



The Standard Form of Lease
Technical Briefing
April 2018

Topics Covered

- Background
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- Enforcement Provisions
- Guide to the Standard Form of Lease

Background

- The Fair Housing Plan, announced April 20, 2017, is aimed at making housing more affordable for homebuyers and renters through 16 comprehensive measures
- As part of the Fair Housing Plan, the government introduced the *Rental Fairness Act, 2017*, which includes various amendments to the *Residential Tenancies Act, 2006*
- The amendments give the Minister of Housing regulation-making authority to make and require standard forms of tenancy agreements for prescribed classes of tenancies
- Starting on April 30, 2018, all new tenancies in the prescribed class must use the standard form of lease
 - Applies to all landlords (individuals and corporations) in the prescribed class
 - Existing written and verbal leases are still valid and enforceable
 - Once a lease expires, if the parties enter into a new lease, the landlord must use the standard form of lease

Consultations

- The Ministry of Housing released a short consultation document in September 2017 that outlined key concepts and questions about residential leases
- A public e-consultation was held from September 13 – October 13, 2017 and invited written submissions to inform the development of a standard lease template
- The ministry also held several targeted stakeholder consultations from October to December 2017
- Representatives from landlord, tenant, legal education, real estate, student and non-smoking organizations participated in these consultations
- Various ministry stakeholders and working groups provided specialized input on the standardized lease, including Indigenous housing providers and social and supportive housing stakeholders

What We Heard

- Many stakeholders saw value in the development of a standard lease:
 - Provides clarity to landlords and tenants about their rights and responsibilities
 - Reduces illegal terms in leases and misunderstandings caused by verbal tenancy agreements
- We heard it was important to develop the standard lease using easy-to-understand language – stakeholders were helpful in shaping the content and formatting to improve readability
- There was strong support across all stakeholders for including a term to address rules around smoking in the rental unit
- There was also strong support for allowing landlords and tenants to agree to additional terms to meet their unique arrangements, as long as they weren't illegal terms
- Lastly, we heard that care homes and mobile homes should have their own separate standard lease forms

Benefits of the Standard Form of Lease

- Improves compliance with the *Residential Tenancies Act, 2006* by containing mandatory information, such as names, addresses and rent amounts
- Clarifies information to reduce misunderstandings, such as rent deposit rules or services included in the rent
- Helps landlords by making it easier to do business and ensures they include important information
- Assists tenants by simplifying lease wording and limiting the use of illegal terms
- May reduce the need for Landlord and Tenant Board hearings to resolve disputes
- Provides educational information to outline the rights and obligations of both parties

Ontario Regulation 9/18 (O. Reg. 9/18)

- O. Reg. 9/18 sets out:
 - The prescribed class of tenancies which are subject to the standard form of lease and those that are exempt
 - The prescribed form of tenancy agreement
 - English: “Residential Tenancy Agreement (Standard Form of Lease)”
 - French: “Convention de location à usage d’habitation (Bail standard)”
 - The prescribed requirements for the tenancy agreement
- O. Reg. 9/18 provides rules for additional terms:
 - The standard form of lease may include additional terms that are not inconsistent with mandatory terms set out in the prescribed standard form of lease
 - Any additional terms that are inconsistent with the mandatory terms of the standard lease are void

Where The Standard Lease Applies

- Prescribed class of tenancies required to use the standard form of lease:
 - All residential tenancies to which all or part of the Residential Tenancies Act, 2006 applies, except as specifically exempted
- Exemptions include:
 - care homes (e.g., retirement homes)
 - mobile home parks and land lease communities
 - member units in cooperative housing
 - social and supportive housing exempt from the rent rules under the RTA (e.g., housing subject to operating agreements under certain programs or where the tenant receives publically funded rent-geared-to-income assistance)

The Standard Form of Lease

The standard form of lease template includes the following sections:

- **Mandatory information fields**

- Parties to the agreement (e.g., names of landlord and tenants)
- Rental unit, including address, type of rental unit (e.g. whether the rental unit is a condominium), and any parking spaces
- Contact Information, which includes address for serving notices to landlord, whether the parties agree to receive notices by email where allowed by the Landlord and Tenant Board Rules of Practice, and landlord contact information for day-to-day communications
- Term of Tenancy Agreement: start date and type (e.g., fixed term, monthly, weekly)
- Rent: amount, method of payment, who it is payable to, due date, etc.

