



Civil Resolution Tribunal

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File: ST-2024-003010

Type: Strata

Civil Resolution Tribunal

Indexed as: *Lalani v. The Owners, Strata Plan LMS 2472*, 2026 BCCRT 360

B E T W E E N :

ALIYAH LALANI

APPLICANT

A N D :

The Owners, Strata Plan LMS 2472

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Peter Nyhuus

INTRODUCTION

1. The applicant, Aliyah Lalani, previously owned strata lot 172 (SL172) in the respondent strata corporation, The Owners, Strata Plan LMS 2472. The strata fined Mrs. Lalani \$19,000 for breaching a bylaw that prohibited using a strata lot for short term accommodations under 30 days.

2. Mrs. Lalani says the strata was not authorized to impose the fine because she did not breach the bylaw. She says her tenant, Dunowen Properties Ltd., licenced her strata lot to a guest for a 30-day period. She says the bylaw allows for this arrangement. Mrs. Lalani paid the \$19,000 fine and now claims reimbursement of this amount. She represents herself. Dunowen is not party to this dispute.
3. The strata says it validly imposed the fine in accordance with the *Strata Property Act* (SPA) and its bylaws. It says Mrs. Lalani's lawyer attended a hearing to dispute the fine but provided no evidence or reasonable explanation. It also argues that Dunowen operates as a short-term rental agency and is not a conventional residential tenant. A strata council member represents the council.

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). 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 format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that 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 that 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 that it considers relevant, necessary and appropriate, even where the information would not be admissible in court.

7. Under CRTA section 123, in resolving this dispute the CRT may order a party to do or stop doing something, order a party to pay money, or order any other terms or conditions the CRT considers appropriate.

Evidence request

8. The strata says it has confidential materials that it did not provide as evidence in this dispute. It says it can provide the materials under appropriate conditions, upon request.
9. The CRT instructs parties to provide all relevant evidence and does not typically request evidence unless there is a specific reason to do so.
10. The strata describes the confidential materials as being about ongoing short-term rental activities involving Mrs. Lalani's previous tenant, Dunowen, and other owners within the strata. Based on this description, I find the confidential materials are likely not relevant to this dispute. First, Mrs. Lalani has sold SL172 and Dunowen is no longer her tenant, so ongoing short-term accommodations issues at the strata are not before me. Second, this dispute is not about Dunowen's actions involving other units in the strata. Dunowen is not a party to this dispute and has not been provided an opportunity to respond to the strata's allegations.
11. I find this dispute is only about the fines the strata imposed against Mrs. Lalani based on Dunowen's use of SL172. The strata has not said it has confidential materials related to Mrs. Lalani's alleged bylaw breach. Given this, I find it would be disproportionate at this late stage in the proceeding to pause this dispute to arrange for the strata to provide the CRT further evidence.

ISSUES

12. The issues in this dispute are:
 - a. Was the licence of SL172 in breach of the STA bylaw?

- b. If it was, did the strata follow the SPA's procedural requirements for levying a fine?

EVIDENCE AND ANALYSIS

13. As the applicant in this civil proceeding, Mrs. Lalani must prove her claims on a balance of probabilities, meaning more likely than not. I have read all the parties' submissions and evidence but refer only to what is necessary to explain my decision.

Background

14. The strata was created in 1996 and includes 272 strata lots in 2 towers. Mrs. Lalani owned SL172 until she sold it in March 2024.
15. The strata filed a complete set of bylaws in the Land Title Office in 2001. Since then, it has filed 13 bylaw amendments, one of which is relevant to this dispute. On December 4, 2023, the strata filed a bylaw amendment that added a new bylaw 43.6, which prohibits using strata lots for short term accommodations under 30 days, while allowing rentals over 30 days. For simplicity, I refer to bylaw 43.6 as the "STA bylaw". I discuss the STA bylaw in further depth below.
16. The owners approved the STA bylaw by resolution at an annual general meeting held on November 21, 2023. The resolution says the STA bylaw is required to address ongoing concerns associated with the actions of some renters who have caused disruption, damage to common property, and other serious concerns.
17. The STA bylaw references regulation 7.1 of the *Strata Property Regulation* which allows a strata to impose a daily \$1,000 fine for the continuing contravention of a bylaw that limits use of a residential strata lot for remuneration as vacation, travel, or temporary accommodation.

