

## **CONDOMINIUM FACT SHEET:**

### **RENTING A UNIT**

#### **What is the applicable legislation?**

The current Act is [The Condominium Property Act, 1993](#).

The current Regulations are [The Condominium Property Regulations, 2001](#).

Both the Act and the Regulations contain all recent amendments and are available on the Queen's Printer website at [www.qp.gov.sk.ca](http://www.qp.gov.sk.ca).

#### **Can condominium unit owners rent out their units?**

Yes. A unit owner can rent his or her unit:

- for a period of one month or more; or
- for a shorter period of time as a part of a short-term rental management pool.

#### **What is a short-term rental management pool?**

It is a rental agreement in which one or more units within the corporation will be rented out for periods of less than one month. This includes:

- an owner of a single unit renting out that unit for periods of less than one month;
- an owner of multiple units renting out all of his or her units for period of less than one month; or
- more than one owner joining together to rent out multiple units for periods of less than one month.

*Clause 2(1)(y.3) of the Act*

#### **Can a condominium corporation stop a condominium owner from renting units?**

No. A condominium corporation cannot stop a condominium owner from renting units either for a period of more than one month or as part of a short term management pool. The Act states that the corporation cannot pass or make any amendments to bylaws that have the effect of prohibiting or restricting the right of a unit owner to lease any unit.

*Clause 44(2)(a) of the Act*

**Is there anything that I need to provide to the condominium corporation if I want to rent my unit?**

Yes. If you are renting a unit for longer than a month, an owner must give written notice to the corporation of:

- the owner’s intention to rent the unit, setting out the address at which the owner may be served with a notice;
- the name of the tenant within 20 days after the commencement of the tenancy; and
- when the unit is no longer rented within 20 days after the end of the tenancy.

If you are renting a unit for less than one month, an owner must give written notice to the corporation of:

- the owner’s intention to rent the unit at least 30 days before the commencement of the short-term rental management pool;
- the contact information for the manager of the short-term rental management pool, who shall then provide the name of the tenant on request of the corporation; and
- that the unit is no longer rented within 30 days after the end of the short-term management rental pool.

A manager of a short-term rental management pool might be the owner, a person that the owner hired or even the condominium corporation who is hired by a group of owners to act as the rental manager of multiple units.

*Sections 75 and 78 of the Act  
Section 62.3 of the Regulations*

**Do tenants who rent a condominium unit have any additional responsibilities?**

Yes. Persons who rent a condominium must not:

- cause damage to the real or personal property of the corporation including the common property, common facilities and services units; and
- contravene the bylaws of the corporation.

In addition, all tenants, regardless of what they rent, are subject to *The Residential Tenancies Act, 2006* and any agreements they sign.

*Section 76 of the Act*

**Can a condominium corporation ask for a deposit if the owner rents out the unit?**

Yes. The corporation may require the owner of a residential unit who rents the unit to maintain a deposit with the corporation. However, the corporation must have a bylaw permitting the collection of deposits.

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The amount of the deposit cannot exceed the maximum amount of security deposit pursuant to *The Residential Tenancies Act, 2006*. Please contact the Office of Residential Tenancies at [ort@gov.sk.ca](mailto:ort@gov.sk.ca) if you have questions about the amount of the deposit.

*Subsection 77(1) and section 82 of the Act*

### **What is the purpose of a deposit?**

The corporation may use the deposit for the maintenance, repair or replacement of:

- any real or personal property of the corporation including any common property, common facilities or services units that is damaged, destroyed, lost or removed by a person residing in or on the rented unit; or
- any of the common property for which an owner is permitted to exercise exclusive use that is damaged, destroyed, lost or removed by a person residing in or on the rented unit.

However, the corporation must have a bylaw permitting the collection of deposits.

*Subsection 77(2) and section 82 of the Act*

### **What happens if the deposit is not used by the corporation?**

Within 20 days of receiving notice that the unit is no longer rented, the corporation must return the deposit to the owner.

If part of the deposit was used, the corporation must provide the owner with a statement showing:

- the amount used;
- the purpose for what it was used for; and
- the balance of the deposit that was not used.

If the corporation is entitled to use the deposit but unable to determine the amount that it will use, then the corporation must provide the owner:

- an estimated statement showing the amount that it intends to use; and
- within 60 days of the estimated statement, send the final expenditure statement showing the amount used, the purpose and the remaining balance.

