



Civil Resolution Tribunal

Date Issued: August 27, 2025

File: ST-2023-008846

Type: Strata

Civil Resolution Tribunal

Indexed as: *The Owners, Strata Plan NW 2071 v. Grossman*, 2025 BCCRT 1206

B E T W E E N :

The Owners, Strata Plan NW 2071

APPLICANT

A N D :

OTTO GROSSMAN

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Megan Stewart

INTRODUCTION

1. The respondent, Otto Grossman, used to co-own strata lot 7 (SL7) in the respondent strata corporation, The Owners, Strata Plan NW 2071 (strata). The strata says after the respondent sold SL7 and moved out, he improperly stopped payment of 2 \$2,000 post-dated cheques for a special levy he had agreed to pay. The strata claims \$4,000 for the unpaid part of the special levy.

2. The respondent denies the strata's claim. He says after he moved out, he realised he was not responsible to pay any more of the special levy than he already paid. So, he cancelled the last 2 post-dated cheques.
3. The strata is represented by a strata council member. The respondent is self-represented.

JURISDICTION AND PROCEDURE

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over strata property claims under section 121 of the *Civil Resolution Tribunal Act* (CRTA) and over small claims under CRTA section 118. CRTA section 2 says the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness.
5. CRTA section 39 says the CRT has discretion to decide the hearing's format, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find an oral hearing is not necessary in the interests of justice and fairness.
6. CRTA section 42 says the CRT may accept as evidence information it considers relevant, necessary, and appropriate, even where the information would not be admissible in court.
7. Under CRTA section 48(1), the CRT may make an order on terms and conditions it considers appropriate.

Preliminary issue

8. The strata brought this dispute under the CRT's strata property jurisdiction. That jurisdiction extends to claims that are "in respect of the *Strata Property Act*" (SPA) under CRTA section 121. Here, the strata frames its claim as a breach of contract.

Breach of contract claims are decided under the CRT's small claims jurisdiction as claims for debt or damages.

9. However, the same situation can give rise to various legal claims. As discussed below, I find SPA section 109 directly addresses special levy payment obligations when a strata lot is sold. So, to the extent SPA section 109 is engaged, I find the dispute falls within the CRT's strata property jurisdiction. For those parts of the dispute that are solely about a breach of contract, I find they cannot be decided under the CRT's strata property jurisdiction. Instead, I must decide them under the CRT's small claims jurisdiction.
10. Whether the CRT decides claims under its strata property or small claims jurisdiction matters because the remedies available under these jurisdictions are different. For example, the CRT can award a maximum of \$5,000 under its small claims jurisdiction. In contrast, there is no maximum monetary limit for awards made under its strata property jurisdiction. Ultimately, nothing turns on this since the strata only claims \$4,000 from the respondent.

ISSUE

11. The issue in this dispute is whether the respondent must pay the strata \$4,000 for the unpaid part of the special levy.

EVIDENCE AND ANALYSIS

12. As the applicant in this civil proceeding, the strata must prove its claims on a balance of probabilities, meaning more likely than not. I have read all the parties' submissions and evidence, but only refer to information I find necessary to explain my decision. The respondent did not submit any documentary evidence despite being given the chance to do so.
13. The strata was created in 1983 under the *Condominium Act*. It is made up of 14 townhouse-style strata lots.

14. The strata's 2019 Annual General Meeting minutes show the owners voted to raise a \$200,000 special levy to finance "major projects", such as painting, fencing, and roofing, in the coming years. Each strata lot owner, or owners, was to pay their share of the special levy in 5 annual instalments of \$2,000, starting July 1, 2020.
15. The respondent paid the first 2 installments in 2020 and 2021. He then sold SL7 in July 2021, and gave the strata 3 post-dated cheques for the 2022, 2023, and 2024 payments a few days before the transaction closed.
16. In July 2022, the strata cashed the first cheque. The respondent says he had forgotten about the remaining payments, but when he investigated, he discovered he was not responsible for them. So, he cancelled the final 2 cheques.
17. Specifically, the respondent says the buyers should have paid the rest of the special levy by way of a holdback in favour of the strata on the transaction's closing. He says the special levy holdback was "missed" by the lawyers and notaries in the statement of adjustments completed as part of the sale, and the buyers did not pay the strata. This is why the strata council president, JW, had asked the respondent for the remaining payments shortly before the sale completed.
18. The strata disagrees. It says the respondent was aware of his responsibility to pay the remaining part of the special levy. It says the respondent's realtor reminded him of his obligation, and the respondent acknowledged it by signing the contract of purchase and sale (CPS), and providing JW with the post-dated cheques on his own initiative.
19. The CPS clause the strata seeks to rely on reads:

If a special levy is approved before the completion date, the Seller shall credit the Buyer with the entire portion of the special levy that the Buyer is obligated to pay under the Strata Property Act and the Seller hereby directs the Buyer's lawyer or notary to hold back such credit from the sale proceeds and to remit it to the Strata Corporation.

