



Why Strata Corporations have difficulty regulating their Contingency Reserve Fund Cash Flow Plans?

In British Columbia, a Depreciating Report and Contingency Reserve Fund cash flow plan is required every 3 years according to the Strata Property Act.

But, what can happen over the next following years is that there may be a number of the planned or unexpected expenses that cost more than expected and may not be able to defer for later dates or years?

When this occurs, this will cause shortfall of funds in reserves and may require increases in contributions for the unforeseen and deferred expenses in the future. This all can end up in large unexpected Strata/Condo Fee increases and or Special Assessments or Loans?

The adjustments are necessary, if it is not regularly updated by the Strata Council as over time the Strata Corporation can easily lose track in the upcoming years!

These issues are the responsibility of the Strata Council to inform Owners. If this is planned in the budget the potential Buyers will also have the up to date information regarding the Contingency Reserve Funds and ongoing capital expenses. This will give everyone confidence that the Corporation is run well and the future value of the strata/condos will remain intact.

Condo First Review has initiated a comprehensive cash flow expense plan that is available for Strata Corporations. This program can be adjusted regularly and regulate their current and unexpected expenses in the Contingency Reserve Fund right up to the next Depreciating Report due date.



For More Information:
Visit our website
www.condofirstreview.com
"Click" **British Columbia**
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The Owners of Condo First Review Ltd. have over 40 years of experience in the Real Estate industry. The document inspection service carries errors and omission insurance in Canada and USA. This specialized service provides a financial analysis of the contingency funds in reserve for the strata/condo corporation and its future funding.



Buying a Strata Condo?



Do you know what to Review?