporation are members of the board of directors who are elected to fill the executive positions, for example, president, vice-president, secretary, or treasurer. The number and type of executive officer positions differs between boards. Procedures and qualifications for electing officers are outlined in a corporation's bylaws.
On-site Management	On-site management refers to property management functions that are performed on the premises such as ongoing repairs and landscaping.
Operating Account	An operating account is the chequing account or general account of a condominium corporation. It is used to pay bills for routine operating expenses. The operating account must not contain money belonging to the reserve fund.
Operating Budget	The operating budget shows the expenses a condominium corporation expects to pay over the coming year and the amount of income it needs to meet those expenses. The amount required to meet expenses determines each unit owner's monthly contributions. Operating budgets usually day-to-day expenses, a contingency for unexpected bills and the annual contribution to the capital reserve fund.
Owner's Liability Insurance	Owner's Liability Insurance is a form of liability insurance intended to cover places where the public often visit. This insurance provides coverage against liability arising from bodily injury or property damage caused by the owner's negligence.
Parcel	A parcel is the land in a condominium plan upon which all the structures are built.
Party Wall Agreement	A party wall agreement is an agreement which governs the owners of adjoining units with regard to the rights and responsibilities of each in maintaining or making changes to the wall separating their two units. Party wall agreements are included in the records of the condominium corporation.
Pets (Bylaws)	A pet owner considering a condominium purchase should consult the bylaws of the condominium to ensure the pet is acceptable in the condominium.
Phased Development	Phased development allows condominium developers to build a project in phases – building by building – as units are sold to raise funds for the next phase. Recreational facilities and parking may be constructed in later phases or may change as phases are constructed.
Phased Development Disclosure Statement	A phased development disclosure statement, filed at Land Titles by the developer when the first phase is registered, provides details of the developer's plans (units, common property, amenities, unit factor calculations, etc.) for all phases of development.
Physical Analysis	Physical analysis is the inspection process used to conduct a reserve fund study. A qualified inspector visually examines the building components for wear and tear and may perform tests on the components, if possible. Physical analysis allows the inspector to assess the condition of each component and make a judgment as to its remaining useful life.
Plan of Consolidation	A plan of consolidation serves to create a new unit by combining two or more units where the external boundaries of the new unit will differ from the original area.



Plan of Re-division	A plan of re-division is most likely done in relation to bare land units. The plan records a change in the division of units - either the division of one unit into two or more units or the combination of two or more units into one unit. Upon registration of the plan of re-division at Land Titles, the condominium plan is amended to show the unit structure after re-division.
Policy	A policy is a guideline that aids decision-making and helps select appropriate actions. Policies are designed to create a framework for consistent decision-making that leads to predictable results. Rules and regulations are developed to put policies into action. Policies may be written or they may be informal guidelines developed over years of practice.
Poll Vote	A poll vote records the vote of each unit owner and may weigh each vote according to that unit's proportional share of the common property. A poll vote is more formal than a vote by show of hands and may be used for important motions that affect all unit owners.
Post Tension	<p>Post-tension is a construction method where steel strands encased in plastic tubing are cast within a concrete slab. The purpose is to add strength to the slab and minimize cracking. When not properly installed and maintained, the cables can begin to corrode which weakens the concrete slab and may lead to collapse.</p> <p>In Alberta, condominium plans registered after September 1, 2000 must be accompanied by a certificate signed by an architect, engineer, or surveyor that states whether post-tensioned cables are or are not present in the condominium.</p>
Pre-authorized Payments	Pre-authorized Payments (PAP) are where a required amount of a payment owed is automatically debited from a bank account and credited to the payee. Condominium corporations or their property management companies may make this payment option available to unit owners, eliminating the need for written cheques.
Preventive Maintenance Program	A preventive maintenance program is a long-term plan that includes regular inspections and care of equipment and property and is intended to avoid foreseeable breakdowns and unexpected expenses.
Principal	The principal is the amount of money borrowed under a mortgage to finance a real estate purchase.
Professional Fees	Professional fees are those paid to lawyers, accountants, reserve study experts and other professionals. They are often included in a condominium's operating budget and used to assist a Board of Directors in carrying out its responsibilities.
Profit and Loss Statement	A profit and loss statement shows a corporation's income and expenses for a given period; it is also called an income statement. A profit and loss statement is one of the financial statements produced at the end of a corporation's fiscal year and distributed to unit owners.
Property and Education Taxes	Property taxes are paid to the municipality by all property owners, including condominium owners. A condominium unit and the share of the common property associated with it are considered to be a parcel of land for the purpose of assessing municipal property taxes. Education taxes are included in the property tax amount and are collected by the municipality and paid to the province. Any improvements to the unit or to the common property affect the amount of tax assessed.

