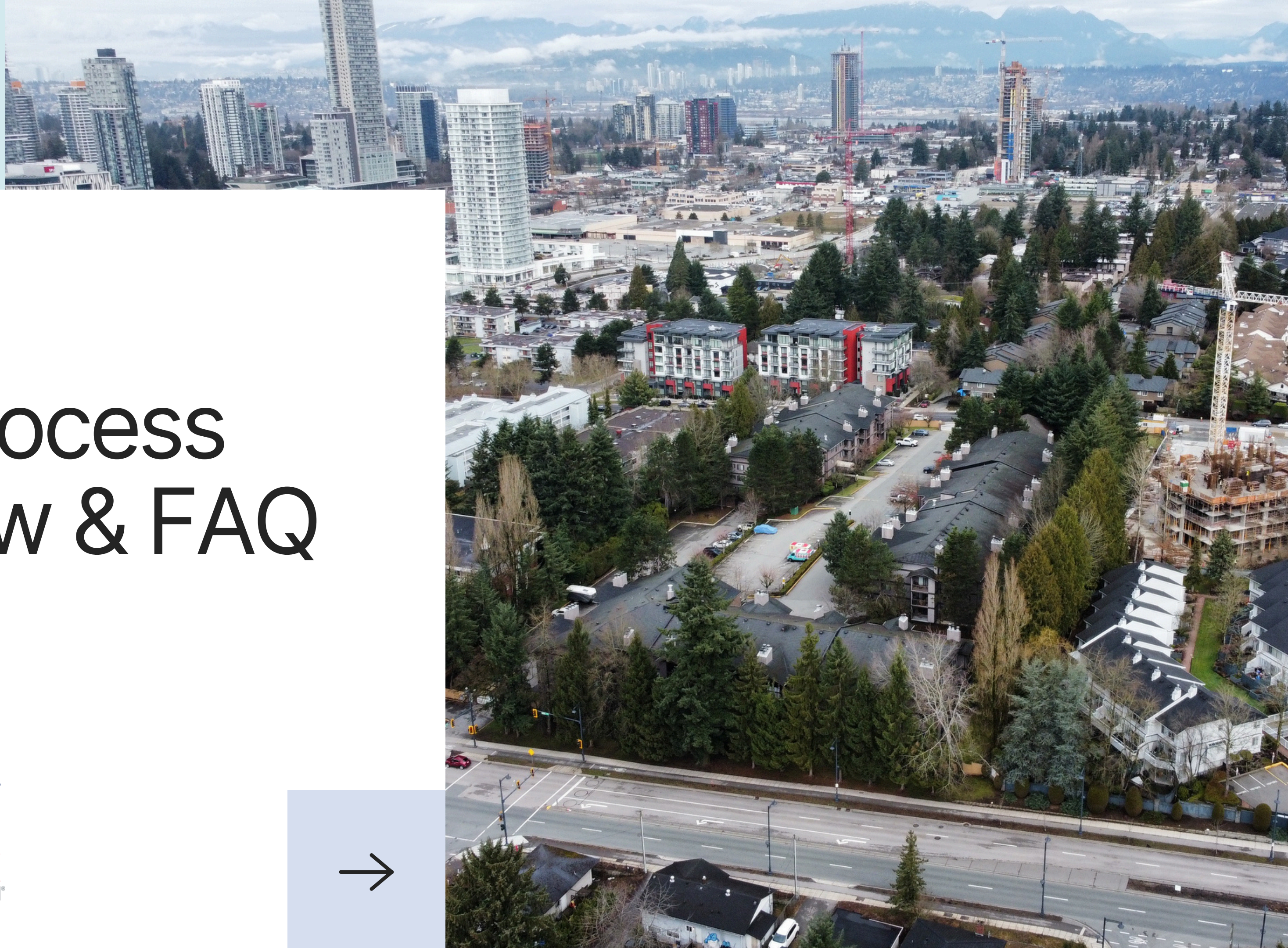


CARRIAGE LANE
ESTATES

Sales Process Overview & FAQ



Step 1: Gauge interest in winding up the strata

The Strata Council initiates discussions about a potential sale and begins investigating options.

Step 2: Hold an informal meeting to assess agreement

The Council interviews real estate agents and then calls an informal meeting with all strata owners to explain the steps involved in potentially winding up the Strata Corporation.

