

Short-Term Rentals in Condos

By: Rod Escayola

gowlings

- Web-based Application;
- Allows to rent your homes
- Provide Short-term rentals
- Cheaper than hotels
- 1.5M listings in 34,000 cities in 190 countries





- **Ottawa:**
 - Some 300 listings
 - From \$13-\$1,500/night;
- **Kingston:**
 - Some 217 listings
 - From \$13-\$824/night
- **Toronto:**
 - Some 6,000 listings
 - From \$13-\$1,500/night

What can you get for less than \$20/night?

In Toronto: This Tent

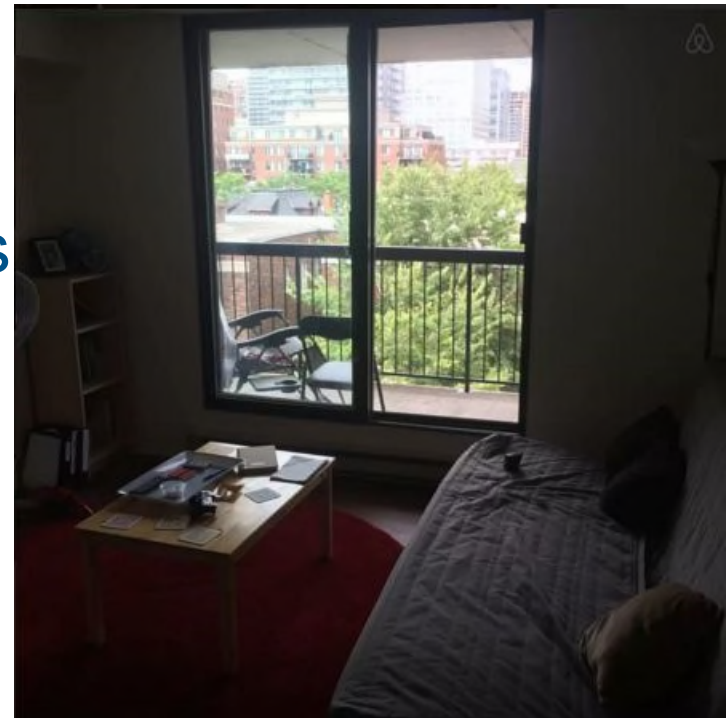
- Includes central air
- Includes free Parking
- Less than 28 min. from the CN Tower



What can you get for less than \$20/night?

In Ottawa: This Couch

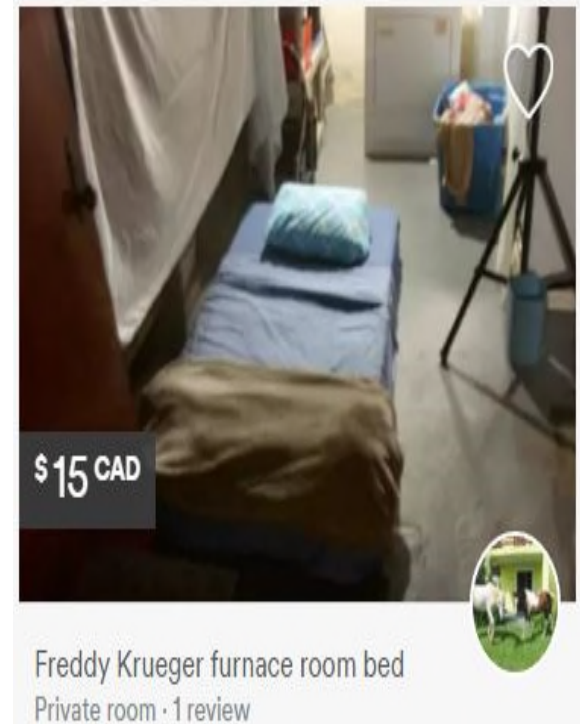
- Close to bus routes, Ubers
Parliament and the Canal
- Includes Adam
(the roommate)



