Residential Tenancies

General Information

The Residential Tenancies Branch

The Manitoba Residential Tenancies Branch (RTB) is a government body that provides information to both tenants and landlords on their rights and obligations within the rental relationship. The RTB also investigates issues between tenants and landlords, such as dangerous living conditions or failure to pay rent, and can hold hearings to make decisions on certain issues. The RTB does not deal with disputes between people living in shared accommodations (such as roommates).

Most issues that arise between tenants and landlords are under the jurisdiction of the RTB, which means complaints generally must go through the RTB. The RTB's authority comes from <u>The Residential Tenancies Act</u>, a Manitoba statute. Other Manitoba laws, such as <u>The Human Rights Code</u> and <u>The Accessibility for Manitobans Act</u> also apply to most residential tenancies.

Jurisdiction

The Residential Tenancies Act does <u>not</u> apply to:

- Temporary accommodations, like hotels, motels, seasonal vacation homes, and shelters for people in need;
- Housing co-operatives (although in some situations, parts of the *Act* may apply);
- Jails or prisons;
- In-patient therapeutic or rehabilitative care centres;
- Hospitals and hospices;
- Living accommodations provided by educational institutions;
- Living accommodations provided by religious institutions and occupied solely by clergy or employees of a religious order, or occupied solely for religious instruction purposes;
- Business or agricultural premises with an attached living accommodation, as long as the person staying there is doing so for business or agricultural purposes.

The *Act* applies to most rental units and residential complexes in Manitoba, including apartments, condominiums, and houses. However, there are certain other exemptions, including the following:

- Some types of housing set out in the *Act*'s regulations are exempt from the usual rent regulations, including
 - Rental units owned or administered by the Government of Canada or Government of Manitoba
 - o Rental units in a low-rental housing project
 - o Rental units owned by a non-profit corporation
- Some housing situations are exempt from anti-discrimination provisions of *The Human Rights Code*, including:
 - o A boarding/rooming situation in a private residence

- o A duplex, where the owner of the duplex also lives in one of the units
- Residential premises with only one or two dwelling units are not required to follow accessibility standards set out in *The Accessibility for Manitobans Act*.

Tenancy Agreements

A tenancy agreement is an agreement between a tenant (renter) and landlord (property owner) outlining the details of the rental arrangement. Some common terms of a tenancy agreement include:

- Whether the tenancy is for a fixed term (usually one year) or month-to-month;
- Who will be living in the rental unit, including all **tenants** (people who are entering into the agreement) and **occupants** (people who are allowed to live in the unit, but are not part of the agreement—for example, children of a tenant);
- The amount of rent to be paid, and when the rent is due;
- The consequences for not paying rent by a certain date (e.g., late fees, eviction);
- Whether anything else is included with the rent (e.g., electricity, water, cable).

Tenancy agreements can also lay out house rules, as long as these are reasonable. Examples of house rules might include a no pets policy, rules about decorations on doors or balconies, and rules about parking. Some house rules may be subject to other laws—for example, decorations must comply with the building's safety regulations, and no pets policies must be able to accommodate service animals for people with disabilities.

A tenancy agreement is usually in writing, but can also be valid if it is verbal or even implied. Tenancy agreements are often for a fixed term (usually one year), but can also be ongoing on a month-to-month basis.

Rent Increases

Landlords are allowed to increase rent, but they cannot increase rent more than once in a 12-month period, and they must give the tenant **3 months' notice** of the change in rent. For these reasons, notices of rent increases are usually attached to tenancy agreement renewals.

Rent increases must comply with the <u>Rent Regulations</u> found in *The Residential Tenancies Act*. There is a maximum amount a landlord can increase rent at a time, determined by a formula found in the Rent Regulations. A landlord can apply to increase rent above the maximum amount, but a tenant can object to that application (in a process set out in the *Act*). Some reasons for objecting include that the landlord is not maintaining the rental property or that the landlord's costs have not increased enough to justify the rent increase.

If the tenant is receiving a rent discount, a landlord must also provide **3 months' notice** before removing the discount.

Late Fees

A landlord can charge fees for late rent payments, but the late fee policy needs to be provided to the tenant in writing. Current rules state that a landlord can charge \$10 for the first late day and \$2 for each additional day, **to a maximum of \$100**.

If a tenant is late with rent **three or more times** in the rental term or the past 12-month period, they are considered to be **habitually late**. This would allow a landlord to continue with an eviction even if the tenant later pays the amount owing.