Step 3: Call a general meeting to advance the process

At an **Annual General Meeting (AGM)** or **Special General Meeting (SGM)**, the Strata Council proposes the following for owner approval:

1. **Vote on Confidence:** Ensure at least 80% of owners agree to proceed with winding up the Strata Corporation.
2. **Engage Legal Counsel:** Authorize hiring a lawyer to draft and review agreements and provide legal advice throughout the process.
3. **Appoint Real Estate Agents:** Approve hiring a real estate group to market the property and negotiate potential offers.

Step 4: Prepare the property for listing (***We are here***) (October - November)

With legal representation in place, the Council formalizes the listing agreement, enabling the Agents to start marketing the property and soliciting offers.

Step 5: Market the property (December - March)

Once the listing agreement is finalized, the Agents begin marketing the property widely, using various strategies to generate maximum interest from potential buyers.

Step 6: Review offers & formalize a sales agreement (March - May)

After marketing the property, the Council reviews incoming letters of intent (LOIs). With guidance from legal counsel and the Agents, the Council can accept, reject, or counter these offers. Once an LOI is agreed upon, the lawyer drafts the formal purchase agreement, including conditions for both the buyer and the seller.

Additional Insight

- An SGM is held to review the selected offer, with both the lawyer and Agent present.
- A minimum of 80% of registered owners must approve the offer via sealed ballot.
- If a 100% approval vote is achieved, there's no need to involve the court for dissolution.

Step 7: Finalize conditions for both parties (3-6 months)

The accepted offer will likely include conditions. Key conditions may include:

- A **feasibility condition** for the buyer.
- A **"Cold Feet" clause** for the strata.

Once the buyer removes their conditions, the strata calls an SGM for a final vote, requiring 75% of owners to approve the sale.

Step 8: Court approval (1-2 months)

If the final vote passes, the lawyer applies to the court to dissolve the Strata Corporation, cancel the strata plan, and appoint a liquidator to manage the distribution of sale proceeds.

Step 9: Liquidation & completion (1-2 months)

Once the court appoints a liquidator, they:

- File the vesting order.
- Finalize move-out dates.
- Handle outstanding expenses.
- Distribute sale proceeds and arrange rent-free periods if applicable.

Additional Insight

If a 100% approval vote was achieved, appointing a liquidator is not required.

Q	What happens to leftover contingency funds?	Q	What happens to tenants after closing?
A	Once the strata corporation's financial obligations are met, any remaining funds (including operating, contingency, or unspent levy funds) are added to the sale proceeds and distributed based on the sale allocation formula.	A	Typically, the purchase agreement requires all tenancies to be terminated by closing. Owners usually cannot continue renting their units, even if they choose not to live in them post-sale.
Q	Can I stay in my unit after the sale closes?	Q	Can I sell my unit during the windup process?
A	The strata can negotiate post-sale occupancy terms. Owners may remain temporarily, either rent-free, at an agreed rental rate, or a mix of both (e.g., three months rent-free, followed by rental payments).	A	Yes, you can sell your unit at any point during the windup process. The strata's efforts to pursue a windup do not prevent individual owners from selling their units privately.
Q	How long does the process take?	Q	What is an 80% vote?
A	There are many variables that will affect timing, but a typical timeline from the point at which a strata council is satisfied that the owners wish to pursue the possibility of a windup and sale would be about 18 months (give or take 6 months) until the sale closes and owners receive sale proceeds.	A	An 80% vote requires agreement from 80% of all owners on title, not just those attending the meeting. Non-attendance or abstaining from voting is effectively counted as a "no" vote.

Q	Who maintains common property during the process?	Q	What does the court consider when reviewing the vote?
A	The strata corporation is still responsible for repairs and maintenance of common property under the Strata Property Act, even if the intent to sell stems from the inability to afford repairs. These obligations must be met until the sale is finalized.	A	The court evaluates the interests of all parties, focusing on: • The best interests of owners. • Potential unfairness to any owner or charge-holder. • Potential confusion or uncertainty in the strata corporation's affairs if the windup proceeds or doesn't.
Q	What role does the strata council play?	Q	How long does the court application process take?
A	The council acts on behalf of the strata corporation, hiring professionals, managing the process, and keeping owners informed. They also gather and present evidence when the court reviews the vote to confirm the sale and windup.	A	The timeline varies, but key steps include: 1. Filing the application within 60 days of the vote. 2. Serving the application (1–6 weeks). 3. Scheduling the hearing. If no one opposes the application, the process can take a few weeks. If opposition arises, it may take months for the hearing.

