Condominium Authority of Ontario

Inside CAO's Reserve Fund Research: Findings & Next Steps

August 13, 2026

Agenda

DISCUSSION ITEMS
1. Introduction
2. Previous Research Overview
3. Current Research Initiative
4. Questions & Answers

Why We're Here Today

Reserve funds affect every single condo community.

Understanding how corporations are planning for the future is essential in today's economic environment.

- Since our first reserve fund survey in 2023, economic conditions continue to change
- We want to better understand how those changes are affecting reserve fund planning across Ontario
- The goal is to generate practical insights that help boards, managers, owners and industry professionals make informed decisions about their reserve funding

Previous Research Overview

What We Learned in 2023

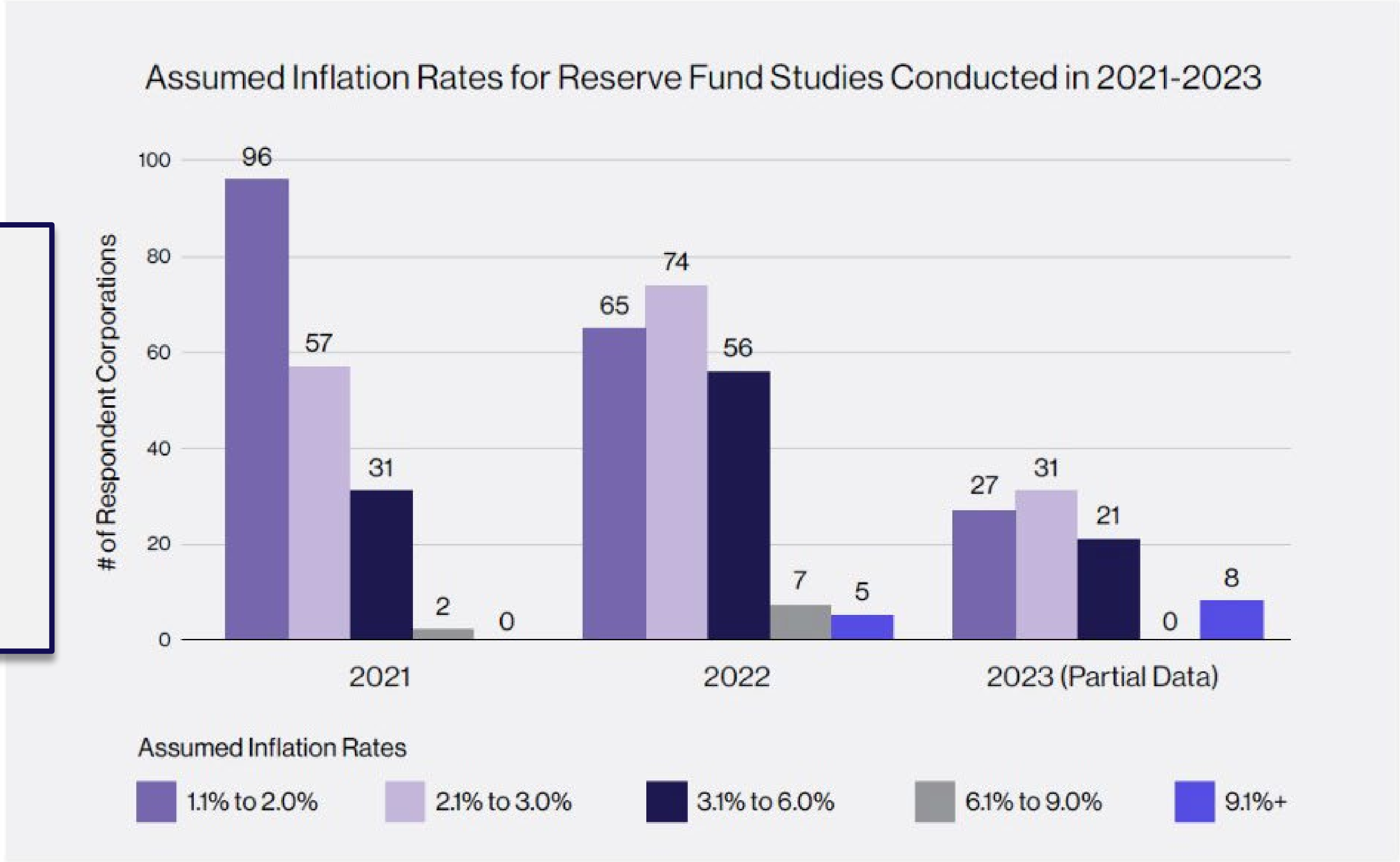
- In 2023, we wanted a better understanding of reserve fund practices across Ontario and where more education and support might be needed in the sector
- We surveyed both condo corporations and owners: received 724 responses from corporations and 5,986 responses from owners. The full report is available on the CAO's website