Obligations of Landlords and Tenants

Landlords must keep their rental properties in a liveable condition for tenants. This includes:

- Repairing damages to the unit, unless the tenant was the one who caused the damages. If a tenant has outstanding rent payments, the landlord is not obligated to make the repairs until the rent is paid. If a landlord is not making repairs, the tenant can submit a repair request form to the landlord and the RTB, which will give the landlord a timeline to make the repair. If the landlord still does not make the repair, the RTB can redirect the tenant's rent directly to the RTB to pay for the repair.
- Access to areas of the property. A landlord must give each tenant a key to each lock in their rental unit, mailbox, and any other areas of the property the tenant has the right to access (e.g., laundry room). If tenants lock themselves out, they should contact the landlord to be let in or have a new key made. If the landlord wrongfully locks the tenant out, the tenant should contact the Lock Out Officer at the RTB.
- **Pest control**. Mice, cockroaches, bedbugs, and other pests can be a health risk, so landlords must keep infestations under control. Tenants also have an obligation to cooperate with landlords who are dealing with an infestation—for example, by taking the appropriate steps to prepare their unit for an exterminator.
- **Obeying heating, water, and electricity requirements**. Rental units must have a supply of electricity, water, and heat available for tenants. This does not mean the landlord has to pay for these utilities (those details would be contained in the tenancy agreement), it just means the rental unit must have the appropriate hookups for water, electricity, etc. In Winnipeg, city by-laws state that a rental unit must be able to maintain a heat of 21° C between 7 AM 11 PM, and 18.3° C between 11 PM 7 AM.
- Obeying safety requirements. Rental units must have a functioning smoke detector, and there must be the appropriate number of fire extinguishers, fire exits, etc. as required by law. Tenants also have an obligation to allow inspectors into their unit to perform yearly inspections to ensure all smoke detectors are working.
- Respecting tenant privacy. A landlord generally cannot enter a rental unit without providing at least 24 hours' notice to the tenant. If there will be ongoing work done in the unit, the landlord can provide multiple dates and times in advance. A landlord can enter a unit without giving 24 hours' advance notice if there is an emergency in the unit. If the tenancy agreement is not renewed, the landlord can also enter to show the unit to potential tenants, but notice must be given and the showings must take place at reasonable times.

Tenants also have obligations, including:

- Paying rent in full and on time
- Obeying all reasonable house rules as set out in the tenancy agreement
- Repairing any damages to the unit they have caused
- Being respectful of other renters on the premises

Tenancy Agreement Renewals

If an agreement is written and for a fixed term, the landlord must offer the tenant the option to renew at least **3 months** before the agreement ends. If the tenant wants to renew the agreement, they must sign the new agreement and return it to the landlord at least **2 months** before the original agreement ends. If they do not do this, the tenancy agreement will end on its original date.

If a landlord does not give an offer to renew, the tenant can automatically renew the agreement by continuing to live in the rental unit past the agreement date. The new agreement will be for the same terms as the old one, for the same period set out in the original agreement (or 12 months, whichever is less). For example, if a tenant has an agreement to live in a rental unit from August 1, 2021 to July 31, 2022 and the landlord does not provide an offer to renew the agreement, the tenant can remain in the unit under a new implied agreement from August 1, 2022 to July 31, 2023.

Ending a Tenancy Agreement

A tenancy agreement can end when it **expires** (reaches the end of the agreement period), when the tenant is **evicted**, or the tenant decides to **assign** their agreement to someone else.

A tenant on a **month-to-month tenancy agreement** can end their tenancy by providing at least **one month's notice** to the landlord. If a landlord wants to end a month-to-month agreement, the amount of notice they must give the tenant depends on the rental vacancy rate in the area.

Tenants in **fixed term tenancy agreements** can also end their agreements without giving the normal amount of notice under certain circumstances, including:

Situation	Notice Required	Other Information	
Tenant is accepted into a	One month	_	
Personal Care Home	One monu	-	
Tenant can no longer live	One month	Note from physician required	
independently	One monu		
Tenant can no longer access		The accessibility issues must be the result	
their unit or other parts of	One month	of a deterioration or permanent change in	
the residential complex		health	
Tenant is the victim of		Certificate from Victim Services required	
domestic or sexual violence	One month	to show there are grounds for ending the	
or stalking		agreement early	

Tenant dies	One month	A personal representative of the tenant can give notice to the landlord
Rental unit has an issue that poses a health/safety risk	Five days	Evidence is required of the safety/health issue, usually from another agency
Rental unit is uninhabitable	Immediately	-

Subletting & Assignment

A tenant on a fixed term agreement may decide to move before their agreement ends, but unless other arrangements are made they are still responsible for following the terms of their tenancy agreement (including paying rent) until the agreement expires.