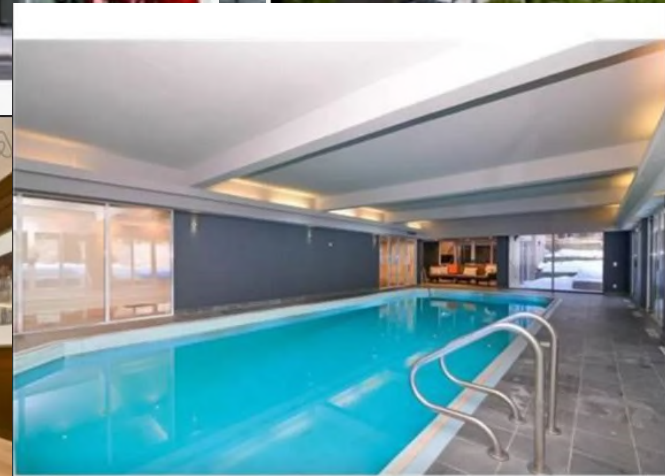
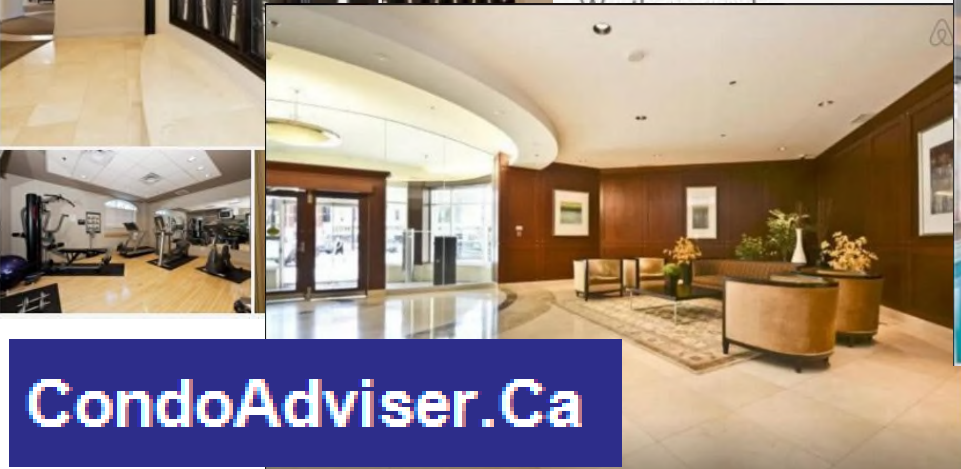
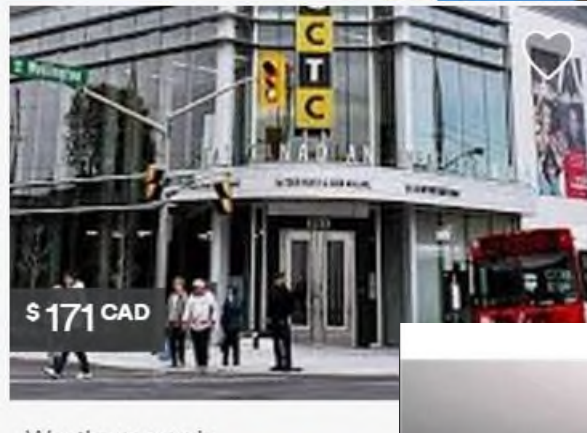
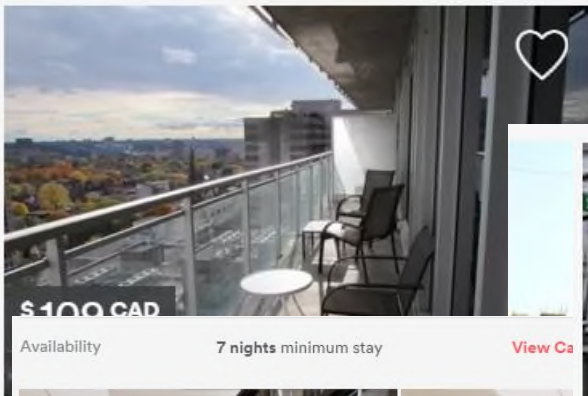
What can you get for less than \$20/night?

In Kingston: Freddy Krueger Furnace Room

- Well heated
- No emergency exit
- Nightmares



What can you get for the average price in Ottawa?



CondoAdviser.Ca

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Airbnb is not alone...

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What's Airbnb


PREMIERE
SUITES




Part of the HomeAway Family






let's stay together®






by @tripadvisor









So, What's The Problem...?

Practical situations:

- Calgary case;
- *Ballingall case*;
- *New hotel condos or mega condos*

So, What's The Problem...?

- Increased traffic;
- Transient tenants/occupants;
- Decreased sense of community and security
- Increased wear & tear;
- Insurance issues (for the owner but for the corporation too);
- Safety and security issues;
- Lack of knowledge of Rules and Regulations.

So, What's The Problem...?

- Owner is not just renting the unit but the common elements and the amenities?
- How do you identify who damaged the lobby?
- Most corporations have an obligation to repair the unit after damage. Why should the corp. assume the risk?
- The corporation does not know who is occupying a unit
- How can an owner comply with s. 83 of the Condo Act.

So, What's The Problem...?

- Compare your internal “rules/regulations” to those posted on Airbnb’ site:
 - No smoking in unit
 - No parties
 - Please turn off the lights
 - Please clean after yourself
 - Please wash your dishes
 - Store food in refrigerator
 - Place wet towels on hooks, not on furniture

Have a look at:

- Your Declaration
- Your rules
- Municipal by-law (Zoning, rooming/boarding; is a license required to operate this business)
- Is the owner complying with s. 83 of the Condo Act?
- Is this affecting the corp.'s insurance?
- Is it creating a nuisance?

Not all **Declarations** are created equal

- “Each dwelling unit shall be occupied and use for residential purposes...”
- “Each unit shall be occupied and used only as a private single family residence...”
- “Each dwelling unit shall be occupied and used only for residential purposes, and for the business of providing transient residential rental accommodation on a furnished and/or unfurnished basis, through short term or long term arrangements”

Tailor your rules to be reasonable

“The rental of a unit shall be for a term of not less than 12 months unfurnished or 6 months furnished. The Board may allow rentals for other shorter periods where there is a *bona fide* intention of the owner to sell or occupy the unit upon expiry of the lease or when the owner resides for up to 6 months in a location outside of the city”

Tailor your rules to be reasonable

“units shall be occupied and used only as a single family residence and for no other purpose. There can only be ONE lease that encompasses all tenants per unit. Rooming/boarding houses and any form of short-term or transient use are prohibited”

Tailor your rules to be reasonable

“No unit may be used as a hotel or lodging house.
Units may not be leased nor sub-leased for an initial
term of less than six months”

How to improve your situation:

- Amending your declaration (difficult)
- Adopting a new rule
 - Preventing the situation or...
 - Controlling the situation
- Struggles with grandfathering (what's reasonable)
- Use other mechanisms found in your governing documents

How can you enforce your documents

- Check your governing documents;
- Investigate;
- Send a warning compliance letter (first warning)
- Send the second warning and advise of consequences
- Get your corporate lawyer involved
- Mediation/arbitration, or court application

Questions?

More info on this at

CondoAdviser.ca



Thanks! / Merci !



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