The Outcome

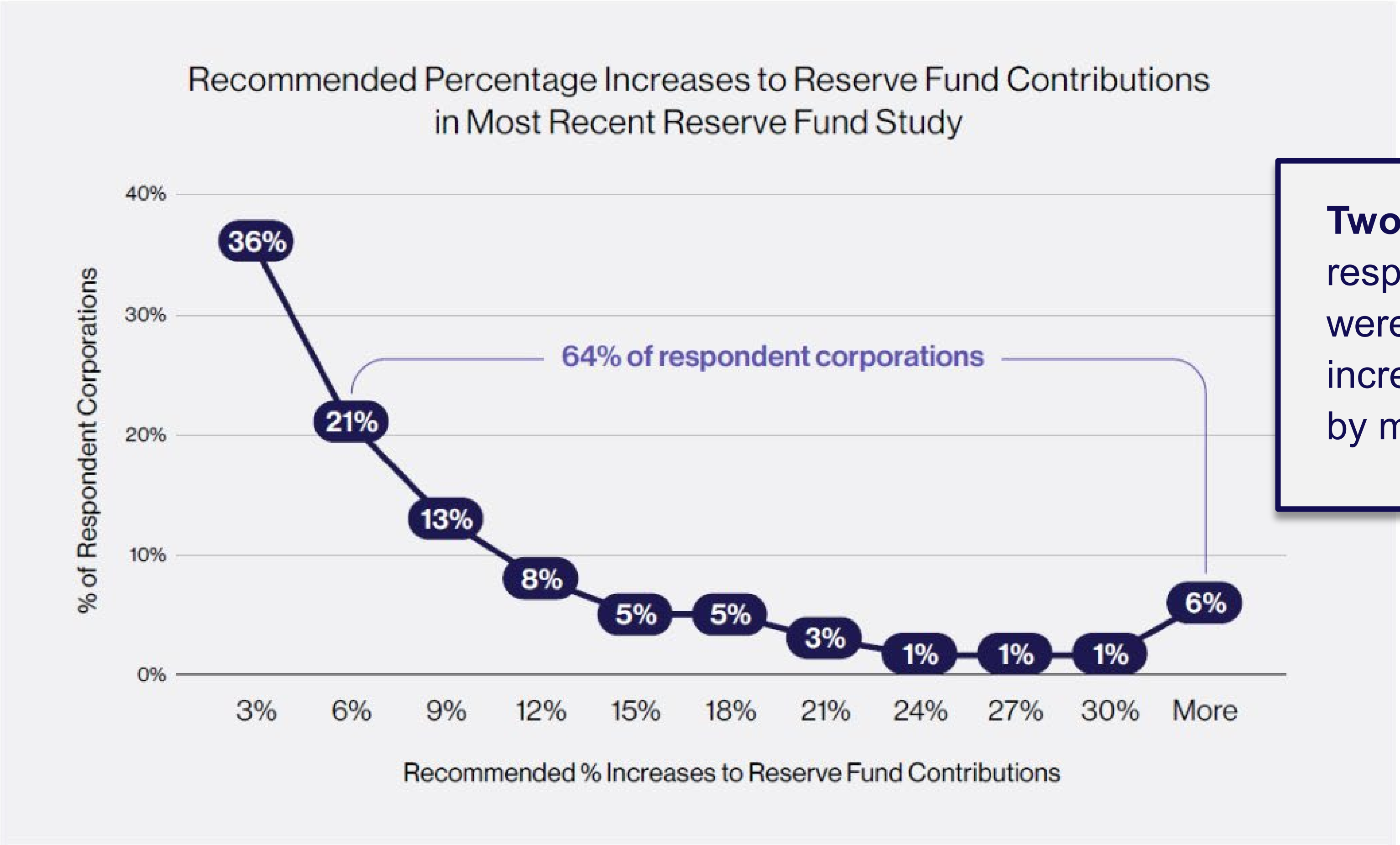
The 2023 research showed that most condo corporations who responded are managing reserve funds responsibly, but there are opportunities to improve awareness, understanding, and transparency across the sector.

Assumed Inflation Rates

Among respondents, only 48% of 2021 studies assumed inflation rates **higher than 2%**. In 2022 and 2023, 69% of studies did.