20. The CPS is an agreement between the respondent and SL7's other former owner, and the buyers. The strata is not a party to the CPS. So, to the extent the strata seeks to rely on the CPS to enforce the respondent's obligation to pay the balance of the special levy, I find it cannot do so.
21. As noted above, SPA section 109 sets out special levy payment obligations when a strata lot is sold. Specifically, it says if a special levy is approved before a strata lot is conveyed to a buyer, (a) the seller must pay the portion of the levy that is due before the conveyance date, and (b) the buyer must pay the portion that is due after the conveyance date. Here, this means the respondent was responsible for the first two annual payments in 2020 and 2021, and the buyers were responsible for last three payments in 2022, 2023, and 2024. So, under the SPA, the respondent is not responsible to pay the strata more than the \$4,000 he already paid.
22. However, that does not end the matter. The strata says the parties had an oral agreement, independent of the CPS and the SPA, under which the respondent agreed to pay the special levy's outstanding amount directly to the strata, if the strata allowed him to do so in 3 annual installments. I have considered this part of the dispute under the CRT's small claims jurisdiction, because it is not in respect of the SPA.
23. An enforceable agreement requires an offer, acceptance of the offer, and consideration. Consideration means something of value exchanged by the parties.
24. The respondent does not explicitly deny an oral agreement, and I find the evidence supports one for the following reason. The respondent does not say he credited the buyers with the \$6,000 and the buyers failed to pay the strata. Instead, the respondent issued the 3 post-dated cheques after the strata discovered the statement of adjustments did not reflect a holdback. So, I find the respondent knew he was still responsible for the outstanding amount of the special levy under the CPS, and agreed to pay the strata directly after the parties discovered the mistake in the statement of adjustments. The agreement facilitated the respondent's attempt to honour his legal obligation to the buyers. I find this is the value, or consideration,

the respondent received in exchange for agreeing to pay the strata the remaining balance of the special levy.

25. By then stopping payment of the final 2 cheques, the respondent breached the oral agreement.
26. I considered whether the strata was attempting to improperly contract out of the SPA by making an oral agreement with the respondent, rather than pursuing the buyers as the parties responsible for the part of the special levy payable after the conveyance date. I find it was not. This is because there is no evidence the strata was trying to avoid its own duties under the SPA. Section 109(b) is about the buyers' obligations to the strata, not about the strata's obligations.
27. In these circumstances, I find the strata is entitled to \$4,000 in breach of contract damages for the unpaid part of the special levy. I order the respondent to pay the strata this amount.

INTEREST, CRT FEES, AND DISPUTE- RELATED EXPENSES

28. The *Court Order Interest Act* applies to the CRT. The strata is entitled to prejudgment interest on the \$4,000 damages award:
 - a. From July 1, 2023, for the first cancelled post-dated cheque, to the date of this decision, and
 - b. From July 1, 2024, for the second cancelled post-dated cheque, to the date of this decision.
29. This equals \$288.76.
30. Under section 49 of the CRTA, and the CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. As the strata was successful, it is entitled to \$250 in CRT fees. Neither party claims dispute-related expenses, so I order none.

ORDERS

31. Within 30 days of the date of this decision, I order the respondent to pay the strata a total of \$4,538.76, broken down as follows:

- a. \$4,000 in damages,
- b. \$288.76 in prejudgment interest under the *Court Order Interest Act*, and
- c. \$250 in CRT fees.

32. The strata is entitled to post-judgment interest, as applicable.

33. This is a validated decision and order. Under section 57 of the CRTA, a validated copy of the CRT's order can be enforced through the British Columbia Supreme Court. Under section 58 of the CRTA, the order can be enforced through the British Columbia Provincial Court if it is an order for financial compensation or return of personal property under \$35,000. Once filed, a CRT order has the same force and effect as an order of the court that it is filed in.

Megan Stewart, Tribunal Member