However, a tenant has a couple of options if they want to avoid paying rent for a rental unit they will not actually be staying in: they can **sublet** the unit, or **assign** the lease. (Both options are commonly called subletting, but there is an important difference between the two.)

Subletting is when a tenant plans to **temporarily leave** their rental unit, but they plan to return. For example, if a tenant is a student who has a summer job out of town, they can find someone to take over their rental unit just for the summer The tenant must have the landlord's permission to sublet, and the subletter may have to apply and provide references. The landlord cannot unreasonably prevent the sublet. The tenant will still be responsible for paying rent to the landlord, and will also be responsible for collecting rent from the subletter. The tenant cannot charge the subletter a higher rent than they pay the landlord.

Assignment is when a tenant plans to move and does not intend to return to the rental unit. When the tenant makes an assignment to another person, that other person takes over the tenant's rental agreement. An assignee will need to fill out an application, and may need to provide a security deposit and references. If the application is accepted, the old tenancy agreement will end early on the agreed-upon date, and from that date forward the assignee will be the new tenant. The old tenant will have to go through an outgoing condition report at this time, and their security deposit will be refunded (minus any costs of repairs or cleaning). Because the new tenant is taking over a tenancy agreement, they are entitled to the same terms and the same rent amount the old tenant was paying, until the end date of the original agreement.

A landlord is allowed to charge a tenant a fee of up to \$75 for sublets and assignments.

Eviction

Eviction is when a landlord forces the tenant to move out of the rental unit before the tenancy agreement has ended. A landlord can evict a tenant for cause, meaning the tenant has done something wrong causing them to be evicted, or for certain other reasons. Acceptable reasons to evict **with cause** include:

- **Failure to pay rent**. If a tenant has not paid their rent for three days after the rent is due, the landlord can give the tenant notice to move out on the 5th day of the rental period. The notice must include:
 - the tenant's address,

- the reason the tenant has to move,
- the amount owing (late fees can be included in this amount),
- the date by which the tenant must move out,
- a statement saying the tenant can dispute the eviction notice, and
- a statement saying that if the tenant pays the full amount owing, they do not have to move unless the landlord confirms, in writing, that the notice is still in effect.

If the tenant has been habitually late with rent payments, the landlord can still evict them even if they pay the full amount owing, but the landlord must immediately provide written notice of this to the tenant. The move out date a landlord gives can be as little as 24 hours after the notice is given.

• Failure to follow house rules. If a tenant does not follow the rules set out in the tenancy agreement, or rules under *The Residential Tenancies Act*, a landlord can take steps toward eviction. Usually the landlord must give the tenant a warning letter first, so the tenant has a chance to correct their behaviour. If the behaviour continues, the landlord can give the tenant a notice to move. If the problem is very serious, for example, the tenant's behaviour is putting other tenants' safety at risk, the tenant could receive as little as five days' notice to move out.

If a tenant does not move out by the date the landlord has given, the landlord can file an **Application for Order of Possession**, which will lead to a hearing at the RTB.

A landlord can also end a tenancy **without cause** for the following reasons:

- They want the unit for their own use. If the landlord wants to use the tenant's unit for themself, their spouse, or an immediate family member, they can give the tenant notice to move.
- They plan to extensively renovate or change the use of the rental unit. If, within the next six months, the landlord plans to demolish the unit, turn the unit into something else, or do such extensive renovations that the tenant could not live there at the same time, the landlord can give the tenant notice to move.
- They have sold the property and the new owner wants to use the unit. If the property has been sold and the new owner wants the rental unit for themselves, their spouse, or a member of their immediate family, the landlord can give the tenant notice to move.

If a landlord evicts a tenant because **they want the unit for themselves**, or they are **planning to renovate/demolish/change the use**, the amount of notice they must give depends on the vacancy rates in the area:

Vacancy Rate	Period of Notice Required
Less than 2%	5 months
2.2% - 2.9%	4 months
3% or more	3 months

If a landlord evicts a tenant because they have **sold the property**, the notice they must give depends on both the vacancy rate in the area and whether there is an end date specified in the tenancy agreement:

Tenancy Agreement end date	Vacancy Rate	Period of Notice Required
No specified end date	3% or higher	1 month
No specified end date	Less than 3%	3 months
Specified end date	-	3 months

The most recent vacancy rates can be found on the RTB's website.

If the tenant has a school age child who goes to school near the rental unit, they are entitled to stay in the rental unit until the end of the school year, even if the notice to move says they must move sooner than that. Tenants may also be able to claim up to \$500 in moving costs, if evicted without cause for one of the above reasons.