Recommended Contribution Increases



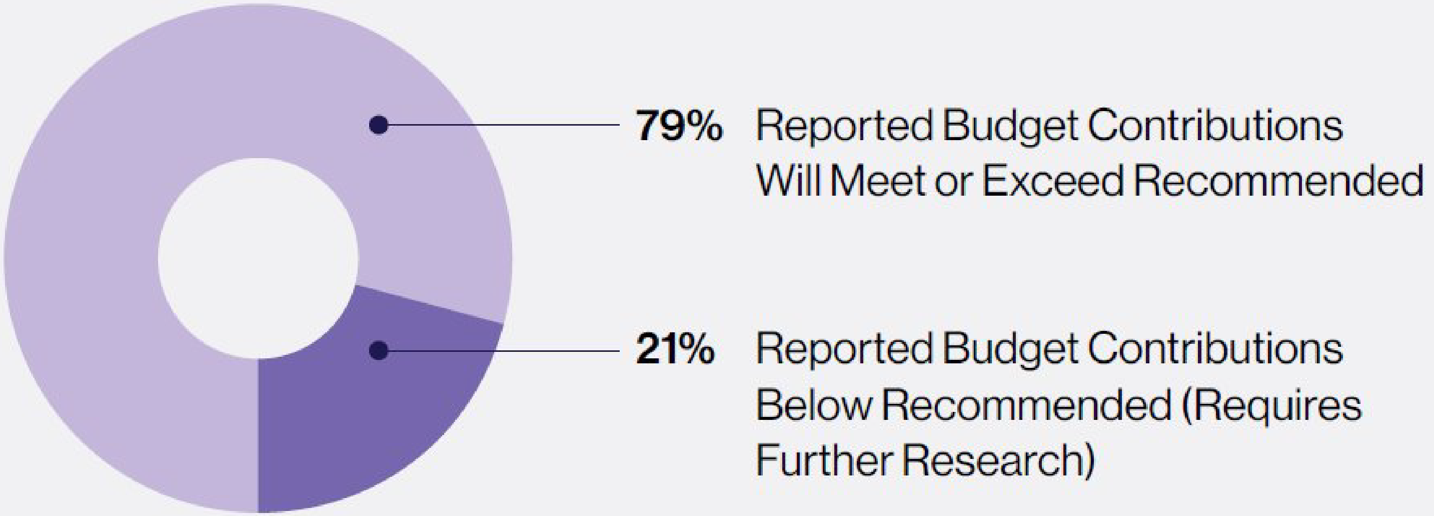
Two-thirds or **64%** of respondent corporations were advised to increase contributions by more than **3%**

Recommended vs Budgeted Contributions

79% of respondent corporations expected they would meet or exceed recommended contribution amounts

The current survey includes questions for further investigation.

Percentage of Respondent Corporations Who Reported Budgeted Reserve Fund Contributions



Current Research Initiative

Why We're Continuing this Work

- The 2023 survey answered some important questions and raised new ones that require more insights
- Economic conditions have continued to change and we've heard from the sector that reserve fund discussions are still challenging for condo communities
- To understand what is driving those challenges and how condo corporations are adapting
- The purpose of the research is purely educational and not meant to enforce compliance

What We Hope to Learn

- How condo corporations are responding to changing economic conditions
- Why some corporations may experience greater financial pressures than others
- What trends, pressure and planning practices are emerging across the province
- What information would help boards and owners have better conversations and make more informed decisions

How We're Doing the Research

- All condo corporations in the province have been invited to participate in the survey – takes 45 to 60 minutes to complete

- Must be completed by a designated corporation representative that has **Full Access** permissions to your condo corporation's CAO profile – usually a board president, secretary or condo manager

Participation is voluntary. All responses are analyzed and published in aggregate. Individual corporations will not be identified. **Data privacy and security are key priorities.**

Participation Deadline: August 28

Document Sharing Opportunity

Participants have the option to upload key financial documents **instead or in addition to** completing the survey. This is a key part of the research and will help us move beyond survey responses to better understand reserve fund planning practices across the sector.

1	2	3
Notices of Future Funding	**Audited financial statements**	**Shared Facilities Agreements**
From your two most recent reserve fund studies for every reserve fund, including for any shared facilities reserve funds	From the past five fiscal years, including any shared facilities that have separate financial statements	If applicable to your condo corporation

Partnering With Experts

Our partnership with TMU

- We're partnering with the Urban Analytics Institute at Toronto Metropolitan University (TMU) who helped us design the survey and will help to analyze and prepare the final report on the research findings
- Ensures a strong, evidence-based approach
- Participating corporations will be asked for consent to share their data with TMU for analysis and reporting. If a corporation chooses not to consent, its data will be analyzed by CAO only

Survey and research approach refinement

- Established a reserve fund expert working group to help us refine the survey and research approach
- User testing and feedback sessions conducted with condo community members and key stakeholders to ensure we're asking the right questions and collecting meaningful information

Next Steps to Participate

1. Talk to your board and decide if your corporation wants to take part in the survey, upload documents or both.
2. **Only one survey response will be accepted for each condo corporation.** Choose one person to participate on behalf of your condo corporation.
3. Make sure they have **Full Access** permissions to log into your corporation's CAO profile – for example, a board president, secretary or condo manager.
4. If you are participating on behalf of your condo corporation, log into your account on CAO's website and navigate to **Corporation Surveys**. Select your condo corporation.
5. Access your corporation's unique survey invitation, secure document upload function and instructions.

Survey Portal Demo: https://www.condoauthorityontario.ca/

What's in it for the Sector?

If CAO receives good data a good report can be published

- The findings would cover a variety of regions in Ontario
- Different condo characteristics are more likely to be represented
- A variety of condo types, sizes, ages will be included

Contribute to CAO's understanding of industry trends

- Enable services to be tailored to fill information gaps
- Understand impact of reserve funds on condo corporations
- Enable CAO to support change where needed

What's in it for the Sector?

Improve reserve fund planning practices

- Understand the impact of phasing increases
- Provide insights into inflation and fee increase trends
- Benchmark contribution and balance levels

Collaborate more effectively as a community

- Share report findings with your community
- Provide benchmarks directors can refer to
- Support owner understanding of reserve fund practices