



Landlord & Tenant Law for Real Estate Professionals

February 2009



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The Residential Tenancies Act, 2006

- ▶ The Residential Tenancies Act, 2006 (RTA) replaced the Landlord and Tenant Act in February 2007
- ▶ RTA favours tenants, like its predecessor
- ▶ Applies with respect to rental units in residential complexes
- ▶ Disputes between Landlords and Tenants are adjudicated by the Landlord and Tenant Board
- ▶ For Guidance Refer to the Landlord and Tenant Board website at www.ltboard.gov.on.ca

Commencing a Tenancy

- ▶ Tenant Screening
 - Ask the Right Questions and Do a Credit Check – Cannot violate the Human Rights Code
- ▶ Pets
 - Rental versus Condo Buildings
- ▶ Smoking
- ▶ Deposits and Fees
 - Last Month Only, Interest Payable
 - LTB website says “key deposit” must be refundable and represent reasonable cost to replace a key/fob

- ▶ Post-Dated Cheques Can’t be Compelled



Commencing a Tenancy

- ▶ Landlord must apply the tenant's rent deposit to the rent for the last month of the tenancy.
- ▶ Landlord is required to pay the tenant interest on the rent deposit at the prescribed rate.



Issues During Tenancy

- ▶ Maintenance and Repairs
 - Landlord's Obligations
- ▶ Entering a Tenant's Unit
 - Notice Requirement
 - Written, 24 Hours Prior (Most Purposes)
 - Entering Without Notice
 - Emergency or with Consent Only—Exception for Showing Prospective Purchaser with “Reasonable Effort” to Notify

Rent Increases

- ▶ Permitted Frequency and Required Notice
 - Once per year with 90-Days Notice

- ▶ Rent Control
 - Guideline Amount (2.5% in 2013, 0.8% in 2014)

 - Exempted Units
 - Newer Rental Buildings or Conversions (1991 / 1998)
 - Non-Profit or Public Housing and Dorms
 - Shared Kitchen & Bath with Landlord or Family

Rent Increases

- ▶ Landlord required to give a new tenant notice that sets out the lawful rent to be charged, and the Landlord cannot give false information in the notice where the Landlord and Tenant Board has issued an Order prohibiting rent increases.
- ▶ Landlord must provide information on the total cost of utilities, which includes heat, electricity and water where required under the Act.
- ▶ Landlord cannot charge more rent than is allowed under the Act.
- ▶ Landlord cannot charge more than the RTA permits unless approved by the Board in advance.
- ▶ Provide rent receipt to tenant.

Rent Increases

- ▶ Landlord not permitted to charge or attempt to charge a tenant, sub-tenant or prospective tenant any type of fee on top of the rent, such as a damage deposit.
- ▶ A landlord is not permitted to make a tenant or prospective tenant buy anything from the landlord or an existing tenant to secure or keep a rental unit. For example, requiring a prospective tenant to buy drapes or furnishings in order to rent a unit.
- ▶ If the landlord cannot give the tenant possession of the rental unit the security deposit must be returned.

Terminating a Tenancy (Landlord)

<i>Abandoned Rental Unit</i>	<i>Misrepresenting income</i>
<i>Agreement to end the tenancy</i>	<i>Non-payment of rent</i>
<i>Breached order or mediated settlement</i>	<i>Overcrowding</i>
<i>No longer qualifies for subsidized unit</i>	<i>Persistent late payment of rent</i>
<i>Change of use to non-residential</i>	<i>Personal use by landlord</i>
<i>Condominium purchase failed</i>	<i>Personal use by purchaser</i>
<i>Damage</i>	<i>Repairs or renovations</i>
<i>Demolition</i>	<i>Superintendent employment ends</i>
<i>Employment terminated</i>	<i>Subtenant stays after subtenancy ends</i>
<i>Illegal act or business</i>	<i>Tenant gave notice to end tenancy</i>
<i>Impairing safety</i>	<i>Unauthorized occupant(s)</i>
<i>Interfered w enjoyment or other right</i>	

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Terminating a Tenancy (Landlord)

▶ Non-Payment of Rent

14 Days to Rectify After N4 Issued

▶ Persistent Late Payment of Rent

Importance of Documenting Each Occurrence to Establish Sufficient Pattern. Use form L1.