The fine

18. On February 9, 2024, the strata manager sent Mrs. Lalani an email with a letter attached, dated January 26, 2024. The letter's subject line states "Bylaw Violation – Intent to Fine – Short Term Rental". The strata manager wrote that the strata council had received a complaint that a family checked into SL172 on December 14, 2023, and checked out on January 2, 2024. The letter included the STA bylaw and referred to SPA section 135. The strata manager informed Mrs. Lalani that she had 20 days from the date of the letter to respond and request a hearing. The letter also says that an owner may be fined an amount up to \$200 for this violation.
19. Mrs. Lalani says that she sent emails to the strata manager on February 17 and 21, requesting particulars of the allegations. She did not provide these emails in evidence, although the strata does not dispute that she sent them.
20. On February 21, Mrs. Lalani received a letter from the strata manager informing Mrs. Lalani that the council had reviewed the matter and chosen to levy a fine in the amount of "\$200 plus for 19 days STR @\$1000 /day". The letter does not include any other details besides instructions for paying the fine.
21. On February 22, the strata manager responded to her earlier emails by telling her they had already sent particulars to Dunowen. Mrs. Lalani says she did not have access to Dunowen's emails, so requested that the particulars be sent to her.
22. On February 26, the strata manager provided Mrs. Lalani an investigation report created by the strata's concierge team. Neither party provided the investigation report in evidence. Mrs. Lalani says the report notes that the concierge noticed a couple and infant child moving into SL172 on December 23 and moving out on January 2.
23. At some point in February, Mrs. Lalani requested a hearing to dispute the fines. Her lawyer attended a strata council meeting on March 6. The strata provided its meeting minutes, which say that the council posed questions to Mrs. Lalani's counsel, who left after 15 minutes, and that it then deliberated on the issue. On

March 8, the strata manager provided a letter to Mrs. Lalani, informing her that the council had decided to reject her challenge of the fine.

24. During this period, Mrs. Lalani was in the process of selling SL172. She says she paid the \$19,200 fine to avoid issues with selling her unit. The strata does not dispute that she paid the fine, so I accept that she did.
25. Mrs. Lalani accepts liability for a \$200 fine for the late submission of a Form K. She challenges the \$19,000 fine for violating the STA bylaw. She argues the strata wrongfully levied this fine because the licence did not breach the STA bylaw.

Was the licence in breach of the STA bylaw?

26. Mrs. Lalani says that from 2014 to February 6, 2024, she rented SL172 to Dunowen, which periodically licenced SL172 to guests for stays of 30 days or more, without overlap. She agrees with the strata that the concierge observed a family staying at SL172. She says that Dunowen licenced SL172 to a third party, EW, during this time. She argues this licence complied with the STA bylaw.
27. The STA bylaw states as follows:

A Strata Lot must not be used for short-term (less than 30 consecutive days) accommodation purposes. The minimum period that a Strata Lot may be used for rental accommodations must exceed thirty (30) consecutive days. A signed Form K document must be submitted by the strata lot owner or its agent no later than 15 days after the rental agreement has resumed. Per November 30, 2018, strata regulations 7.1 and 7.2 amendment, the strata corporation will impose fines of up to \$1,000 a day for owners or residents not complying with the strata short-term rental bylaw.

28. Mrs. Lalani argues the STA bylaw allows short-term accommodations of 30 days or longer. She says that Dunowen granted EW a 30-day licence of SL172, and so, did not breach the STA bylaw. She provided a licence agreement between Dunowen and EW, dated November 10, 2023. The agreement grants EW primary occupancy of SL172 from December 4, 2023, to January 3, 2024.

29. Before determining the types of accommodations the STA bylaw allows and prohibits, I briefly address the legal differences between licences and tenancies. As discussed in various court and CRT decisions, tenancies are legally distinct from vacation rentals and other temporary accommodations, such as those typically rented through Airbnb and Vrbo. These temporary accommodations are “licences to occupy”, rather than tenancies. See *HighStreet Accommodations Ltd. V. The Owners, Strata Plan BCS2478*, 2017 BCSC 1039, affirmed 2019 BCCA 64, and *Picco v. Residential Section of The Owners, Strata Plan EPS7395*, 2026 BCCRT 265.
30. The differences between licences and tenancies matter because stratas can restrict one, but not the other. SPA section 141 says a strata must not restrict the rental of a strata lot. The SPA is silent on the length of the rental, but it applies only to tenancies and not to licences. See *Semmler v. The Owners, Strata Plan NE3039*, 2018 BCSC 2064. So, on its face, SPA section 141 means a strata cannot prevent an owner from renting out their strata lot for any length of time. However, a strata can restrict temporary accommodations because they are not rentals. It can do so because SPA section 119(2) allows a strata to pass bylaws to regulate the use of a strata lot. See *Fisher v. The Owners, Strata Plan LMS 3818*, 2025 BCCRT 16.
31. In *Semmler*, the BC Supreme Court found that a person may occupy a strata lot under a tenancy agreement or a licence agreement. The court found that a tenancy tends to arise where the tenant is given a grant of exclusive possession of the premises, and a licence is normally created where a person is granted the right to use the premises without an entitlement to exclusive possession. To determine the type of occupation, the courts must decide whether the parties intended to create an interest in the land. If they did, a tenancy is created. If not, the arrangement is a licence. See *Semmler* at paragraph 38.
32. So, the first issue is whether the agreement between Dunowen and EW granted EW a licence or a tenancy.

