



ENDING A TENANCY Who, Why, When, and How

The information contained in this presentation is intended as general information only, it is not legal advice.

Please contact a legal service provider to assist with specific issues and situations.

ENDING A TENANCY: Who, Why When, and How

At this Town Hall Meeting we will discuss:

- WHO Requirements for ending a tenancy by mutual agreement, notice by tenant and notice by landlord
- WHY The various reasons or grounds a landlord may have to terminate a tenancy;
- WHEN The differences between terminating a tenancy early and terminating at the end of the term;
- HOW An overview of the use, function and pitfalls of landlord notices permitted according to the Residential Tenancies Act, 2006



Residential Tenancies Act, 2006

The Residential Tenancies Act, 2006 (RTA) is the provincial statute that governs most residential rental agreements in Ontario.



The RTA defines the rights and responsibilities of landlords and tenants.

The RTA includes provisions for the termination of a rental agreement. It defines circumstances under which a tenancy may be terminated and establishes specific notice requirements which vary depending on the notice of termination.



Security of Tenancy

The Residential Tenancies Act gives tenants security of tenancy which means that a tenant can continue to occupy the rental unit until:

- 1. The tenant gives notice to terminate;
- The landlord and the tenant agree to terminate the tenancy; or
- 3. The landlord gives notice to end the tenancy for a reason allowed by the Act;

We will discuss all three options.





Unlawful removal, eviction or lock out

The Residential Tenancies Act gives tenants security of tenancy. Subsection 37(1) of the RTA states:

"A tenancy may be terminated only in accordance with this Act."

It is an offence for a landlord to lock a tenant out of their rental unit or the building.

If convicted under the Provincial Offences Act, the landlord could be fined up to \$25,000, or \$100,000, if the landlord is a corporation.





Agreement to Terminate



Agreement to Terminate

An agreement to terminate is a mutual decision between the landlord and the tenant to end the tenancy on a specific date.

- A landlord and a tenant may enter into a mutual agreement to terminate the tenancy at any time during the tenancy.
- A tenant CANNOT be forced to sign an agreement to terminate their tenancy.
- We recommend you do not rely on a verbal agreement to terminate.



Note: In the case of multiple tenants in one unit, make sure all the tenants sign the agreement.

Agreement to Terminate

(continued)

An agreement to terminate should be in writing to avoid confusion about what was agreed upon, and should contain:

- The date the tenancy will end;
- Address of the tenant's rental unit (unit and address);
- The date the agreement is signed;
 and
- The signature of the landlord and the tenant.



You may draft your own agreement to terminate or use the Landlord and Tenant Board form Agreement to Terminate a Tenancy (Form N11), available at any Board office or at

http://www.sjto.gov.on.ca/ltb/forms/



When is an agreement to terminate not valid?

An agreement to terminate the tenancy is not valid if:



- The tenant was required to sign the agreement at the time the tenancy was entered into or as a condition of the tenancy, unless the unit is owned, operated, or administrated by an educational institution;
- The tenant can prove that he/she was coerced into signing the agreement;
- It is 30 days or more after the termination date noted on the agreement to terminate, and the landlord has not filed an Application with the Board.



Notice by Tenant



Notice by Tenant to Terminate the Tenancy

A tenant is required to give the landlord written notice when he/she decides to vacate the rental unit.

The notice must be given in accordance with the provisions of the **Residential Tenancies Act**.





How much notice does the tenant have to give?

Section 44 of the RTA outlines the following notice requirement when a tenant gives notice to terminate a tenancy:

- At least 28 days notice for a daily or weekly tenancy; or
- At least 60 days notice for a monthly or fixed term tenancy (given prior to the end of their tenancy agreement).

Note: The termination date must either be the last day of the rental period (daily/weekly/monthly tenancy) or the last day of the term (fixed term tenancy).



Does the notice have to be in writing?

Subsection 43(1) states that where the Act permits a landlord or tenant to give a notice of termination, the notice shall be on a form approved by the Board and shall,

- Identify the rental unit for which the notice is given;
- State the date on which the tenancy is to terminate; and
- Be signed by the person giving the notice or the person's agent.

Note: Email or text is not a valid way to give notice.



Form N9 Tenant's Notice to Terminate the Tenancy

When a tenant decides to vacate the rental unit, the RTA requires that they give the landlord written notice.

