

Condominium unit rentals

This publication is intended to provide general information only and is not a substitute for legal advice.

No restrictions on owners renting their units

Alberta's *Condominium Property Act* (the Act) does not allow corporations to create bylaws that prevent owners from renting their condominium unit. However, condominium owners do have responsibilities to their condominium corporations that they must meet before renting.

Responsibilities for an owner renting their unit

An owner cannot rent their unit until they have provided to the corporation written notice of their intention to rent the unit. The notice must include the address where the owner can be served with any notices and the amount of rent being charged. The owner must also provide the corporation the name of the tenant(s) within 20 days from the start of the tenancy. If the tenancy ends, the owner must notify the corporation within 20 days.

The Act requires tenants, and any other person in possession of the unit, to comply with the bylaws of the corporation. The tenants and occupants must not cause damage to the personal property of the corporation or the common property.

Deposit from owner



The corporation may require an owner to pay a deposit to the corporation. The corporation may use this deposit for repairing any damage to the common property or personal property of the corporation, if the tenant caused the damage.

After January 1, 2020, the Condominium Property Regulation sets the maximum rental deposit that may be charged to an owner of a unit that is rented

to a tenant at \$1,000 or one month's rent, whichever is greater.

Return of deposit to owner

The Act requires the owner to give the corporation a written notice within 20 days after the owner no longer rents their unit to a tenant.

Within 20 days after receiving the written notice, the corporation must return the deposit to the owner, or return the balance of the deposit along with an itemized statement of account showing the amount used to pay for damages to the common property, the personal property of the corporation, or the managed property.

A corporation is only required to return the deposit to the owner *after the owner no longer rents their unit to a tenant*. Corporations that collected a deposit amount higher than \$1,000 or the current rent of the unit, may retain that deposit even after the changes on January 1, 2020, as long as the unit continues to be rented.

Recovering costs if damage exceeds the deposit

A corporation that is owed money can seek payment from the owner, such as providing them an itemized bill and an opportunity to pay for their damages.

If this is not successful, a corporation could place a caveat (a claim against the unit for a certain amount of money that is registered with Land Titles) on the unit that owes outstanding amounts to the

corporation, provided this type of chargeback for damages is permitted in the corporation's bylaws.

Failing these steps, the corporation may apply to the Court of Queen's Bench for damage costs in excess of the deposit.

Corporations may want to seek advice from legal counsel regarding the placement of a caveat or the use of a court order for recovering damages.