33. In *HighStreet*, the court considered an arrangement like the one in this dispute. The owner of a strata lot leased their lot to a management company. The management company then entered contracts with guests to provide furnished accommodation on short-term bases. The strata then passed a bylaw prohibiting an owner, tenant, or occupant from permitting a residential lot “to be occupied under a lease, sublease, contract, licence or any other commercial arrangement for periods of less than 180 days.”
34. The court found that while the management company had exclusive use and control of the strata lot, which confirmed its interest in the lot as a tenant, the contracts it entered into with guests did not convey that interest or any rights such as the right of exclusive possession to the guests. The guests of the management company were occupants and the relationship between the management company and its guests was one of licensor and licensee. The occupancy of the strata lot was governed by the licence agreements between the management company and its guests, and the tenancy was governed by the agreement between the strata lot owner and the management company. So, the guests did not become tenants as a result of the licence agreement.
35. Here, the agreement between Dunowen and EW was titled a “licensing agreement”. Dunowen’s name appears at the top of the agreement with a subheading that says, “Business and Travel Accommodation”. The agreement expressly grants a licence for the use and occupation of a furnished apartment. It has a clear beginning and end date and says that EW must vacate the unit on the final day of the licence period. It also prohibits EW from sub-licensing the unit without Dunowen’s permission.
36. Mrs. Lalani calls the arrangement a licence agreement, not a rental or tenancy agreement. She says her tenant was always Dunowen, not EW.
37. I acknowledge that Dunowen and EW signed a Form K, which is required by the SPA and STA bylaw when renting a strata lot. However, I find they likely did this to

try to comply with the STA bylaw, which references a Form K, not because they intended to create a tenancy.

38. In summary, I find the arrangement here was like *HighStreet's*, where the court found that the management company's guests were occupants and the relationship was one of licensor and licensee. I find that Dunowen granted EW a licence, not a tenancy, to SL172.
39. The issue, then, is whether the STA bylaw prohibited this type of licence agreement. Mrs. Lalani says that the STA bylaw is unclear. I agree that the STA bylaw is somewhat confusing and requires interpretation.
40. The court in *Semmler* confirmed that the basic rules of statutory interpretation apply to the interpretation of bylaws. In *The Owners, Strata Plan BCS 3407 v. Emmerton*, 2024 BCCA 354, the BC Court of Appeal noted that bylaws are to be given their plain and ordinary meaning. The context of the words in issue must also be considered. In *Strata Plan VIS4663 v. Little*, 2001 BCCA 337, the BC Court of Appeal warned against highly technical and literal interpretations of strata bylaws. Instead, the court held that strata bylaws should be interpreted purposively, so that they accomplish the community's goals.
41. The STA bylaw's first sentence describes "short-term" as meaning "less than 30 consecutive days". On a plain reading, I find this sentence prohibits a resident from granting a licence to a third party for the use of their unit for 29 consecutive days or fewer. So, on its face, a licence agreement lasting 30 consecutive days or longer is not prohibited as it does not meet the STA bylaw's description of "short-term".
42. However, the STA bylaw's second sentence says that the minimum period that a strata lot may be used for "rental accommodations" must "exceed" 30 consecutive days. I find the use of the word "exceed" means that rental agreements must be for 31 consecutive days or longer. On its face, this sentence appears to restrict the length of rental accommodations, which SPA section 141 prohibits. The third sentence also requires strata lot owners to submit a Form K in the case of a rental agreement.

43. I note that the first sentence does not include the word “rental” while the second and third sentences do.
44. The 3 sentences above are part of the same bylaw. I must interpret the bylaw in a manner that allows it to work coherently. Both sentences include reference to accommodations and 30 consecutive days. In reading the STA bylaw as a whole and considering the strata community’s stated goal, I find its intention was to prevent short-term accommodation arrangements, such as licences, lasting under 30 days.
45. I considered whether the STA bylaw is instead intended to prohibit all short-term accommodations or licences in strata units. In other words, does the STA bylaw restrict occupancies to rental agreements only? However, if this was the STA bylaw’s intention, then it would have been unnecessary to describe “short-term” as being under 30 days. Since it says this, I find the STA bylaw does not prohibit licences that are 30 days or longer.
46. Here, Dunowen and EW’s licence agreement allowed EW to use SL172 for at least part of both December 4 and January 3, plus every day in between. I find that the licence agreement allowed EW to use SL172 on 31 consecutive days. So, I find the STA bylaw did not prohibit EW’s licence agreement.
47. The strata argues that EW’s stay was a prohibited short-term accommodation because they did not actually stay in the unit for the full 30 days. Mrs. Lalani argues that it does not matter whether EW physically stayed in SL172 for 30 consecutive days. She says what matters is that the licence agreement provided EW use of the unit for at least 30 consecutive days.
48. I acknowledge that Mrs. Lalani’s argument leaves open the possibility of management companies purposely granting licences that are longer than the licensee’s intended stay at a unit, to get around the STA bylaw. However, I agree with Mrs. Lalani that a licensor can only control the licence agreement’s term. They cannot control whether the licensee stays in the unit for the term’s duration, or at all. I find the STA bylaw prohibits licences shorter than 30 days, not a licensee’s actual