 The form tenants are required to use to terminate their tenancy is called a Tenant's Notice to Terminate the Tenancy (form N9).



Form N9 is available at the Landlord and Tenant Board or on their website http://www.sjto.gov.on.ca/ltb/forms/



When is a notice by tenant void?

A notice by tenant is void if:

- The tenant was required to sign the notice at the time the tenancy was entered into or as a condition of the tenancy, unless the unit is owned, operated, or administrated by an educational institution.
- The tenant was coerced into signing the notice.
- It is more than 30 days after the termination date indicated on the notice.

Note: If the tenant fails to vacate the premises according to the notice, the landlord must file the L3- Application to Terminate a Tenancy by no later than 30 days after the termination date or the notice becomes void.



Notice by Landlord



Notice Requirements

When a landlord gives a notice of termination to a tenant for a reason allowed by the Act, the notice **must** be on a form approved by the Landlord and Tenant Board.



- If a tenant does not agree with the information in the notice, they do not have to move out of the unit.
 The landlord must apply to the Landlord and Tenant Board for an order allowing the eviction of the tenant.
- The tenant is entitled to dispute the landlord's application.



When does a notice of termination become void?

A notice of termination becomes void **30 days** after the termination date specified in the notice unless:

- The tenant vacates the rental unit before that time; or
- The landlord applies for an order terminating the tenancy and evicting the tenant before that time.



Exception: The N4 notice for failure to pay rent does not expire unless the tenant pays all the rent owing.



Landlord's Notice: Terminating a Tenancy Early



Early Termination

The Residential Tenancies Act permits a landlord to terminate a tenancy early for several reasons.

Most provisions for early termination of a tenancy provide the tenant the option of avoiding termination by correcting the problem within a specific time frame.



NOTE: If a tenant does not agree with what is in the notice, they do not have to move out of the unit. The landlord must apply to the Landlord and Tenant Board for an order allowing the eviction of the tenant.

Reasons a Landlord may Terminate Early...

A landlord may terminate a tenancy early for:

- Non-payment of rent,
- Undue damage,
- Interfering with reasonable enjoyment,
- Overcrowding,
- Impairing safety, and
- Illegal act.



Form N4 Notice to End a Tenancy Early for Non-payment of Rent

If a tenant fails to pay rent owing by the due date, a landlord may issue a Form N4 -Notice to End a Tenancy Early for Nonpayment of Rent.

Form N4 shall:

- provide a termination date of 7 days for a daily or weekly tenancy, or 14 days for all other types of tenancy agreements. After the notice is given;
- specify the amount of rent owing; and
- inform the tenant that the landlord can apply to the Board to evict the tenant, if they do not pay the rent or move by the termination date on the notice.



Form N5 Notice to Terminate a Tenancy Early

A landlord can use form N5 –Notice to Terminate a Tenancy Early for the following reasons:

- The tenant, the tenant's guest or another occupant of the rental unit
 - Wilfully or negligently damaged the rental unit or the residential complex.
 - Substantially interfered with the reasonable enjoyment of the residential complex by the landlord or other tenants, or interfered with another lawful right, privilege or interest of the landlord or other tenants.
- The number of people living in the rental unit is more than permitted by health, safety or property standards.



(continued)

Form N5 shall:

- provide a termination date of at least
 20 days after the notice is given;
- detail the reasons for termination (specific dates and times of all the events that occurred);
- inform the tenant that if they correct the problem(s) within 7 days of receiving this notice, the notice will be void and the tenant will not have to move out.

living in the rental unit is more than permitted by health, safety or

Notice to Terminate a Tenancy Early



Form N5 (continued) 2nd Breach Within 6 Months

If the first notice of termination-form N5 became void because the tenant corrected the problem set out in that notice within seven days of receiving it, and another breach occurs again within six months of the first N5 being issued, the landlord may serve a second N5.

The termination date for a second N5 must be at least 14 days after the notice is given. The tenant **does not** have an opportunity to correct the problem and void the notice.



Form N7 10 Day Notice to Terminate a Tenancy Early

Form N7 can be served for the following reasons:

- The tenant, their guest or another occupant of the rental unit has
 - seriously impaired the safety of another person, and this event occurred in the residential complex,
 - wilfully damaged the rental unit or the residential complex, and/or
 - used the rental unit or the residential complex in a manner inconsistent with its use as residential premises and this has caused or can be expected to cause serious damage.