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- **Mandatory information fields (continued)**
 - Services and Utilities included in the rent (e.g., electricity, heat, water, laundry, air conditioning)
 - Rent Discounts
 - Deposits (last month's rent deposit, key deposit)
 - Smoking (may agree to additional rules on smoking)
 - Tenant's Insurance (may require liability insurance, but tenant's responsibility to obtain contents insurance)
 - Signatures

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- **Static Terms**

- Changes to the rental unit (installation of pictures or window coverings with reasonable restrictions under the Additional Terms section, other changes require landlord's permission)
- Maintenance and Repairs
- Assignment and Subletting
- Changes to this Agreement

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- **Optional Additional Terms**

- Allows landlords and tenants to agree to terms or responsibilities which are unique to the rental unit or tenancy
- Additional terms cannot void a statutory right or responsibility created by the *Residential Tenancies Act, 2006*
- If a term is inconsistent with the *Residential Tenancies Act, 2006*, the term is void and unenforceable

- **General information**

- Provides information for landlords and tenants on rights, responsibilities and void/unenforceable conditions (e.g., information on ending a tenancy, subletting, illegal charges, pets, guests, landlord entry)

The RTA and Smoking

- A landlord and tenant are required to address whether or not any rules about smoking apply
- The *Smoke Free Ontario Act, 1994*, prohibits smoking of tobacco in any indoor common areas of a condominium or apartment building
- Smoking in violation of a no-smoking clause is not, in itself, a ground for eviction under the *Residential Tenancies Act, 2006*
- A landlord may give notice to end a tenancy if the tenant's smoking:
 - Substantially interferes with reasonable enjoyment of the landlord or other tenants
 - Causes undue damage
 - Impairs safety
 - Substantially interferes with another lawful right, privilege or interest of the landlord, or
 - Constitutes an illegal activity

The RTA and Cannabis

- The Smoking section can be used to address rules about smoking cannabis, once legalized
- A landlord and tenant can also agree to additional terms not otherwise addressed in the standard form, which could include a term about cultivation of cannabis in the rental unit
- The proposed federal *Cannabis Act*, if passed, would create restrictions on cultivating cannabis
- Cultivating cannabis in a rental unit in violation of a term in the lease is not, in itself, a ground for eviction under the *Residential Tenancies Act, 2006*
- A landlord may give notice to end a tenancy if the tenant's cultivation of cannabis:
 - Substantially interferes with reasonable enjoyment of the landlord or other tenants
 - Causes undue damage
 - Impairs safety
 - Substantially interferes with another lawful right, privilege or interest of the landlord, or
 - Constitutes an illegal activity

Enforcement Provisions

- If a tenant is entitled to a standard lease and asks for one:
 - The landlord must provide one within 21 days of the tenant's written request
 - After 21 days, the tenant can withhold one month's rent
 - The tenant does not have to repay the withheld rent, if the standard lease is not provided within 30 days of the date the tenant began withholding rent
 - A tenant cannot withhold more than one month's rent and must continue to pay rent when it becomes due, unless the tenant decides to terminate the tenancy early
 - A tenant in a yearly or fixed term tenancy can end their tenancy with 60 days notice if the landlord fails to provide the standard lease
 - If a tenant in a yearly or fixed term tenancy does not agree to the terms of the standard lease that is provided by the landlord, the tenant may end their tenancy with 60 days notice, so long as they give notice within 30 days of receiving the standard lease

Questions?

- Contact Us
 - Ministry of Housing Website: www.ontario.ca/rent
 - Via email at: residential.tenancies@ontario.ca
 - Phone number: 416-585-6872 (General number)
- The form is available on the Ontario Central Forms Repository: [Standard Form of Lease](#)
- We are developing a Guide to the Standard Form of Lease
 - Will be published in 23 languages by April 30, 2018
 - Includes basic guidance on how to fill out the Standard Form of Lease
- Landlord and Tenant Board
 - Toll-free at 1-888-332-3234
 - website at www.sjto.ca/ltb