Strata Wind-Up in BC: A Plain-English Guide

For strata owners and councils considering selling their building as a whole. Prepared by the StrataWindUpBC team, Adam Lloyd Home Selling Team, Stonehaus Realty Corp.

What is a strata wind-up?

A strata wind-up ends the strata corporation and cancels the strata plan so the whole property can be sold, usually to a developer. Each owner receives a share of the sale proceeds based on a schedule set out in the winding-up resolution.

Why owners consider it

Older buildings on land that is now zoned for more density, or near transit, can be worth more to a developer than the units are worth individually. A wind-up can also be an alternative to large special levies for roofs, building envelopes, plumbing or elevators in a building near the end of its life.

The 80% vote

Since July 28, 2016, the Strata Property Act allows a strata to wind up with an 80% vote instead of a unanimous vote. The 80% is measured against all eligible voters in the strata, not only the owners who attend the meeting.

Court confirmation

In most wind-ups, the strata must apply to the BC Supreme Court to confirm the winding-up resolution. The court considers whether the process was fair and in the best interests of the owners. Owners who disagree can be heard at the hearing. Courts have refused to confirm resolutions that left out required details, such as value estimates or the schedule of each owner's interest, so the resolution must be prepared carefully by a lawyer.

Three ways a strata can be wound up

Division 1: owners pass an 80% vote to cancel the strata plan without a liquidator and hold the land together. Division 2: owners pass an 80% vote to wind up with a liquidator, who sells the property and distributes the proceeds. This is the most common route for a sale to a developer. Division 3: the court orders the wind-up, which is rare.

Can council hire a realtor before the vote?

Yes. The BC Court of Appeal (Buckerfield v. Strata Plan VR 92, 2019 BCCA 196) confirmed that a strata council can engage a brokerage and market the property before the winding-up vote, and can sign a sale contract that is conditional on the vote and court approval.

Typical timeline

Most wind-ups take one to two years from first discussions to closing. The biggest variables are how long it takes to reach 80% support, the buyer's conditions (such as rezoning), and whether the court application is contested.

Step by step

1	Owners explore the idea through a town hall, poll or committee, and get an opinion of value for the whole building.
2	The strata hires a realtor experienced in land assemblies and a lawyer experienced in strata law.
3	The building is marketed to developers; offers are negotiated, conditional on the vote and court approval.
4	A special general meeting is held; at least 80% of all eligible voters approve the winding-up resolution and liquidator.
5	The strata applies to the BC Supreme Court to confirm the resolution.
6	The liquidator completes the sale, pays the strata's debts and distributes the proceeds to owners.

Questions to ask before you go to market

- What is our building worth as a whole versus unit by unit?
- What does current and proposed zoning allow on our site?
- How will proceeds be divided, and how is each owner's share calculated?
- Who pays for legal, appraisal and liquidator costs?
- What happens to owners who rent out their units, or to tenants?
- How long will we keep living here after the sale closes?

Talk to us

For a free, confidential opinion of your building's value as a whole, call 604.492.5000 or visit stratawindupbc.ca.

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This guide is general information only and is not legal advice. Every strata wind-up requires advice from a lawyer experienced in strata law. Sources: BC Government, "Termination (winding up) a strata corporation"; Strata Property Act, Part 16; Buckerfield v. Strata Plan VR 92, 2019 BCCA 196.