Form N7 (continued)

You live in the same building as the tenant and the tenant, their guest or another occupant of the rental unit has substantially interfered with your reasonable enjoyment of the rental unit or has substantially interfered with another of your lawful rights, privileges or interests.

Note: This reason applies only if the building has **3 or fewer** residential units.





Form N7 (continued)

Form N7 shall:

- Provide a termination date of at least 10 days after the notice is given, and
- Detail the reasons for termination (specific dates and times of all the events that occurred).

The tenant **does not** have an opportunity to correct the problem and void the termination notice.





Wilful Damage

Only issue an N7 for wilful damage if you are sure and you can prove whether the person who caused the damage did so wilfully.

 If you cannot prove wilful damage, consider giving the tenant a Form N5 -Notice to Terminate a Tenancy Early instead. You can give the tenant a Form N5 if the person who caused the damage did so wilfully or negligently.





Notice to Terminate a Tenancy Early -- Illegal Act or Misrepresentation of Income

Form N6 may be served on a Tenant for the following reasons:

- 1) You believe that an illegal act has been committed by the tenant or another occupant in the rental unit, or that an illegal business is being run at the residential complex involving:
- The production of an illegal drug,
- The trafficking of an illegal drug, or
- Possession of an illegal drug for the purpose of trafficking
- Or that the tenant has permitted someone else to do so.



(continued)

- 2) You believe that the tenant or another occupant of the rental unit has committed an illegal act or is carrying on an illegal business, other than an illegal act or business described in reason #1 at the residential complex, or that the tenant has permitted someone else to do so.
- 3) The tenant lives in a rent-geared-to-income unit and have misrepresented their income or the income of their family members who live in the rental unit.*

 *This only applies to subsidized housing.



(continued)

The N6 notice must:

- Specify a termination date which depends on the reason for the notice:
 - Reason #1: Must have a termination date that is at least 10 days after the notice is given.
 - Reason #2 or Reason #3: Must have a termination date that is at least 20 days after the notice is given.
- Detail the reasons for termination (specific dates and times of all the events that occurred).

The tenant **does not** have an opportunity to correct the problem and void the termination notice.



Landlord's Notice: Terminating at the End of the Term or Rental Period



Termination at the End of the Term or Rental Period

The *Residential Tenancies Act* permits a landlord to terminate a tenancy at the end of the term or rental period for specific grounds including:



- Landlord's own use;
- Purchaser's own use;
- Demolition, conversion or repairs; or
- Persistent late payments.

Notice to Terminate a Tenancy at the End of the Term for Landlord's or Purchaser's Own Use

Form N12 can be served for the following reasons:



- You, a member of your immediate family or a person who provides or will provide care services to you or a member of your immediate family wants to move into the rental unit; or
- The purchaser, a member of the purchaser's immediate family or a person who provides or will provide care services to the purchaser or a member of the purchaser's immediate family wants to move into the rental unit.

Form N12 shall: (continued)

- Indicate who will be moving into the unit.
- Specify a termination date of at least **60 days** after the notice is given, the date must be the last day of the rental period, unless there is a fixed term tenancy. In this case, the termination date cannot be earlier than the last day of the term.

*For any N12 notice being served after September 1, 2017 the landlord must:

- Pay the tenant an amount equal to one month's rent by the termination date on the notice, OR
- Offer the tenant another rental unit that is acceptable

After receiving form N12, the tenant may decide to move out earlier by giving the landlord at least ten calendar days written notice.

Form N13

Notice to Terminate a Tenancy at the End of the Term for Conversion, Demolition or Repairs

Form N13 can be served for the following reasons:

- The landlord is converting the unit or complex to a non-residential unit,
- The landlord intends to demolish the residential unit or complex, or
- The landlord needs the unit to be vacated in order to perform extensive repairs that require vacant possession and a building permit.



Note: The Board will not issue an order terminating the tenancy and evicting the tenant unless you have obtained any necessary permits or other authorization.