Property Management Company	A property management company provides a variety of managerial, financial, custodial, or other services to a condominium corporation. Some duties require a real estate license, while others do not. Many condominium corporations contract with a management company to handle day-to-day operation of the condominium complex. The board of directors retains the responsibility for managing the corporation.
Proxy	A proxy is an individual appointed in writing to cast a vote for another person. In condominium a person who is granted a proxy by a unit owner can attend a meeting and cast a vote on the owner's behalf.
Purchase Price	The purchase price is the cost of the condominium unit a buyer intends to buy. The purchase price may or may not include GST/HST or other adjustments.
Qualified Person	“Qualified person” is the term used by the Alberta Condominium Regulation to describe the individual who must be hired to perform a reserve fund study (a physical inspection of the common property to assess costs of major repair or replacement). Condominiums with less than 12 units do not have to hire a qualified person, but may perform the work themselves if the board passed a special resolution to authorize them to do so.
Quorum	A quorum is that portion of a group that is sufficient to allow business to proceed. In Alberta, the condominium bylaws set out what constitutes a quorum of Board Members or a quorum of general meeting attendees.
Real Estate Act of Alberta	The Real Estate Act of Alberta is the legislation that governs real estate trades in Alberta. It applies to the activities of real estate brokers. Because the collection of condominium contributions constitutes a "trade" activity, condominium property managers are subject to the Real Estate Act of Alberta in relation to their handling of condominium contributions.
Real Estate Appraiser	A real estate appraiser is a professional who estimates value and possesses the necessary qualifications, ability, and experience to execute or direct the appraisal of real and/or personal property.
Real Estate Broker	A real estate broker acts for others in a trade in real estate. Common terminology for a real estate broker includes real estate agent. In Alberta, “broker” is a class of real estate licence requiring specific qualifications.
Real Property Report	A real property report is a land survey prepared by a qualified surveyor that shows the location of buildings and other improvements in relation to the boundaries of a plot of land. Real property reports are not created for conventional condominium units because they are defined on the condominium plan, not to the edges of a plot of land. Real property reports may be drawn up for the buildings situated on a bare land condominium unit.
REALTOR®	The term REALTOR® refers to real estate professionals in Canada who are members of The Canadian Real Estate Association. Members subscribe to a high standard of professional service and to a strict code of ethics. Members in Canada are licensed by CREA to use the REALTOR® marks in connection with or in reference to themselves and their real estate businesses.
Recreational Condos	Recreational condominiums encompass a wide variety of activities, such as horse stables, marinas, and RV parks. Unit owners own a stable or boat slip, for example, and share ownership of the common property in the facility.
Re-division	See Plan of Re-division
Remaining	Remaining useful life is an estimate of the length of time that a capital component of the condominium’s common property, such as a roof or furnace,

Useful Life	will continue to function. In other words, it is an estimate of when that component will fail so that replacement can be budgeted for.
Rental Pool	A rental pool is formed by a group of investor owners who agree to pool (combine) rental income from all their units and share the expenses of all units. Any profit or loss from the rental pool will also be shared by the investors. A rental pool may have its own Board of Directors and its own property manager to collect rent, maintain the units and pay unit expenses. The Board of Directors and property manager for the rental pool differ from the condominium Board of Directors and property manager (although a single property management company may manage both the condominium and the rental pool).
Replacement Cost	Replacement cost is the current cost of replacing a fixed asset with a new one of equal effectiveness.
Replacement Value	Replacement value refers to the current market price of a new capital component, such as a roof or furnace. The replacement value is used to help estimate the amount of money that should be saved in the reserve fund to pay for future repairs or replacement of capital property.
Resale Condominium	A resale condominium is a unit that has been owned by at least one person (other than the original developer) and is offered for sale by the current owner.
Rescission	Rescission is the right to cancel the purchase of a new condominium under certain conditions mandated by the Alberta Condominium Property Act. During the 10-day rescission period a buyer can cancel the purchase contract without penalty, even if the contract has been signed. The start of the rescission period depends upon the buyer receiving all disclosure documents mandated by the Alberta Condominium Property Act and Regulations. Other provinces may have similar legislation.
Reserve Fund	The reserve fund is money saved to pay for long-term repair or replacement of the capital elements of a condominium's common property, such as a roof, siding, or furnace. Money is collected for this fund as part of the owner's monthly contributions. From time to time, the balance in the reserve fund is compared to current estimates of the work that will need to be done. If the balance is not sufficient, monthly contributions are adjusted to cover the shortfall, or a special assessment may be required to raise funds to cover unexpected work. The bylaws or provincial legislation contain guidelines for maintaining the reserve fund.
Reserve Fund Plan	The reserve fund plan is a long-term budget that estimates the cost of capital repairs or replacement and the date the work needs to be done. The plan serves two purposes: 1) it is a funding guideline that ensures sufficient money is saved in the reserve fund, and 2) it is a timeline for scheduling major repairs or replacements. The plan is often prepared for the board of directors by the consultant hired to conduct the reserve fund study.
Reserve Fund Report	The reserve fund report is prepared by the qualified inspector who examined a condominium's capital property as part of the reserve fund study. The report outlines the condition of each capital component and estimates its useful life and the cost of future replacement. The capital components of a condominium's common property include the roof, siding, or furnace. The reserve fund report is used to prepare the reserve fund plan.
Reserve Fund Study	The reserve fund study is a physical inspection of the capital elements of a condominium's common property, such as a roof, siding, or furnace. The study

