

Condo Rentals vs Apartment Rentals

WHAT YOU NEED TO KNOW BEFORE YOU DECIDE

By Sheryl Erenberg

Along with the explosion of condo construction has come a lot of investors, buying up suites and then renting them out. While these seem like a great alternative to residential rental buildings, these new condo rental suites differ from dedicated rentals. When deciding where to live there are a few things to consider, beyond location and price.

There is no limit to the rent increase your landlord can ask after your first year. Assuming the condo you rent was built after 1998, it is exempt from the Annual Rent Increase Guideline that governs rental properties in Ontario under the Residential Tenancies Act. To be clear, an owner of any unit built after 1998, can increase your rent as much as they choose. You'd better hope that the rental market has not significantly tightened since you last renewed your lease!

You will be sacrificing space.

Generally speaking, condos are smaller because they were built more recently, land was more expensive and to keep units affordable, builders have had to reduce the size of the suite. Compared to apartment rentals, the difference in square footage is about 25 to 30 per cent.

You may feel like a second-class citizen in your own home.

The sad truth is that owner-occupiers of condos are not thrilled with having a rental population in the building. They think tenants are more transient and cause more wear and tear on common areas, don't participate in the management of the building (which is essential to condominiums) and don't treat and respect the property as if it were their own.

After the first year, you can be asked to leave if the owner wants to sell.

Condos rarely give you long-term peace of mind. Your tenancy is directly related to the condo market and resale value. Keep this in mind before you spend a lot of money decorating.

In-suite repairs can take longer to complete.

Owner-investors do not have a team of tradesmen on speed dial and most are not professionally managed. Getting repairs done in your condo is not as easy as leaving a note for the on-site superintendent of a rental building. Even if there is a super in the condo, he or she is not responsible for anything in the suite. You will need to track down the owner of your condo, and they will need to call the right contractor. You may get the owner's brother-in-law to fix the faucet or you may get a professional plumber. You may be told to have the item repaired yourself and deduct it from the rent.



Condo owners have a stricter definition of “wear and tear”.

Condo renters report landlords being very strict about returning the unit to its original condition. This has included repainting walls to their original white and being asked to repair drywall from nail holes. This may be an indication of an owner's inexperience in the rental industry or simply an unwillingness to budget for regular repairs and maintenance for the property.

Many condos do not allow pets.

Pets provide stress reduction, companionship, affection, comfort security and unconditional love to their owners. Why would you even think about moving without your best friend? Most apartments, on the other hand, welcome your furry friends.



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