*Section 79 of the Act*

**What happens if the renter causes more damage than can be covered from the security deposit to the corporation?**

The corporation can recover from the owner of the unit any amount in excess of the value of the deposit required to maintain, repair or replace:

- any real or personal property of the corporation including any common property, common facilities or services units that is damaged, destroyed, lost or removed by a person residing in or on the rented unit; or
- any of the common property for which an owner is permitted to exercise exclusive use that is damaged, destroyed, lost or removed by a person residing in or on the rented unit.

The amount recoverable by the corporation from the owner is the lesser of:

- the cost of repairing the damage or replacing the property; and
- the deductible limit of the insurance policy obtained by the corporation.

However, the corporation must have a bylaw to allow for such recovery.

*Sections 79.1 and 82 of the Act*

**Can the corporation terminate the tenancy?**

Yes. A corporation can apply to Director of Residential Tenancies pursuant to *The Residential Tenancies Act, 2006* for the order of possession of a rented residential unit if a person who resides in or on the unit:

- causes excessive damage to the real or personal property of the corporation or to the common property or common facilities;
- causes excessive noise; or
- is a danger to, or intimidates, persons who reside in or on other units.

The corporation must serve a notice of application for an order for possession on both the tenant and the owner. The provisions of *The Residential Tenancies Act, 2006* with respect to applications for an order for possession of rented premises apply to these applications.

However, the corporation must have a bylaw to allow them to make the application.

*Sections 80 and 82 of the Act*

**Can a corporation collect the rent to satisfy the unpaid fees of the owner of the unit?**

Yes. If the owner's condominium fees are in arrears respecting a residential unit that is occupied by a tenant or when the corporation has obtained a judgment requiring the owner to pay an amount to the corporation and the owner has not paid that amount, the corporation may:

- by written notice to the tenant and the owner, require the tenant to pay the rent directly to the corporation in an amount not exceeding the rent; and
- apply the amount collected to the unpaid fees until the arrears are satisfied.

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However, the corporation must have a bylaw to allow for such payments from tenants.

*Sections 81 and 82 of the Act*

**What type of bylaws should be considered by the corporation if units are being rented?**

A corporation cannot take any of the following actions until it has passed a bylaw authorizing it to do so:

- imposing or collecting deposits;
- making applications to the Director of Residential Tenancies;
- collecting common expenses from tenants; and
- recovering damages that are over the amount of the security deposit.

If the corporation is acting under the default bylaws contained in the Regulations, the corporation is authorized to do all of these actions.

*Section 82 of the Act*

*Section 33 of Part II, Bylaws, of the Appendix to the Regulations*

**What responsibilities does a unit owner who has rented a unit have to their tenants?**

Unit owners who rent out their units become landlords. The relationship between a landlord and a tenant is governed by *The Residential Tenancies Act, 2006*. It is this act that sets out the rights, obligations and duties of a landlord and tenant of a rental unit.

**Does a developer have to disclose any known rentals to the corporation?**

Yes, for short term rental management pools. Within the first year after condominium titles have been raised based on the condominium plan, the developer must provide to the corporation any plans or agreements in relation to establishing short-term rental management pool for units within the corporation.

Yes, for rentals of more than one month. As no owner of a residential unit shall rent the unit until the owner has given written notice to the corporation and the developer acts as the corporation until it is turned over, the developer is privy to the rental information and this should be turned over to the corporation so that the corporation will have the address at which the renting owner may be served with notices.

*Clause 12(1)(m) and Section 75 of the Act*

**Does a developer have to disclose any known rentals to the purchaser?**

Yes, for short term rental management pools. A developer shall not sell or agree to sell a unit or proposed unit unless the developer delivers to the purchaser a copy of any plans or agreements that establish a short-term rental management pool for units within the corporation.

Yes, for rentals of more than one month. A developer shall not sell or agree to sell a unit or proposed unit unless the developer delivers to the purchaser a statement that indicates the number or proportion of the units that, as of the date of the purchase agreement, are occupied by tenants or designated for occupancy by tenants rather than for sale to owners.

*Clauses 26(1)(j) and 26(1)(j.1) of the Act*

**Does a corporation have to disclose any known rentals to the purchaser?**

Yes, for short term rental management pools. On the Estoppel Certificate (Form GG), the corporation has to disclose to purchasers that there are plans or agreements that establish a short-term rental management pool for renting units within the corporation for periods of less than one month.

It depends for rentals of more than one month as the answer to some questions on the Estoppel Certificate could result in a requirement that this information be disclosed. In addition, the corporation may choose to include in its bylaws a requirement to disclose this information to purchasers.

*Form GG of the Regulations*