	<p>is conducted by a qualified inspector or inspection company. The inspector examines the condition of each capital component and estimates its useful life and the cost of future replacement. The bylaws or provincial legislation may state how often this inspection must be performed.</p> <p>In Alberta, the reserve fund study must be conducted within 2 years after a new condominium is completed and every 5 years after that to monitor changes in the condition of building components.</p>
Residential Tenancies Act	In Alberta, the Residential Tenancies Act governs landlords and tenants of residential property. In a condominium, the Board of Directors has a limited role. If tenancy problems arise, the Board will direct the owner to deal with the tenant. In doing so, the unit owner must abide by the Residential Tenancies Act, the Condominium Property Act and the condominium Bylaws.
Resolution	A resolution is a motion that was passed by a majority vote at a formal meeting such as a board meeting or an Annual General Meeting of condominium owners.
Restrictions	Restrictions in condominium ownership are detailed in the bylaws. Areas where restrictions commonly apply are in bylaws dealing with parking and pets.
Restrictive Covenant	A restrictive covenant comes from an agreement between the owners of two or more parcels of land or by the developer of a subdivision or condominium. The purpose is to “restrict” certain things in the use and development of land. A common restrictive covenant is to set architectural controls in a neighbourhood so that future improvements are consistent with the area. A restrictive covenant is similar to a bylaw in that it is enforceable only upon registration at Land Titles, and it applies equally to all owners.
Rules And Regulations	Rules and regulations are created by the board of directors to govern the condominium community and help it run smoothly. Rules and regulations operate in addition to the bylaws. Rules are easy to create and easy to change but they cannot be legally enforced. Any rule of real consequence should be incorporated into the bylaws.
Sanctions	Sanctions are reasonable penalties a Board of Directors may impose on owners (or the tenants or guests of owners) who fail to comply with the condominium bylaws. In Alberta, the circumstances in which sanctions can be imposed, and the nature or amount of the sanction, must be in the Bylaws.
Self-Managed	A self-managed condominium is managed by the unit owners who volunteer their time and effort to perform the tasks needed to manage and maintain the condominium complex. This form of management is suitable for smaller complexes since the workload can be time consuming.
Service Agreements	A service agreement is a contract that establishes the relationship between the parties as to the services and obligations to be performed.
Signing Authority	Signing authority is the right to sign cheques or contracts on behalf of a condominium corporation. The board of directors grants signing authority to a few individuals, usually board members and the property manager, so that the corporation can meet its business and financial obligations.
Site Inspection	A site inspection, a thorough inspection of all aspects of the common property, is one of the first duties of a new condominium Board of Directors. In new or conversion condominiums, the site inspection should reveal deficiencies and any concerns to be addressed by New Home Warranty. Site inspections will also

