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Floor plans are most important document in buying a condo

The Park Lake Residences condominium project is located on Lake Shore Blvd. W. at Ellis Ave., near the foot of Windermere. Built by the Pemberton Group, it consists of twin glass and concrete towers, one 18 storeys and the other 19, joined by a four-level podium.

When my client Sumit Pan came to my office last month to sign the final papers for the closing, I unfolded the huge condominium plans across my desk so he could confirm which unit he was buying.

Measuring three by five feet, the plans show the layout of each floor in the building and the configuration of the units in relation to each other.

To me, the condo plans are the single most important document in the entire transaction. I routinely order them for every condominium purchase transaction to protect my clients.

When I pointed out to Pan the location of his unit, which was unit 4 on level 14, he told me that it wasn't his unit. "Mine is a corner unit," he told me, "and the one marked '4' on the plans is not mine."

Pan was right. The condo plans, which had been carefully prepared by the builder's land surveyor and approved by their consultants before registration in late December, were labelled with incorrect numbers on 269 units.

If the error hadn't been caught, the owners of all those units would be living in suites they didn't own. In addition, it becomes very difficult to sell a condo in the future if you don't have a deed to it.

Fortunately, the error was caught, and with barely a week to go before final closings, an amendment to the condominium declaration was filed and corrected floor plans were registered.

The changes, however, were made after my title search was completed and after I had received a copy of the old (incorrect) plans from Teranet, the company which administers the land registration records for the Ontario government.

After a few panicked phone calls to the builder's lawyer, I downloaded a copy of the amendment to the condominium declaration and a copy of the revised plans. It was a very tense hour until everything got straightened out, because until my client and I were certain he was buying the correct unit, we could not close the transaction.

I later spoke to Michael Volpatti, the lawyer for the developer at the Bratty and Partners law firm. He explained that "a few balls" had been dropped, but they were picked up several days before closing and disaster had been averted.

When I asked Volpatti how many calls he received about the incorrect plans, he told me "not many." Clearly, many condominium purchasers — and their lawyers — are not taking the vital step of confirming the location of the condominium unit on the floor plans prior to closing. Without doing this, there is no guarantee that a purchaser is buying, and will be living in, the correct unit.

The same thing happened in October, 2005, when the lawyers for the developer of the Radio City project on Jarvis St. were about to close all the sales transactions. Through a similar error in preparation of the plans, all the units on 18 floors of the building were one number off from the correct unit number.

Even worse, the error was not discovered until the night before closing. A team of a dozen people at the Toronto Land Titles Office, the city of Toronto planning department, and the builder's land surveyor worked feverishly, and by early afternoon on closing day corrected — although hand-drawn — amendments to the condo plans were registered.

Lawyers for only three of the 124 affected units had noticed the mistake and called the builder's lawyer for an explanation before closing!

The moral of the story? Never purchase a new or resale condominium unit without cross-checking the unit numbers on the deeds with the floor plans. A few dollars invested in copies of the condo plans are cheap protection to avoid a disaster.