

Home Ownership Types in BC

While there are many different types of home ownership in Canada I thought it would be worthwhile to review the four most common: Freehold Ownership, Leasehold and Co-operative Ownership. Here is a quick summary of each type of ownership:

Freehold Ownership

This type of ownership is likely still the preferred type of ownership for most. You can simply define freehold ownership as owning the building and grounds it rests upon. As the most common type of home ownership in Canada, it offers the most freedom of choice, from building design to yard work, whatever you can imagine you can create; at least that is, within zoning, bylaw and permit limitations of the city to which you live. Homeowners are responsible for the maintenance of the building interior, exterior and yard including its costs.

Freehold ownership can be **strata or non-strata**:

- Strata (sometimes called condominium): The buyer owns a specific housing unit (referred to as a strata lot), which is contained in a larger strata property or development. The owner has shared ownership and responsibility for common property shown on the strata and included in the by-laws, such as the building envelope, hallways, roof, grounds, parking garages, etc.
- Non-strata: The buyer owns, for example, a single detached house on a lot in a subdivision. The owner has full ownership and responsibility for the building(s) and land.

Leasehold

In Metro Vancouver leasehold ownership is most commonly found on City of Vancouver owned lands, university lands such as UBC and SFU as well as First Nation reserve land. Leasehold interest in land gives you the exclusive use of the home/unit for a period of time so that you live in the home similarly to strata title or freehold but with a time limit. Original leasehold ownership is often set at 99 years but if you choose to sell your home in five years the next owner will have leasehold interest now for 94 years and so on. The closer you get to the end of the lease the more risk is involved depending on what the owner intends to do with the land/homes (ie: either resell a leasehold interest, redevelop, etc.). Leaseholds could be pre-paid on non-prepaid.

More info:

http://vancouver-properties.ca/_media/Documents/Leasehold%20Properties.doc

http://vancouver-properties.ca/_media/Documents/UBC,%20City%20and%20SFU%20leaseholds.pdf

Co-operative Ownership

The owner owns a share in a company or cooperative venture which, in turn owns (has freehold or leasehold in) a property containing a number of housing units. You are buying shares or a membership in a cooperative housing corporation. The corporation owns or leases all real estate. As part of your membership (being a shareholder) in the cooperative you have an exclusive right to live in a specific unit (this is established thorough an occupancy agreement or proprietary lease) for as long as you want, as long as you don't break any of the rules or regulations of the cooperative. As part of your membership, you also have a vote in the affairs of the corporation.

More info:

http://vancouver-properties.ca/_media/Documents/Cooperative%20Property%20Ownership.pdf