Q	Why would owners want to windup and sell?	Q	Who decides how sale proceeds are divided among owners?
A	The law was updated to provide a solution for strata owners who can't afford necessary repairs and replacements to extend their building's life. It also allows any strata corporation to pursue a wind-up if over 80% of owners vote in favor, with court confirmation required if fewer than 100% approve.	A	The Strata Property Act outlines how sale proceeds are allocated. This is typically based on either: 1. Schedule of Unit Entitlement for strata corporations formed before August 1974, or 2. Schedule of Interest on Destruction for those formed between August 1974 and 2000, or 3. Relative Assessed Value for strata corporations formed from July 1, 2000 and the present. 1 & 2 are based on unit size or estimated value when the strata was created and do not consider renovations or upgrades while 3 does.
Q	How is the value of the strata building(s) determined?	Q	Will I receive more money for recent renovations to my unit?
A	Developers often base their offers on redevelopment potential. The price is typically calculated per buildable square foot, influenced by zoning regulations and land use plan designations, which dictate what can be built on the property.	A	Unfortunately, no. The formulas for dividing proceeds don't account for individual unit upgrades, and developers typically base their offers on land redevelopment potential, not individual improvements.

CDW & Associates is an award-winning commercial real estate team established by Charles D. Wiebe, a Commercial REALTOR® working with developers, development projects, corporations, investors, and businesses in the Lower Mainland. Charles has been a licensed REALTOR® for over 34 years, and since joining the industry in 1991, has been working exclusively in the investment, commercial, development and industrial real estate market.

Charles is partners with Commercial REALTOR®, Marty Peters, who brings over 16 years of experience in project management and sales in the commercial construction industry to commercial real estate.

Charles and Marty are supported by a team of experienced and knowledgeable associates. Katharine (Kat) Johnson, a licensed Commercial REALTOR®, provides leasing expertise along with administrative and organizational skills to the Team. Commercial REALTOR® Logan Crowder, specializes in investment and development property. The CDW & Associates Team provides quality analysis and transaction advice in the areas of market valuations, land and project development, commercial sales and leasing, industrial sales and leasing, investment sales, and business brokerage.

CDW & Associates, a leading commercial real estate firm in the Lower Mainland, has earned numerous accolades: a Chamber Business Excellence Award nomination, RE/MAX Little Oak Realty's Top Commercial Team (2015, 2017-2021), top 10 Commercial Teams in Canada for RE/MAX (2019-2022), top 10 worldwide (2019, 2021) as well as Medallion Award Winners. Charles, Marty and Kat are owners of RE/MAX Commercial Advantage, one of the largest RE/MAX Commercial franchises in the country.

Scott Olson is a seasoned real estate professional with over 40 years of experience, spanning nearly every aspect of the industry. A former President of the Fraser Valley Real Estate Board, Scott is also one of fewer than 400 Canadians to earn the prestigious Master Certified Negotiation Expert (MCNE) designation. He is a firm believer that Realtors should adhere to a high ethical standard and consistently demonstrate professionalism in their business practices.

In 1988, Scott was among just 104 Realtors in the Fraser Valley Real Estate Board invited to join its commercial division as full members. While he remains active in commercial real estate, his primary focus today is serving residential clients in the Fraser Valley.

Beyond his real estate practice, Scott dedicates personal time to advocating for homeowners. As President of the Real Estate Board, he traveled to Victoria and Ottawa to lobby for changes such as reducing the property transfer tax and improving the first-time homebuyer's grant. Scott is also a regular contributor to the provincial government's Select Standing Committee on Finance and Government Services, providing insights and recommendations on policies that impact homeowners.

Scott's commitment to community service extends further. He is a past President of both the Surrey Hospice Society and the Asian Real Estate Association of British Columbia, reflecting his dedication to giving back and making a positive impact locally and beyond.



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