	be carried out at least annually by the property manager and as required by reserve fund reporting professionals.
Special Assessment	A special assessment is a one-time charge declared by the board of directors to pay for unexpected expenses that cannot be covered by operating funds or the reserve fund (if applicable). Unit owners must pay the special assessment in addition to their regular monthly condominium contributions. Special assessments should not be used as a routine method of funding major repairs, rather the Reserve Fund Plan should provide for future repairs whenever possible.
Special Resolution	A special resolution is a motion that requires more than a simple 51% majority to pass, such as amending the bylaws. In Alberta, a special resolution must be approved by at least 75% of unit owners who together represent at least 75% of the unit factors in a condominium. The requirements vary in other provinces.
SPIN 2	SPIN 2 is Alberta's Spatial Information System through which consumers can access Land Titles data, including Certificates of Title, registered survey plans and township images.
Stacked Townhouse	In a stacked townhouse, units are organized over top of each other in a quasi-interlocking fashion that reaches a final building height of two to three stories. A stacked housing type might look like an apartment from the inside, but private stairs access upper units rather than shared corridors or an elevator more common to apartment-style housing.
Strata Lot	A strata unit is similar to a condominium unit and is the term used in British Columbia. In Alberta, a strata lot is defined as a unit of volumetric space located in a certain geospatial position.
Storage	Storage facilities within condominium vary. There may be a storage closet wholly contained within a unit or the storage units may be located elsewhere on the common property. When storage areas are on common property, they may be dealt with the same way as exclusive use areas, that is, leased or assigned to unit owners.
Structural Defect	A structural defect is a defect, such as a crack, in a load-bearing structure that could weaken it or lead to collapse. Load bearing structures include beams, support columns, and building foundations.
Subdivision	Subdivision is the act of dividing a parcel of land into smaller pieces that are easier to sell or otherwise develop.
Substantial Completion	Substantial completion means that the units and common property of a new condominium are complete and ready for occupation. The date of substantial completion is verified in writing by the architect or engineer responsible for construction.
Technical Audit	A technical audit is a detailed physical inspection of mechanical components or systems in a building. The results of a condominium technical audit may be used in a reserve fund study or to identify deficiencies to be rectified by the developer.
Tenants In Common	Tenants in common is a form of undivided co-ownership that does not include the right of survival. If one owner dies, their property becomes part of their estate; it does not pass to the other owners. This is the form of ownership that allows condominium unit owners to share ownership of the common property.
Term of Office	The term of office is the length of time a member of the Board of Directors can remain in office before another election must be held. This period of time is

	established by the Bylaws of a condominium.
Title Search	A title search is a search of the provincial land titles registry for information and documents related to the ownership of a particular piece of property. Information such as the owner's name, name and address of the mortgage lender and the existence of any encumbrances, liens, or caveats registered against the title can be found in the registry.
Titled parking	Titled parking refers to parking stalls that are individual units, each with a unit number and a unit factor. Titled parking stalls are outlined on the condominium plan with solid lines, and each has a Certificate of Title that identifies the owner of the parking unit.
Town Hall Meeting	A Town Hall Meeting is an open, relatively informal meeting that gives condominium owners an opportunity to discuss specific topics or general concerns.
Townhouse	A townhouse (or row house) is a housing or condominium style generally designed as a group of homes in a row, often connected.
Transfer of Title	A transfer of title is a legal document that transfers ownership of a property, such as a condominium unit, from an owner or developer to a buyer. It must be signed by both parties before the transfer can occur.
Trust Account	Trust accounts are bank accounts used to hold funds that cannot be released until certain conditions are met. Trust accounts are governed by provincial legislation and are used by lawyers, real estate brokers and property managers when acting on behalf of their clients.
Turnover Meeting	A turnover meeting is held to formally turn over control of the Condominium Corporation from the developer to the new owners by the election of a new Board of Directors made up of owners.
Unit Boundaries	Unit boundaries mark the difference between private property and common property. Condominium owners own everything inside the unit boundaries and share ownership of everything outside the unit boundaries. The location of the boundaries may be defined in provincial legislation or on the condominium plan. Conventional condominium units are defined by the walls, floor, and ceiling. Bare land condominium units are defined by pins in the ground placed by a surveyor at the edges of the plot.
Undivided co-ownership	Undivided co-ownership occurs when a property is owned by a group of people without it being divided into separate lots (private and common portions). Each owner owns a fraction of the property.
Unit Factor	Unit factor is a term used in some provinces to represent the proportional share of ownership in the common property allocated to each condominium unit. In some condominium complexes, the unit factor is used to determine an owner's share of monthly contributions or special assessments and may be used as a factor when counting votes at a condominium meeting.  In Alberta, the unit factors for all units in a condominium must add up to 10,000. The condominium plan must include a schedule showing the unit factor for each unit.
Unit Rental	Unit rental can be used by condominium unit owners as an income-generating investment as owners have the right in common law to rent out their units. However, since tenants have access to the common property and are subject to

	the bylaws, the board of directors has the right to set certain conditions or impose penalties for bylaw infractions. Rules regarding unit rentals are contained in the bylaws .The ratio of rental units to owner occupied units may affect a buyer's ability to obtain mortgage financing or mortgage insurance.
Warranty Protection	Warranty protection for new condominiums may be available from provincial or industry programs. In general, such programs cover serious defects in materials or workmanship for a certain period of time up to a stated amount.
Zoning Bylaws	Zoning bylaws (land use bylaws) are municipal or regional laws that impose restrictions on the use of land, for example an area within a municipality may be restricted to single family developments.