stay in the unit. So, without evidence that Dunowen granted licences with overlapping licence periods, I find there was no bylaw violation.

49. In summary, I find that EW's licence of SL172 was not in breach of the STA bylaw. So, I find the strata wrongfully levied the fine and I order it to reimburse Mrs. Lalani \$19,000.

Did the strata follow the SPA's procedural requirements for levying a fine?

50. Since Mrs. Lalani also argues that the strata did not follow the SPA's procedural requirement for levying a fine, I will also address this issue. For 2 reasons, I find the strata did not properly levy the fine against Mrs. Lalani.
51. First, I note that it is undisputed that Dunowen, not Mrs. Lalani, entered the licence agreement with EW. This calls into question whether the strata acted properly by fining Mrs. Lalani instead of Dunowen.
52. SPA section 130 says that the strata may fine an owner if the owner breaches a bylaw and may fine a tenant if the tenant breaches a bylaw. SPA section 131 says that if a tenant is fined, the strata can collect the fine from the owner. The CRT has consistently found that the combined effect of these provisions is that the strata cannot fine an owner directly for a tenant's bylaw contravention. See, for example, *Zeitler v. The Owners, Strata Plan EPS5459*, 2022 BCCRT 811.
53. This means that if a tenant is alleged to have breached a bylaw, the strata must follow the enforcement process set out in SPA section 135 directly against the tenant. Since Dunowen entered the licence agreement with EW, I find it was responsible for the use of SL172 that the strata claims violated the STA bylaw. So, pursuant to SPA section 130, I find the strata was required to follow the enforcement process against Dunowen, not Mrs. Lalani. While the strata provided particulars to Dunowen, the evidence shows that it ultimately fined Mrs. Lalani.
54. So, I find that the strata contravened sections 130, 131, and 135 of the SPA by fining Mrs. Lalani for her tenant's alleged bylaw contraventions. For this reason, I find the fine cannot stand.

55. Second, even if the strata had been entitled to fine Mrs. Lalani directly, I find it failed to follow the strict requirements of SPA section 135.
56. SPA section 135 says that the strata cannot fine a person unless it has first received a complaint, given the owner written details of the complaint, and given the owner a reasonable chance to respond, including by holding a hearing if requested. The strata must also give written notice of its decision as soon as feasible. As noted in *Terry v. The Owners, Strata Plan NW 309*, 2016 BCCA 449, these procedural requirements are strict, with no leeway. If the strata does not comply with SPA section 135, the resulting bylaw fine is invalid.
57. Mrs. Lalani says the strata imposed the fine on her before providing her written details of the complaint. The strata does not dispute this. It says it has no control over the strata manager's personal schedule or response times. While this may be true, I find the strata manager acted as the strata's agent when levying the fine against Mrs. Lalani. This means that the strata manager's failure to comply with SPA section 135's requirements was also the strata's failure.
58. I find the strata fined Mrs. Lalani before providing her written details of the complaint. So, I find it failed to follow SPA section 135's strict requirements and that the fine cannot stand.
59. For the above reasons, I find the \$19,000 fine was improperly levied against Mrs. Lalani. I order the strata to pay her \$19,000.

CRT FEES, EXPENSES AND INTEREST

60. The *Court Order Interest Act* (COIA) applies to the CRT. However, in the Dispute Notice, Mrs. Lalani waived her entitlement to pre-judgment interest, so I do not order any.
61. Under CRTA section 49 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. Mrs. Lalani was successful, so I order the strata to reimburse her \$225 in CRT fees. She did not claim any dispute-related expenses.

ORDERS

62. Within 14 days of the date of this decision, I order the strata to pay Mrs. Lalani a total of \$19,225, broken down as follows:

- a. \$19,000 as reimbursement of bylaw fines, and
- b. \$225 in CRT fees.

63. Mrs. Lalani is entitled to post-judgment interest under the COIA, as applicable.

64. This is a validated decision and order. Under CRTA section 57, a validated copy of the CRT's order can be enforced through the British Columbia Supreme Court. Under CRTA section 58, 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.

Peter Nyhuus, Tribunal Member