



**Canadian
Institute
of Actuaries**

**Institut
canadien
des actuaires**

New report outlines risks and recommendations for condominiums in Canada

Ottawa, April 26, 2023 – The Canadian Institute of Actuaries (CIA) has released a new insight statement that delves into the risks associated with condos and provides recommendations to owners, condo boards and legislators for safeguarding the longevity of condo infrastructure in Canada.

The statement, *Longevity of Condo Infrastructure*, places focus on the importance of repairing, replacing and renewing common elements – such as roofs, pools, elevators and parking lots – within condo buildings, and on the importance of having sound reserve funds.

“For many Canadians, owning a condo is their most significant life investment,” says Jean-Sébastien Côté, FCIA and co-author of the statement. “It’s crucial that all stakeholders understand the value of this asset and its associated risks. By working together and taking proactive steps, we can ensure the longevity of Canada’s condominium infrastructure.”

To help protect the value of condo infrastructure across Canada, the statement outlines several specific risks and recommendations, relating to, for instance, climate change-related impacts on properties, financial management by condo boards and interest rates and inflation.

The statement also highlights the need for a broader education system to keep boards and condo owners up to date on requirements related to insurance, legislation, finance and other relevant issues.

“Condo owners need to understand that this type of investment involves sharing risks with others beyond their own unit,” says Henry Chio, FCIA and co-author. “They should be proactive in learning about the financial health of their condo association, getting to know their condo community and engaging with their board.”

These ideas can also have a broader implementation, being applicable to public infrastructure such as public buildings, roads, bridges and waterworks, maintained by all levels of government.

“Ultimately, condo owners, buyers, governments, municipalities, condo managers, board members and other stakeholders should better understand the risks associated with condos and properly forecast and mitigate them,” says John Nguyen, co-author. “Stronger government intervention is needed to guide proper estimation of the future costs of maintaining and repairing this infrastructure as it ages.”

Download the statement in [English](#) or [French](#).

Media contact

Josée Gonthier
Manager, Language Services and Public Affairs
Canadian Institute of Actuaries
media@cia-ica.ca

613-236-8196 ext. 106

Subscribe to our [mailing list](#) to stay up to date on CIA news and announcements.

The [Canadian Institute of Actuaries](#) (CIA) is the qualifying and governing body of the actuarial profession in Canada. We develop and uphold rigorous standards, share our risk management expertise and advance actuarial science to improve lives in Canada and around the world. Our more than 6,000 members apply their knowledge of math, statistics, data analytics and business in providing services and advice of the highest quality to help Canadian people and organizations face the future with confidence.