If a tenant leaves behind property when they leave the rental unit, the landlord must decide if the property has monetary value. If it does, the landlord must complete an Inventory of Tenant's Abandoned Property form and send it to the RTB and the tenant. The landlord must store the tenant's property safely for **60 days**. After this period. The landlord can auction off the property. The proceeds will either go to the landlord (if the tenant owed the landlord money) or directly to the RTB. If the property is not worth the cost of storage and sale, the landlord can simply dispose of it.

Mediation, Hearings, and Appeals

When landlords and tenants get into disputes, they can enter into mediation or go through a hearing process with the RTB.

Mediation

Mediation is a voluntary process where parties can try to resolve disputes by coming to an arrangement that is satisfactory for both parties. In mediation, a third party called a mediator will guide the parties toward an agreement, without taking either party's side. The RTB suggests that landlords and tenants who are involved in disputes try mediation first. Mediation is faster than a hearing, and the mediation process is also confidential, so it does not become a part of the public record.

When disputes are mediated through the RTB, the decisions that are reached are final, meaning they cannot be changed unless there was an error in the mediation process itself. The decisions are also binding and enforceable, which means that both parties must follow the agreement. If one of the parties does not, the other party can act against the other without a hearing. For example, if a tenant does not follow the conditions of a mediation agreement, a landlord could file for an immediate Order of Possession for the rental unit, and the tenant would not be able to contest the order at a hearing.

Hearings

A hearing is a more formal process where both disputing parties will provide evidence to a hearing officer. The hearing officer will decide based on the evidence and *The Residential Tenancies Act*. Hearings are a matter of public record, so the final decision of a hearing can be used as a reference for a tenant's future landlords or employers. Either party can bring an application for a hearing.

In a hearing for an eviction proceeding, the officer will hear from the landlord and collect their evidence first, then do the same for the tenant. Both parties can call witnesses to give testimony. The landlord and tenant will each also have an opportunity to respond to the other's evidence. The hearing officer may ask questions to clarify the evidence of either party. Both parties are usually also given an opportunity for a closing statement, to summarize their evidence. At this point the hearing will close, and the hearing officer will give a decision within 2 working days.

If an Order for Possession is granted after an eviction hearing, the tenant has **7 days** to either move out or to appeal the hearing decision. Similarly, if the Order for Possession is not granted, the landlord has **7 days** to appeal the decision.

Hearings may also be held for matters other than evictions, such as hearings to decide responsibilities, rights, and whether the *Act* applies to a situation. In a **Claim for Compensation**, one party can seek money from the other. Some examples would include a landlord claiming a tenant damaged property, or a tenant claiming that a landlord did not repair damages in their unit, or took an unreasonably long time making the repairs. For these types of claims, the party bringing the claim is the party that will present their evidence first at the hearing.

To succeed with a Claim for Compensation, a party must show that they suffered a financial loss, that their loss occurred during a tenancy, and that the other party is responsible for the loss.

Appeals

After receiving a decision from the RTB hearing officer, if either party is unhappy with the decision, they can choose to appeal. Appeals from RTB hearing decisions are made to a different body, the **Residential Tenancies Commission**. To start an appeal, the party will have to file a **Notice of Appeal** along with a copy of the order that is being appealed. There is a fee for filing a Notice of Appeal, but this can be waived in some circumstances, for example if the person filing is on income assistance. The person filing the Notice of Appeal is responsible for also filing a copy with the RTB and giving a copy to the opposing party.

The original decision from the RTB will be put on hold until the Commission can hear the appeal. The Commission will send each party a **Notice of Hearing**, which clearly outlines what each party needs to do in order to file their evidence. Appeals at the Residential Tenancies Commission are new hearings, which means that each party will need to provide all their evidence again. The RTB does not forward any evidence from the original hearing to the Commission.

The Residential Tenancies Commission usually requires people giving testimony to attend the appeal hearing in person. This means written statements may not be accepted. The Commission also has the power to issue a **subpoena**, which is a legal document that can require a person to attend the hearing to testify. Disobeying a subpoena can lead to a warrant for arrest and criminal charge. The appeal process also allows for **cross-examination** of witnesses.

Decisions by the Residential Tenancies Commission are usually made within 30 days. If the matter on appeal is an Order of Possession, the Commission will usually make their decision the same day as the hearing, but their written decision, including their reasons for the decision, may not come out until a later date.

Decisions made by the Residential Tenancies Commission are final and cannot be appealed to any court.