▶ Personal Use by Landlord

- Must be Child or Parent of Landlord or Landlord's Spouse
- Month-to-month or Yearly Require 60 Days from the end of a rental period
- Use Form N12

▶ Personal Use by Purchaser

Similar to Above, also use Form N12

▶ Damage

Must be Willful and Not Rectified

Terminating a Tenancy (Landlord)

- ▶ **Repairs or Renovation**
 - 120 Days Notice
 - Tenant can leave early after receipt of notice
 - Work must be sufficient to warrant permits. LL must get permits
 - LL must offer Unit to tenant after work is completed at same price (if the Unit exists)



Terminating a Tenancy (Landlord)

- ▶ Proper Eviction Procedures
 - Form L2: Application to Terminate a Tenancy and Evict a Tenant
 - Only Sheriff's Dept can Evict
 - Process Can be Costly

Terminating a Tenancy (Tenant)

▶ Applicable Notice Periods

- Daily or Weekly Tenancies Require 28 Days
- Month-to-month or Yearly Require 60 Days from the end of a rental period

▶ Assignment and Subletting

- Landlord Cannot Unreasonably Withhold Consent, Without Risking Early Termination by Tenant

- ▶ Landlord cannot lock a tenant out of a rental unit without following the rules.
- ▶ Landlord cannot make a tenant move out of a rental unit by giving the tenant a notice of termination for a reason that the landlord knew was untrue.
- ▶ Landlord cannot take a tenant's possessions without following the rules.
- ▶ Landlord must make evicted tenant's property available for 72 hours between 8 a.m. and 8 p.m. after the order to evict is enforced by the sheriff.

- ▶ Landlord can't try to stop a tenant from filing an application under the Act or from taking part in a hearing.
- ▶ Landlord can't prevent a tenant from forming a tenants' association or taking part in one.
- ▶ Landlord can't threaten a tenant, interfere with a tenant, or pressure a tenant to move out of a rental unit.
- ▶ Landlord, or someone acting on behalf of a landlord, can't do anything that would prevent a tenant from being able to enjoy living in their rental unit.
- ▶ Tenant cannot interfere with or try to prevent a landlord from filing an application under the Act, exercising their rights, or from taking part in a hearing.

Vital Services and Locks

- ▶ Landlord cannot withhold or interfere with the reasonable supply of a vital service, which includes hot or cold water, fuel, electricity, natural gas and heat (during the prescribed time).
- ▶ Tenant is not permitted to change the locks on doors to the rental unit or building without the landlord's approval.
- ▶ The Landlord cannot change the locks on doors to the rental unit or building without giving a copy of the new keys to the tenant.

- ▶ Landlord cannot enter a rental unit, except in those situations allowed by the Act.
- ▶ Landlord has to provide required notice and enter only during hours permitted by the RTA.
- ▶ Tenant cannot interfere with or to try to stop a landlord from entering the unit when proper notice is given.

- ▶ Landlord must obey all or any part of a Provincial Work Order issued by the Investigation and Enforcement Unit and must an Order of the Board to do repairs or work to a rental unit.
- ▶ Landlord cannot stop an inspector or investigator from entering a building in order to carry out their duties under the Act.

- ▶ Agent is not permitted to charge a fee to a landlord or tenant based on more than the permitted percentage of the money ordered by the Board.
- ▶ Landlord has to offer a tenant, where required, a right of first refusal when the building is changed to a condominium or after major repairs or renovations.
- ▶ A landlord cannot evict a tenant from a rental unit that is to be demolished, renovated or changed to something other than a rental unit, and not give the tenant three months rent or offer the tenant another rental unit, where required (more than 5 Units only).

COHEN

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