Form N13

Form N13 shall:

(continued)

- Detail the reasons for termination (landlord should provide information about the work that they plan to do for the reason indicated).
- Specify a termination date of at least 120 days after the notice is given. This termination date must be the last day of the rental period, unless it is a fixed term tenancy. If the tenancy is fixed term, the termination date cannot be earlier than the last day of the fixed term.
- If compensation is being paid to the tenant, it must be paid on or before the termination date on the notice.

After receiving form N13, the tenant may decide to move out earlier by giving the landlord at least ten calendar days written notice.

Form N13

(continued)

If form **N13** is given to the tenant because a landlord intends to do repairs or renovations, the tenant is given the right of first refusal, and is able to move back into the unit once the repairs and renovations are complete.



- The tenant must give notice in writing of their intent to reoccupy the rental unit before they move out of the unit.
- Section 52 of the RTA requires the landlord to provide compensation to the tenant.



Form N8 Notice to Terminate a Tenancy at the End of a Term

Form N8 can be served for the following reasons:

- the tenant has been persistently late in paying rent;
- the tenant no longer qualifies to live in public or subsidized housing;
- the tenant was your employee and their employment has ended; or
- the tenancy was created in good faith as a result of an Agreement of Purchase and Sale for a proposed condominium unit and the agreement to purchase has been terminated.



Form N8 (continued)

Form N8 shall:

- Specify a termination date,
 - For a weekly or daily tenancy, must be at least 28 days after the date that you give the tenant this notice. Also, the date must be on the last day of the rental period.
 - For any other type of tenancy the termination date must be at least 60 days after the date that you give the tenant the notice and must be the last day of the rental period or, if the tenancy is for a fixed term, the last day of the fixed term.



Detail the reason for termination.



Other Reasons for Termination

The *Residential Tenancies Act* provides for the termination of an unauthorized occupant and the termination of an overholding subtenant.

Unauthorized occupant

A landlord may apply to the Landlord and Tenant Board for an eviction order if the tenant transferred the tenancy to another person without complying with the procedure for assigning or subletting established by the *Residential Tenancies Act*. The landlord may apply for an order evicting the unauthorized person **no later than 60 days** after the landlord discovers the unauthorized occupancy using **Form A2**.



Other Reasons for Termination

(continued)

Overholding subtenant

Where the premises have been sublet and the subtenant continues to occupy the rental unit after the end of the subtenancy, the landlord or the tenant



may apply to the Landlord and Tenant Board, within 60 days after the end of the subtenancy, for an order evicting the subtenant using Form A2.



Important Things to Remember...

- It is important to correctly serve a notice, for more information please refer to our Sound Advice Podcast for Landlords: Serving Documents to Tenants, at http://www.landlordselfhelp.com/sound advice/scripts/ serving documents.htm
- Each form contains important information that landlords should read over carefully. This information will assist with the proper completion of each form.



ENDING A TENANCY: Who, Why When, and How

At this Town Hall Meeting we have discussed:

- ✓ WHO may end a tenancy the landlord, the tenant or both by mutual agreement;
- ✓ WHY a landlord terminate a tenancy the accepted grounds or reasons established by the RTA for termination;
- ✓ WHEN a tenancy may be terminated whether it is notice from a tenant or landlord, there are rules respecting time periods for notice and, in some cases, opportunities to correct the problem to avoid termination;
- ✓ HOW to end a tenancy included details on the importance of using the prescribed form whether given by the landlord or by the tenant.



Resources Ending a Tenancy

Landlord's Self-Help Centre

- FAQs Index of Q and A`s
 https://landlordselfhelp.com/frequently-asked-questions/?faq-category=ending-a-tenancy
- RTA FactSheets: Ending a Tenancy Agreement <u>https://landlordselfhelp.com/media/2017-Ending-a-Tenancy.pdf</u>

e-laws

Search Residential Tenancies Act, 2006 - www.e-laws.on.ca



Resources Ending a Tenancy

Landlord and Tenant Board

- How a Landlord can End a Tenancy
 http://www.sjto.gov.on.ca/documents/ltb/Brochures/How%20a%20
 Landlord%20Can%20End%20a%20Tenancy%20(EN).pdf
- A Guide to the Residential Tenancies Act http://www.sjto.gov.on.ca/documents/ltb/Brochures/Guide%20to%
 20RTA%20(English).html
- Interpretation Guidelines
 http://www.sjto.gov.on.ca/ltb/rules-practice-directions-guidelines/





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