CONDO LAW FOR ALBERTANS

www.condolawalberta.ca

Renting Out Your Condo in Alberta

Did you know that both the *Residential Tenancies Act* and *Condominium Property Act* apply to condominium rentals? As a landlord and owner of a condominium unit, you must be familiar with your responsibilities under both pieces of legislation.

In Alberta, the *Residential Tenancies Act* is the law that applies to most landlord and tenant situations. It outlines specific rules that both landlords and tenants must follow. The *Condominium Property Act* contains additional rules that apply specifically to the rental of condominiums. Here are six things you need to know before you rent out your condo unit.

Need to Know #1: You must inform the condominium corporation before renting your unit

Before you rent your unit, you must give written notice to the condominium corporation of:

- your intention to rent out your unit
- an address where you can be personally served with documents and
- how much rent you will be charging

Within 20 days of your tenant moving in, you must give the corporation written notice with the name of the tenant. If you stop renting your unit, you must provide written notice to the corporation within 20 days of the tenancy ending.

Centre for Public cplea Legal Education Alberta

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You should **NOT** rely on this booklet for legal advice. It provides general information on **Alberta law only**.

Need to Know #2: The condominium corporation can ask you for a rental deposit

If you decide to rent out your unit, the condominium corporation can ask you to pay a rental deposit to cover any damage that your tenant may cause to the corporation's real, personal and common property.

The security deposit cannot be more than $1000 or one month's rent, whichever is greater.

When you give the condominium board notice that you are no longer renting out the unit, the board must deliver to you a statement of account and any unused portion of your rental deposit (along with any interest) within 20 days.

If the corporation deducted from the rental deposit, then it must provide a statement of account with the following information:

- The amount used and any interest earned
- The balance of the deposit not used and any interest earned
- An itemized list of deductions from the rental deposit and why the deductions were made

TIP

If a condominium corporation collected a rental deposit from an owner before the *Condominium Property Regulation* changes (January 1, 2020), then it may be retained for the remainder of the tenancy.

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This project was made possible through a grant from the Alberta Real Estate Foundation.

TIP

If you owe the corporation a rental deposit, the corporation has legal rights to recover the deposit from you (for example, by suing you) and may also recover the amount from you as if it were a contribution that you failed to pay when it was due.

Need to Know #3: Your tenant's security deposit cannot be used to pay the condominium corporation's rental deposit

Under the *Residential Tenancies Act*, you are allowed to ask your tenant for a security deposit up to a maximum of one month's rent. But, you cannot use the security deposit from your tenant to pay the condo corporation's rental deposit. The security deposit you receive as a landlord must be deposited into a trust account for safekeeping within two banking days of you receiving it.

TIP

For more information, visit Laws for Landlords & Tenants in Alberta:
www.landlordandtenant.org/security-deposits

Need to Know #4: Money can only be deducted from a security deposit for damage(s) if you completed move-in and move-out inspection reports

Written inspection reports must be completed within one week of you tenant moving in and out of your condo unit. The inspection reports indicate the condition of the unit before and after the tenancy. If the inspection reports are not completed, you are not legally entitled to take money from the security deposit to cover damage to the unit. As a best practice, take photos at both the move-in and move-out inspections in case there is a dispute in the future.

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Need to Know #5: Tenants have to follow your condo bylaws

Your tenant is required to follow your condominium's bylaws during their tenancy. As such, you should provide your tenant with access to the bylaws. As a responsible landlord, you should also familiarize yourself with the bylaws so that you can properly inform your tenant about the condominium's rules. You should also ensure that your lease agreement accurately reflects and does not contradict the bylaws.

Need to Know #6: Unpaid condo contributions can be taken from your tenant's rent

If you are renting out your condo and you do not pay your condo contributions, the condominium corporation can require your tenant to pay rent to the corporation instead of you to cover the unpaid contributions.

More Information

Condo Law for Albertans

http://www.condolawalberta.ca

Laws for Landlords and Tenants in Alberta

http://www.landlordandtenant.org

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