

Strata Corporation Winding Up: Step-by-Step

CLARK WILSON

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MONTH 1

Want to sell?

Owners are approached by agents and buyers. Strata council first considers winding up and selling.

2

MONTH 2-3

Let's talk

Council calls informal owners meeting to discuss liquidation.

3

MONTH 4-5

Let's get serious

Formal strata corporation resolution authorizes council to hire legal representation to initially advise on process, review listing agreement, eventually finalize agreement with purchaser.

4

MONTH 4-8

Let's begin

Council hires broker who markets the property. Council, broker and lawyer review offers. Council obtains informal owners' approvals and enters into letter of intent with purchaser.

5

MONTH 8-10

Let's get to work

A formal purchase and sale agreement is entered into, subject to 80% vote and court approval. Purchaser performs due diligence. The lawyer drafts extensive resolution materials for owners' approval. Council calls a meeting to vote on the 80% resolution.

7

MONTH 12-18

Success!

Winding up and sale process completes. Sales proceeds are distributed to owners. Owners are given several months to move while purchaser pursues development approvals.

6

MONTH 10-12

Approved!

Once the resolutions are approved, court application is prepared and made. There may be opposition to overcome before a liquidator is appointed and a court order is granted.

Why Clark Wilson?

Our advantage is experience and expertise.

We know strata

- 4,000+ strata corporations are represented by our firm.
- 7 leading lawyers comprise our Strata Property team.
- Our Patrick Williams chaired the BC Law Institute committee that produced the principal report on terminating a strata. This report led to Bill 40, which reduces the voter threshold for strata windup from 100% to 80%.

We know real estate

- According to Business in Vancouver's annual list of the 100 Biggest Real Estate Deals in Metro Vancouver, we have acted on more large transactions than any other law firm for the last 10 years.
- 19 leading lawyers comprise our Commercial Real Estate team.
- We act for many of Vancouver's major strata developers.

We know strata windups

- As of April 2017, we act for 20+ strata corporations in the various stages of the windup process:
 - 4 have passed 80% votes.
 - 3 court petitions filed.
 - 1 successful court order received: Brandywine in Coquitlam—the second under Bill 40 in BC.
 - 1 court process avoided after 80% by moving to 100% individual unit sales.
 - Working on windups with major real estate brokerages, negotiating specialized forms of Listing Agreements with each of them.
 - Negotiating letters of intent and subsequent binding purchase and sale agreements between strata corporations and developers.
- We understand what developers need and want—what they can give and what they cannot—as well as how to protect strata owners.
- Our lawyers are regularly featured in prominent publications, such as the Vancouver Sun and Business in Vancouver, as experts on strata windups.
- We are active speakers and contributors at seminars and courses on strata windups for prominent industry organizations, including Continuing Legal Education Society, Pacific Business & Law Institute, Condominium Homeowners Association, Professional Association of Managing Agents and Buildex.

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