

Alteration and Indemnity Agreement Checklist

Recitals

1.1 The parties to the agreement are the strata corporation and the owner(s) of the strata lot who are altering common property and/or a strata lot. The strata corporation does not “own” the common property. Since the strata corporation is a party to the agreement, one of the recitals to the agreement should state:

The strata corporation is responsible for the control, repair, and maintenance of the common property, and administration of the strata corporation;

1. Suggested Terms

2.1 Most alterations to a strata lot involve some degree of alteration to common property because there is usually common property found wholly or partially within a strata lot. Therefore, an alteration and indemnity agreement is necessary to address strata lot alterations and common property alterations.

Some terms that should be included:

- .1 list of the specific alterations;
- .2 reference to the existing physical condition of the area being altered;
- .3 requirement for a building and/or other permit(s), if applicable;
- .4 provision to strata council of copies of plans and permits;
- .5 requirement that the alterations be done in accordance with the plans and specifications submitted and permits obtained;
- .6 requirement to have a professional such as an engineer or architect prepare or review the plans and prepare a report;
- .7 requirement to provide the professional’s report to strata council;
- .8 requirement that the owner indemnify the strata corporation if the corporation has to retain a consultant with respect to the proposed alterations;
- .9 requirement that the owner take out and maintain insurance on the alterations;
- .10 requirement that the owner maintain and repair alterations at owner’s cost;
- .11 statement as to the quality of alterations;
- .12 indemnification of the strata corporation by the owner for future costs in connection with the alterations;
- .13 with respect to any builders liens filed in respect of the alteration, the owner’s responsibility to discharge the lien and/or indemnify the strata corporation with respect to the lien;

.14 requirement for the owner to make repairs or reimburse the strata corporation if the strata corporation makes the repairs;

.15 requirement that the owner remove and restore the alterations if the strata corporation requires access to the common property where the alterations are located;

.16 statement of the period of time during which the alterations are permitted to remain; and

.17 requirement that the owner ensure that the obligations in the agreement are assumed by the purchaser of the strata lot.